

FOREIGN
RELATIONS
OF THE
UNITED
STATES

1981–1988

VOLUME I

FOUNDATIONS OF
FOREIGN POLICY



DEPARTMENT
OF
STATE

Washington



Foreign Relations of the
United States, 1981–1988

Volume I

Foundations of
Foreign Policy

Editor Kristin L. Ahlberg
General Editor Kathleen B. Rasmussen

United States Government Publishing Office
Washington
2022

DEPARTMENT OF STATE

OFFICE OF THE HISTORIAN

FOREIGN SERVICE INSTITUTE

For sale by the Superintendent of Documents, U.S. Government Publishing Office
Internet: bookstore.gpo.gov Phone: toll free (866) 512-1800; DC area (202) 512-1800
Fax: (202) 512-2250 Mail: Stop IDCC, Washington, DC 20402-0001

About the Series

The *Foreign Relations of the United States* series presents the official documentary historical record of major foreign policy decisions and significant diplomatic activity of the U.S. Government. The Historian of the Department of State is charged with the responsibility for the preparation of the *Foreign Relations* series. The staff of the Office of the Historian, Foreign Service Institute, under the direction of the General Editor of the *Foreign Relations* series, plans, researches, compiles, and edits the volumes in the series. Secretary of State Frank B. Kellogg first promulgated official regulations codifying specific standards for the selection and editing of documents for the series on March 26, 1925. These regulations, with minor modifications, guided the series through 1991.

Public Law 102-138, the Foreign Relations Authorization Act, established a new statutory charter for the preparation of the series, which was signed by President George H.W. Bush on October 28, 1991. Section 198 of P.L. 102-138 added a new Title IV to the Department of State's Basic Authorities Act of 1956 (22 U.S.C. 4351, et seq.).

The statute requires that the *Foreign Relations* series be a thorough, accurate, and reliable record of major U.S. foreign policy decisions and significant U.S. diplomatic activity. The volumes of the series should include all records needed to provide comprehensive documentation of major foreign policy decisions and actions of the U.S. Government. The statute also confirms the editing principles established by Secretary Kellogg: the *Foreign Relations* series is guided by the principles of historical objectivity and accuracy; records should not be altered or deletions made without indicating in the published text that a deletion has been made; the published record should omit no facts that were of major importance in reaching a decision; and nothing should be omitted for the purposes of concealing a defect in policy. The statute also requires that the *Foreign Relations* series be published not more than 30 years after the events recorded. The editors are convinced that this volume meets all regulatory, statutory, and scholarly standards of selection and editing.

Sources for the Foreign Relations Series

The *Foreign Relations* statute requires that the published record in the *Foreign Relations* series include all records needed to provide comprehensive documentation of major U.S. foreign policy decisions and

significant U.S. diplomatic activity. It further requires that government agencies, departments, and other entities of the U.S. Government engaged in foreign policy formulation, execution, or support cooperate with the Department of State historians by providing full and complete access to records pertinent to foreign policy decisions and actions and by providing copies of selected records. Most of the sources consulted in the preparation of this volume have been declassified and are available for review at the National Archives and Records Administration.

The editors of the *Foreign Relations* series have complete access to all the retired records and papers of the Department of State: the central files of the Department; the special decentralized files ("lot files") of the Department at the bureau, office, and division levels; the files of the Department's Executive Secretariat, which contain the records of international conferences and high-level official visits, correspondence with foreign leaders by the President and Secretary of State, and the memoranda of conversations between the President and the Secretary of State and foreign officials; and the files of overseas diplomatic posts. All of the Department's central files for 1981–1989, which were stored in electronic and microfilm formats, will eventually be transferred to the National Archives. Once these files are declassified and processed, they will be accessible. All of the Department's decentralized office files from this period that the National Archives deems worthy of permanent preservation will also eventually be transferred to the National Archives where they will be available for use after declassification and processing.

Research for *Foreign Relations* volumes is undertaken through special access to restricted documents at the Ronald Reagan Presidential Library and other agencies. While all the material printed in this volume has been declassified, some of it is extracted from still-classified documents. The staff of the Reagan Library is processing and declassifying many of the documents used in this volume, but they may not be available in their entirety at the time of publication. Presidential papers maintained and preserved at the Reagan Library include some of the most significant foreign-affairs related documentation from White House offices, the Department of State, and other federal agencies including the National Security Council, the Central Intelligence Agency, the Department of Defense, and the Joint Chiefs of Staff.

Some of the research for volumes in this subseries was done in Reagan Library record collections scanned for the Remote Archives Capture (RAC) project. This project, which is administered by the National Archives and Records Administration's Office of Presidential Libraries, was designed to coordinate the declassification of still classified records held in various Presidential libraries. Throughout the course

of the project, many, but not all records at each Presidential library were scanned. As a result of the way in which records were scanned for the RAC, the editors of the *Foreign Relations* series were not always able to determine whether attachments to a given document were in fact attached to the paper copy of the document in the Reagan Library file. In such cases, some editors of the *Foreign Relations* series have indicated this ambiguity by stating that the attachments were "Not found attached."

Editorial Methodology

The documents are presented chronologically according to time in Washington DC. Memoranda of conversation are placed according to the time and date of the conversation, rather than the date the memorandum was drafted.

Editorial treatment of the documents published in the *Foreign Relations* series follows Office style guidelines, supplemented by guidance from the General Editor and the Chiefs of the Declassification and Publishing Divisions. The original document is reproduced as exactly as possible, including marginalia or other notations, which are described in the footnotes. Texts are transcribed and printed according to accepted conventions for the publication of historical documents within the limitations of modern typography. A heading has been supplied by the editors for each document included in this volume. Spelling, capitalization, and punctuation are retained as found in the original text, except that obvious typographical errors are silently corrected. Other mistakes and omissions in the documents are corrected by bracketed insertions: a correction is set in italic type; an addition in roman type. Words or phrases underlined in the original document are printed in italics. Abbreviations and contractions are preserved as found in the original text, and a list of abbreviations and terms is included in the front matter of each volume. In telegrams, the telegram number (including special designations such as Secto) is printed at the start of the text of the telegram.

Bracketed insertions are also used to indicate omitted text that deals with an unrelated subject (in roman type) or that remains classified after declassification review (in italic type). The amount and, where possible, the nature of the material not declassified has been noted by indicating the number of lines or pages of text that were omitted. Entire documents withheld after declassification review have been accounted for and are listed in their chronological place with headings, source notes, and number of pages not declassified.

All brackets that appear in the original text are so identified in footnotes. All ellipses are in the original documents.

The first footnote to each document indicates the source of the document and its original classification, distribution, and drafting

information. This note also provides the background of important documents and policies and indicates whether the President or his major policy advisers read the document.

Editorial notes and additional annotation summarize pertinent material not printed in the volume, indicate the location of additional documentary sources, provide references to important related documents printed in other volumes, describe key events, and provide summaries of and citations to public statements that supplement and elucidate the printed documents. Information derived from memoirs and other first-hand accounts has been used when appropriate to supplement or explicate the official record.

The numbers in the index refer to document numbers rather than to page numbers.

Advisory Committee on Historical Diplomatic Documentation

The Advisory Committee on Historical Diplomatic Documentation, established under the *Foreign Relations* statute, monitors the overall compilation and editorial process of the series and advises on all aspects of the preparation of the series and declassification of records. The Advisory Committee does not necessarily review the contents of individual volumes in the series, but it makes recommendations on issues that come to its attention and reviews volumes as it deems necessary to fulfill its advisory and statutory obligations.

Declassification Review

The Office of Information Programs and Services, Bureau of Administration, conducted the declassification review for the Department of State of the documents published in this volume. The review was conducted in accordance with the standards set forth in Executive Order 13526 on Classified National Security Information and applicable laws.

The principle guiding declassification review is to release all information, subject only to the current requirements of national security as embodied in law and regulation. Declassification decisions entailed concurrence of the appropriate geographic and functional bureaus in the Department of State, other concerned agencies of the U.S. Government, and the appropriate foreign governments regarding specific documents of those governments. The declassification review of this volume, which began in 2018 and was completed in 2022, resulted in the decision to withhold 0 documents in full, excise a paragraph or more in 0 documents, and make minor excisions of less than a paragraph in 3 documents.

The Office of the Historian is confident, on the basis of the research conducted in preparing this volume and as a result of the declassification review process described above, that the documentation and editorial notes presented here provide a thorough, accurate, and reliable record of the intellectual foundations of the Reagan administration.

Adam M. Howard, Ph.D.

The Historian

Kathleen B. Rasmussen, Ph.D.

General Editor

Foreign Service Institute

September 2022

Preface

Structure and Scope of the Foreign Relations Series

This volume is part of a subseries of volumes of the *Foreign Relations* series that documents the most important issues in the foreign policy of the administration of Ronald Reagan. The subseries will present a documentary record of major foreign policy decisions and actions of President Reagan's administration. This volume documents the intellectual assumptions and themes underlying the foreign policy decisions made by the administration.

Focus of Research and Principles of Selection for Foreign Relations, 1981–1988, Volume I

The purpose of this volume is to document the intellectual foundations of the foreign policy of the Reagan administration. This volume explores the collective mindset of Reagan administration officials on foreign policy issues rather than documenting significant foreign policy decisions or diplomatic exchanges. The compilation takes as its canvas the entire eight-year record of the Reagan administration. The documents selected, therefore, are necessarily a sampling chosen to illustrate policy perspectives and themes rather than a thorough record of a bilateral relationship or of a major issue. Similar to *Foreign Relations, 1969–1976, Volume I, Foundations of Foreign Policy, 1969–1972*; *Foreign Relations, 1969–1976, Volume XXXVIII, Part 1, Foundations of Foreign Policy, 1973–1976*; and *Foreign Relations, 1977–1980, Volume I, Foundations of Foreign Policy*, this volume draws upon the published record of speeches, press releases, press conferences and background briefings, interviews, and testimony before Congressional committees in addition to the internal memoranda, correspondence, meeting minutes, and other records generated by administration officials, to document the positions and the assumptions of foreign policy makers. The editor of this volume sought to present a representative selection of documents chosen to elucidate the primary intellectual themes that ran through and influenced Reagan's foreign policy, including the desire to "reset" U.S. foreign policy following the war in Vietnam, Watergate scandal, and Iran hostage crisis; the emphasis on recreating a world structure hospitable to U.S. values; the necessity of developing an "activist" foreign policy characterized by bipartisanship; and the development of a U.S.-Soviet relationship based on restraint and reciprocity, among other objectives. The documents selected focus on the perspectives of the primary forces behind U.S. foreign policy during the Reagan years: President Reagan and Vice President George H.W. Bush; Secretaries of State Alexander Haig and

George Shultz; and President's Assistants for National Security Affairs Richard Allen, William Clark, Robert McFarlane, John Poindexter, Frank Carlucci, and Colin Powell; as well as Secretary of Defense Caspar Weinberger and U.S. Permanent Representative to the United Nations Jeane Kirkpatrick. The volume also includes documentation reflecting the views of influential officials within the Department of State and National Security Council staff.

Acknowledgements

The editor wishes to acknowledge the assistance of Mike Duggan, Lisa Magana, Ira Pemstein, and Cate Sewell of the Ronald Reagan Presidential Library and Jeff Flannery and Ernest Emrich of the Library of Congress. Special access was granted to the Haig Papers at the Library of Congress with the kind permission of the Estate of Secretary Haig. Thanks are also due to the Central Intelligence Agency for arranging access to the Reagan Library materials scanned for the Remote Archives Capture (RAC) project and to John Kirkpatrick, who granted permission on the behalf of the Estate of Jeane Kirkpatrick to reprint excerpts of her article in *Commentary*.

The editor also wishes to thank Forrest Barnum, Sara Berndt, Josh Botts, Elizabeth Charles, David Geyer, Charles Hawley, Laura Kolar, Paul Pitman, Alexander Poster, Kathleen Rasmussen, Seth Rotramel, Daniel Rubin, Nathaniel Smith, Melissa Jane Taylor, Chris Tudda, Alexander Wieland, James Wilson, and Louise Woodroofe of the Office of the Historian for recommending documents for inclusion in the volume.

The editor conducted the research for this volume and selected and annotated the documentation under the direction of The Historian Adam M. Howard, then-General Editor of the *Foreign Relations* series. General Editor Kathleen B. Rasmussen, then-Chief of the Global Issues and General Division, reviewed the volume. Chris Tudda coordinated the declassification review under the supervision of the Chief of the Declassification Division Carl Ashley. Kerry Hite did the copy and technical editing under the supervision of the Chief of the Editing and Publishing Division Mandy A. Chalou.

Kristin L. Ahlberg, Ph.D.
Historian

Contents

About the Series	III
Preface	IX
Sources	XIII
Abbreviations and Terms	XXI
Persons	XXXIII
Foundations of Foreign Policy, 1975–1980	1
Foundations of Foreign Policy, 1981	73
Foundations of Foreign Policy, 1982	293
Foundations of Foreign Policy, 1983	500
Foundations of Foreign Policy, 1984	747
Foundations of Foreign Policy, 1985	970
Foundations of Foreign Policy, 1986	1139
Foundations of Foreign Policy, 1987	1252
Foundations of Foreign Policy, 1988	1450
Appendix	1561

Sources

Source for Foreign Relations, 1981–1988, Volume I, Foundations of Foreign Policy

Much of the documentation included in this volume was drawn from public sources. Speeches and policy statements were garnered from a number of published sources, most importantly the *Public Papers of the Presidents of the United States* and the *Department of State Bulletin*. *Congressional Record*, *Documents on Disarmament*, and *Weekly Compilation of Presidential Documents* were also consulted, as were numerous Congressional reports.

The declassified or open files at the Ronald Reagan Presidential Library also contain documentation on Reagan's public statements from both the pre-Presidential and Presidential years. A very useful source of information for the pre-Presidential period is the White House Office of Speechwriting, Research Office Files, especially Series IV, the 1980 Campaign File, which contains the statements and speeches made by Reagan and his Vice Presidential running mate, George H.W. Bush, during the course of the 1980 campaign. The collection also contains speeches from Reagan's earlier Presidential run in 1975–1976. Series I of the collection, Speeches, 1981–1989, contains various drafts of Reagan's speeches, including many with the President's handwritten notations. In addition, the White House Office of Records Management (WHORM) Subject File includes a speech file (SP) category, which similarly contains speech drafts and associated briefing materials. The 1980 Transition Papers collection yielded documentation on the incoming Reagan administration's preparation for the Presidential transition.

Among the classified sources consulted, the most useful were found in the Presidential Papers and other White House records maintained by the Reagan Library. A number of collections from the White House Staff and Office Files are relevant to research in this area. Within this collection, the files of Norman Bailey, Paula Dobriansky, Donald Fortier, David Gergen, and Robert McFarlane proved especially useful. In addition, the Executive Secretariat collections, especially the Subject File, yielded much information regarding the Reagan administration's forward planning during both the first and second administrations. Separate from the White House Staff and Office Files, the donated papers of Secretary of State George P. Shultz contain copies of incoming and outgoing memoranda, briefing books, and talking points for Shultz's meetings with the President and other foreign policy principals.

Of the lot files of the Department of State, the most useful for the purposes of this compilation were the Policy Planning Staff (S/P) Files. The Director's Files (Lot 89D149) contain the memoranda and correspondence from Directors Paul Wolfowitz, Stephen Bosworth, Peter Rodman, and Richard Solomon to Secretaries of State Alexander Haig and George Shultz and other Department principals. This chronological collection is especially useful, as it also includes memoranda concerning the administration's various forward planning exercises and documentation regarding proposed speeches by Haig and Shultz. Another useful lot file is the Executive Secretariat file containing Haig's memoranda of conversation (Lot 87D327). The Central Foreign Policy File of the Department of State, consisting of D, P, and N microfilm reels, replaced the pre-1973 paper subject-numeric file. The D and N reels contain the cable traffic between Washington and diplomatic and consular posts abroad and, for the purposes of this particular volume, provide additional background information concerning key concepts and events. The P reels consist of microfilmed versions of memoranda of conversation, letters, briefing papers, airgrams, and memoranda to principals. The National Archives and Records Administration facility in College Park, Maryland, will eventually include these collections as part of Record Group 59 (RG 59).

The personal papers of Secretary of State Haig, located at the Library of Congress, contain many key documents illuminating Haig's world view. In addition, the Library holds the personal papers of Donald Regan, which describe the forward planning process at the mid-point of the administration, as well as the administration's efforts to manage Executive-Legislative relations.

In addition to the paper files cited below, a growing number of documents are available on the Internet. The Office of the Historian maintains a list of these Internet resources on its website and encourages readers to consult that site on a regular basis.

Unpublished Sources

Department of State, Washington, D.C.

Central Foreign Policy File. These files have been transferred or will be transferred to the National Archives and Records Administration in College Park, Maryland.

P Reels
D Reels
N Reels

Lot Files. These files have been transferred or will be transferred to the National Archives and Records Administration in College Park, Maryland

Lot 00D471: EUR Files, EUR/RUS Special Collection
Lot 84D204: P Files, Subject File—Lawrence Eagleburger Files
Lot 85D308: D Files, Deputy Secretary Dam's Official Files

- Lot 87D327: Executive Secretariat, S/S Files, Secretary Haig Memcons and Whitehead Briefing
- Lot 89D149: S/P Files, Memoranda/Correspondence From the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals
- Lot 89D156: Executive Secretariat, S/S Files, 1986 Official Office Files, Action/Briefing/Information/Through Memoranda/Chron Files/Memoranda to the Secretary Handled by Under Secretary Allen Wallis, (E) Economic Affairs
- Lot 89D250: A Files, FAIM/IS Files, Miscellaneous Papers Screened From the Subject Files of Secretary Shultz and his Assistant Charles Hill Upon the Secretary's Resignation on January 20, 1989
- Lot 89D378: E Files, Under Secretary of State for Economic Affairs W. Allen Wallis, Chrons; Memo to the Secretary/Staff and Departmental/Other Agencies; Memos to the Files; White House Correspondence, 1981-1987
- Lot 92D52: Executive Secretariat, S/S Files, Executive Secretariat (ES) Sensitive and Super Sensitive Documents, 1 January 1984-21 January 1989
- Lot 92D630: Executive Secretariat, S/S Files, The Executive Secretariat's Special Caption Documents
- Lot 96D262: Executive Secretariat, S/S Records, S/S Special Handling Restriction Memos, 1979-1983

Ronald Reagan Presidential Library, Simi Valley, California

White House Staff and Office Files

Files of the Executive Secretariat, National Security Council

Agency File

Country File

Meetings File

National Security Planning Group (NSPG) File

Subject File

Trip File

Files of the African Affairs Directorate, National Security Council

Files of the European and Soviet Affairs Directorate, National Security Council

Files of the Political Affairs Directorate, National Security Council

Norman Bailey Files

Frank Carlucci Files

William Clark Files

Stephen Danzansky Files

Paula Dobriansky Files

Donald Fortier Files

David Gergen Files

Donald Gregg Files

Sally Grooms Files

Frederick Iklé Files

C.W. Burleigh Leonard Files

Robert Linhard Files

Carnes Lord Files

Robert McFarlane Files

Douglas McMinn Files

Henry Nau Files

National Security Affairs

Office of Assistant to the President Files

John Poindexter Files

James Rentschler Files

Peter Rodman Files

Nicholas Rostow Files

Donald Tice Files

XVI Sources

White House Office of Speechwriting Files
 Research Office
 1980 Campaign File
 Speeches, 1981–1989

Edwin Meese Files
President's Daily Diary
George Shultz Papers
Vertical File
White House Office of Records Management
 Subject File
 Commodities (CM)
 Federal Government Organizations (FG)
 Speeches (SP)

1980 Transition Papers
 Deputy Director for Executive Branch Management
 Foreign Policy

Library of Congress, Washington, D.C.

Manuscript Division
 Papers of Alexander M. Haig, Jr., Department of State Files
 Papers of Donald T. Regan
 Papers of Paul Nitze

National Security Council, Washington, D.C.

NSC Institutional Files

Washington National Records Center, Suitland, Maryland

RG 56, Department of the Treasury Records
 Executive Secretariat, Official Files

Published Sources

Brinkley, Douglas, ed. *The Reagan Diaries Unabridged*. New York: Harper Collins, 2009.

Brookes, Warren T. *The Economy in Mind*. New York: Universe Books, 1982.

Chicago Tribune.

The Christian Science Monitor.

Churchill, Winston S. *The Second World War. Volume 1, The Gathering Storm*. Boston: Houghton Mifflin, 1948.

Commentary.

The Commission On Integrated Long-Term Strategy. *Discriminate Deterrence: Report of the Commission On Integrated Long-Term Strategy, January 1988*. Washington: Government Printing Office, 1988.

The Commission on Security and Economic Assistance. *The Commission on Security and Economic Assistance: A Report to the Secretary of State*. Washington: The Commission on Security and Economic Assistance, 1983.

Congress and the Nation. Volume V, 1977–1980; Volume VI, 1981–1984, Volume VII, 1985–1988. Washington: Congressional Quarterly, 1981, 1985, 1989.

Congressional Record.

Cordier, Andrew W. and Wilder Foote, eds. *Public Papers of the Secretaries-General of The United Nations, Vol. 4: 1958–1960, Dag Hammarskjold*. New York and London: Columbia University Press, 1974.

- Current Digest of the Soviet Press.*
Foreign Affairs.
- Haig, Alexander M. Jr. *Caveat: Realism, Reagan, and Foreign Policy.* New York: Macmillan Publishing Company, 1984.
- Kennedy, Paul. *The Rise and Fall of the Great Powers: Economic Change and Military Conflict from 1500 to 2000.* New York: Random House, 1987.
- Kissinger, Henry. *White House Years.* Boston: Little, Brown and Company, 1979.
- Lippman, Walter. *The Good Society.* Boston: Little, Brown and Company, 1937.
- Morgenthau, Hans J. *Politics Among Nations: The Struggle for Power and Peace.* New York: Alfred A. Knopf, 1948.
- National Bipartisan Commission on Central America. *Report of the National Bipartisan Commission on Central America.* Washington: Government Printing Office, 1984.
- Presidential Commission on the Space Shuttle Challenger Accident. *Report to the President By The Presidential Commission on the Space Shuttle Challenger Accident.* Volume I. Washington: Presidential Commission on the Space Shuttle Challenger Accident, 1986.
- President's Blue Ribbon Commission on Defense Management. *An Interim Report to the President by the Blue Ribbon Commission on Defense Management, February 28, 1986.* Washington: President's Blue Ribbon Commission on Defense Management, 1986.
- _____. *A Quest for Excellence: Final Report to the President by the President's Blue Ribbon Commission on Defense Management.* Washington: President's Blue Ribbon Commission on Defense Management, 1986.
- President's Special Review Board. *Report of the President's Special Review Board.* Washington: 1987.
- New York Times.*
New York Times Magazine.
- Sauzey, Francois, ed. *Dialogue 29, Spring 1982.* New York: The Trilateral Commission, 1982.
- Shultz, George P. *Turmoil and Triumph: My Years as Secretary of State.* New York: Charles Scribner's Sons, 1993.
- United Nations. *Report on the U.N. Conference on New and Renewable Sources of Energy, Nairobi, August 10–21, 1981, U.N. New York, 1981 (A/Conf. 100/11) (E. 81, I. 24)*
- _____. *Resolutions and Decisions adopted by the General Assembly during its Thirteenth Special Session, 27 May–1 June 1986.* General Assembly, Official Records: Thirteenth Special Session, Supplement No. 2 (A/S–13/16). New York: United Nations, 1986.
- _____. *Yearbook of the United Nations, 1974, 1979, 1982, 1983.* New York: UN Office of Public Information, 1977, 1982, 1986, 1987.
- U.S. Congress. House Committee on Foreign Affairs and Senate Foreign Relations Committee. *Country Reports on Human Rights Practices for 1983, Report Submitted to the Committee on Foreign Affairs U.S. House of Representatives and the Committee on Foreign Relations U.S. Senate, by the Department of State in Accordance With Sections 116 (d) and 502B (b) of the Foreign Assistance Act of 1961, as Amended, Ninety-Sixth Congress, Second Session, February 1984.* Washington: Government Printing Office, 1984.
- _____. *Joint Economic Committee. International Economic Policy: Hearing Before the Joint Economic Committee, Congress of the United States, Ninety-Seventh Congress, First Session, May 4, 1981.* Washington: Government Printing Office, 1981.
- U.S. Department of Defense. *Report of the DOD Commission on Beirut International Airport Terrorist Act, October 23, 1983.* Washington: Government Printing Office, 1984.
- U.S. House of Representatives. Committee on Agriculture. *General Agricultural Export and Trade Situation: Hearing Before the Committee on Agriculture, House of Representatives, Ninety-Seventh Congress, Second Session, March 9, 1982, Serial No. 97–HHH.* Washington: Government Printing Office, 1982.
- _____. *Committee on Foreign Affairs. Foreign Assistance Legislation For Fiscal Year 1982 (Part 1), Hearings Before the Committee on Foreign Affairs, House of Representatives,*

XVIII Sources

- Ninety-Seventh Congress, First Session, March 13, 18, 19, and 28, 1981.* Washington: Government Printing Office, 1981.
- _____. Committee on Foreign Affairs. *The Foreign Policy Implications of Arms Sales to Iran and the Contra Connection: Hearings Before the Committee on Foreign Affairs, House of Representatives, Ninety-Ninth Congress, Second Session, November 24; December 8, 9, 1986.* Washington: Government Printing Office, 1986.
- _____. Committee on Foreign Affairs. *United Nations Conference on New and Renewable Sources of Energy (UNCNRSE) and U.S. Delegate Participation, Report Submitted to the Committee on Foreign Affairs, U.S. House of Representatives, March 29, 1982 Committee Print, 97th Congress, 2d Session.* Washington: Government Printing Office, 1982.
- _____. Committee on House Administration. *The Presidential Campaign, 1976. Volume 1, Part 1, Jimmy Carter.* Washington: Government Printing Office, 1978.
- _____. Subcommittee on Africa. Committee on Foreign Affairs. *Economic Policy Initiative for Africa: Hearing Before the Subcommittee on Africa of the Committee on Foreign Affairs, House of Representatives, Ninety-Eight Congress, Second Session, Tuesday, February 7, 1984.* Washington: Government Printing Office, 1984.
- _____. Subcommittee on Europe and the Middle East. Committee on Foreign Affairs. *Developments in the Middle East, April 1985: Hearing Before the Subcommittee on Europe and the Middle East of the Committee on Foreign Affairs, House of Representatives, Ninety-Ninth Congress, First Session, April 4, 1985.* Washington: Government Printing Office, 1985.
- _____. Subcommittee on Foreign Operations and Related Agencies. Committee on Appropriations. *Foreign Assistance and Related Programs Appropriations for 1983: Hearings Before a Subcommittee of the Committee on Appropriations, House of Representatives, Ninety-Seventh Congress, Second Session, Subcommittee on Foreign Operations and Related Agencies, Part 1.* Washington: Government Printing Office, 1982.
- _____. Subcommittee on Western Hemisphere Affairs. Committee on Foreign Affairs. U.S. Policy on Latin America—1985: *Hearing Before the Subcommittee on Western Hemisphere Affairs of the Committee of Foreign Affairs, House of Representatives, Ninety-Ninth Congress, First Session, January 29, 1985.* Washington: Government Printing Office, 1985.
- U.S. Senate. Committee on Appropriations. *Foreign Assistance and Related Programs Appropriations for Fiscal Year 1983: Hearings Before a Subcommittee of the Committee on Appropriations, United States Senate, Ninety-Seventh Congress, Second Session, Part 1.* Washington: Government Printing Office, 1983.
- _____. Committee on Armed Services. *Department of Defense Authorization for Appropriations for Fiscal Year 1982: Hearings Before the Committee on Armed Services United States Senate Ninety-Seventh Congress First Session on S. 815, Part I Posture Statement Secretary of Defense Caspar Weinberger, General David C. Jones, Chairman of the Joint Chiefs of Staff, Budget Amendments, January 28, March 4, 1981.* Washington: Government Printing Office, 1981.
- _____. Committee on Foreign Relations. *Arms Sales Package to Saudi Arabia: Hearings Before the Committee on Foreign Relations, United States Senate, Ninety-Seventh Congress, First Session, on The AWACS and F-15 Enhancements Arms Sales Package to Saudi Arabia, Part 1, October 1, 5, 6, 14, and 15, 1981.* Washington: Government Printing Office, 1981.
- _____. Committee on Foreign Relations. *Commitments, Consensus and U.S. Foreign Policy: Hearings Before the Committee on Foreign Relations, United States Senate, Ninety-Ninth Congress, First Session, January 31, February 4, 5, 6, 7, 20, 25, 26, October 31, November 7 and 12, 1985.* Washington: Government Printing Office, 1986.
- _____. Committee on Foreign Relations. *Nomination of Alexander M. Haig, Jr., Hearings Before the Committee on Foreign Relations, United States Senate, Ninety-Seventh Congress, First Session, on the Nomination of Alexander M. Haig, Jr., to be Secretary of State, January 9, 10, 12, 13, 14, 15, 1981.* Washington: Government Printing Office, 1981.
- _____. Committee on Foreign Relations. *Nomination of George P. Shultz: Hearings Before the Committee on Foreign Relations, United States Senate, Ninety-Seventh Congress, Second*

- Session on the Nomination of George P. Shultz, of California, to be Secretary of State, July 13 and 14, 1982.* Washington: Government Printing Office, 1982.
- _____. Committee on Foreign Relations. *Nomination of Justice William Patrick Clark, Hearings Before the Committee on Foreign Relations, United States Senate, Ninety-Seventh Congress, First Session, on Nomination of Justice William Patrick Clark, of California, to be Deputy Secretary of State, February 2 and 3, 1981.* Washington: Government Printing Office, 1981.
- _____. Committee on Foreign Relations. *Nuclear Arms Reduction Proposals: Hearings Before the Committee on Foreign Relations, United States Senate, Ninety-Seventh Congress, Second Session on S.J. Res 163, 171, 191; S. Res. 242, 323, 343, 370, 391; S. Ex. Res. 5, 6; and S. Con. Res. 81, April 29, 30, May 11, 12, and 13, 1982.* Washington: Government Printing Office, 1982.
- _____. Committee on Foreign Relations. *Persian Gulf Situation: Hearing Before the Committee on Foreign Relations, United States Senate, Ninety-Seventh Congress, First Session, September 17, 1981.* Washington: Government Printing Office, 1981.
- _____. Committee on Foreign Relations. *Report of the U.S. Official Observer Mission to the El Salvador Constituent Assembly Elections of March 28, 1982, A Report to the Committee on Foreign Relations, United States Senate, by Senator Nancy L. Kassebaum, November 1982.* Washington: Government Printing Office, 1982.
- _____. Committee on Foreign Relations. *United States-Soviet Relations: Hearings Before the Committee on Foreign Relations, United States Senate, Ninety-Eighth Congress, First Session, June 15 and 16, 1983, Part 1.* Washington: Government Printing Office, 1983.
- _____. Report 96-1054. *Military Implications of the Proposed SALT II Treaty Relating to the National Defense: Report of the Hearings on the Military Aspects and Implications of the Proposed SALT II Treaty (Executive Y, 96-1), Based Upon Hearings Held Before the Committee in Accordance With its Responsibilities Under Rule XXV (c) of the Standing Rules of the Senate together with Additional Views, 96th Cong., 2d sess., December 4, 1980.* Washington: Government Printing Office, 1980.
- _____. Select Committee on Intelligence. *Nomination of William J. Casey: Hearing Before the Select Committee on Intelligence of the United States Senate, Ninety-Seventh Congress, First Session, on Nomination of William J. Casey, to be Director of Central Intelligence, Tuesday, January 13, 1981.* Washington: Government Printing Office, 1981.
- _____. Treaty Document 98-30. *Tax Agreement With the People's Republic of China: Message From the President of the United States Transmitting the Agreement Between the Government of the United States of America and the Government of the People's Republic of China for the Avoidance of Double Taxation and the Prevention of Tax Evasion With Respect to Taxes on Income, Together With a Supplementary Protocol and Exchange of Notes, Signed at Beijing on April 30, 1984, 98th Cong., 2d sess.* Washington: Government Printing Office, 1984.
- U.S. Arms Control and Disarmament Agency. *Documents on Disarmament, 1983, 1984.* Washington: Government Printing Office, 1986.
- U.S. Department of State. *American Foreign Policy, Basic Documents, 1977-1980.* Washington: Government Printing Office, 1980.
- _____. *American Foreign Policy, Current Documents, 1981, 1983, 1984, 1985, 1987.* Washington: Government Printing Office, 1984, 1985, 1986, 1988.
- _____. *Bulletin, 1948, 1949, 1968, 1972, 1975, 1980, 1981, 1982, 1983, 1984, 1985, 1986, 1987, 1988, 1989.* Washington: Government Printing Office.
- _____. Bureau of Public Affairs. *Democracy in Latin America and the Caribbean: The Promise and the Challenge.* Special Report No. 158. March 1987. Washington: Government Printing Office, 1987.
- _____. Office of Public Diplomacy for Latin America and the Caribbean. *Negotiations in Central America (Revised Edition), 1981-1987.* Washington: Government Printing Office, October 1987.
- U.S. National Archives and Records Administration. *Public Papers of the Presidents: Harry S. Truman. 1945, 1947.* Washington: Government Printing Office, 1961, 1963.

XX Sources

- _____. *Public Papers of the Presidents of the United States: Dwight D. Eisenhower, 1955, 1957*. Washington: Government Printing Office, 1959, 1958.
- _____. *Public Papers of the Presidents of the United States: John F. Kennedy, 1961, 1962, 1963*. Washington: Government Printing Office, 1962, 1963, 1964.
- _____. *Public Papers of the Presidents of the United States: Richard M. Nixon, 1969, 1972*. Washington: Government Printing Office, 1970, 1974.
- _____. *Public Papers of the Presidents of the United States: Gerald R. Ford, 1976–1977*. Washington: Government Printing Office, 1979.
- _____. *Public Papers of the Presidents of the United States: Jimmy Carter, 1977–1981*. Washington: Government Printing Office, 1977–1982.
- _____. *Public Papers of the Presidents of the United States: Ronald W. Reagan, 1981–1988*. Washington: Government Printing Office, 1982–1991.
- Wall Street Journal*.
- Washington Post*.
- Weekly Compilation of Presidential Documents*.
- Weinberger, Caspar. *Fighting for Peace: Seven Critical Years in the Pentagon*. New York: Warner Books, 1990.
- _____. *Public Statements of Caspar W. Weinberger, Secretary of Defense, 1984*, vol. IV. Washington: Historical Office, Office of Secretary of Defense, 1985.
- World Bank. *World Development Report 1981*. Washington: World Bank, 1981.

Abbreviations and Terms

- ABA**, American Bar Association
ABC, American Broadcasting Company
ABM, anti-ballistic missile
ACDA, Arms Control and Disarmament Agency
ADB, Asian Development Bank; also African Development Bank
Adm., admiral
Admin., administrator
Adv., advisor
AEC, Atomic Energy Commission
AEI, American Enterprise Institute
AEPRP, African Economic Policy Reform Program
AF, Bureau of African Affairs, Department of State
AFL-CIO, American Federation of Labor-Congress of Industrial Organizations
AG, Attorney General
AID, Agency for International Development
AIDS, Acquired Immune Deficiency Syndrome
AIT, American Institute in Taiwan
ALCM, air-launched cruise missile
Amb., ambassador
AMH, Alexander Meigs Haig
ANC, African National Congress
ANZUS, Australia-New Zealand-United States (security treaty)
AP, Associated Press
APNSA, Assistant to the President for National Security Affairs
APPV, approved
APRA, *Alianza Popular Revolucionaria Americana* (American Popular Revolutionary Alliance), Peru
ARA, Bureau of Inter-American Affairs, Department of State
ARDE, *Alianza Revolucionaria Democrática* (Democratic Revolutionary Alliance), Nicaragua
ARENA, *Alianza Republicana Nacionalista* (National Republican Alliance), El Salvador
ASAT or ASW, anti-satellite weapon or talks
ASEAN, Association of Southeast Asian Nations
ASNE, American Society of Newspaper Editors
ATBMs, anti-tactical ballistic missiles
AVF, All-Volunteer Force
AW, Allen Wallis
AWACS, Advanced/Airborne Warning and Control System
- B**, billion
B-1, U.S. long-range bomber
B-52, all weather, intercontinental, strategic heavy bomber
Backfire, Soviet long-range bomber
BDM, Braddock, Dunn & McDonald (U.S. technical services firm)
Benelux, Belgium, the Netherlands, and Luxembourg
BIB, Board for International Broadcasting
Blackjack, bomber
BMD, ballistic missile defense
Brig., Brigadier
BW, biological weapons

XXII Abbreviations and Terms

- C, Counselor of the Department of State
C3 or C³, command, control, communications
C-130, high-wing, 4 turbo prop engine aircraft used for rapid transportation of troops and/or equipment
Cab., cabinet
CARE, Cooperative for American Relief Everywhere
CARICOM, Caribbean Community and Common Market
CBC, Canadian Broadcasting Corporation
CBI, Caribbean Basin Initiative
CBM, confidence-building measures
CBS, Columbia Broadcasting System
CBW, chemical and biological warfare; also chemical and biological weapons
CCC, Commodity Credit Corporation
CCD, Conference of the Committee on Disarmament
CD, Committee on Disarmament (United Nations)
CDE, Conference on Disarmament in Europe
CDU, *Christlich Demokratische Union* (Christian Democratic Union), Federal Republic of Germany
CEM, Clayton E. McManaway
CEMA, Council for Mutual Economic Assistance
CENTO, Central Treaty Organization
CEO, chief executive officer
CH, Charles Hill
Charter 77, informal association of Czech dissidents and their signed manifesto deploring the repression of human rights in Czechoslovakia
CIA, Central Intelligence Agency
CINCAD, Commander in Chief, Aerospace Defense Command
CINCLANT, Commander in Chief, Atlantic Command
CINCMAC, Commander in Chief, Military Airlift Command
CINCPAC, Commander in Chief, Pacific Command
CINCSAC, Commander in Chief, Strategic Air Command
CINCUNC, Commander in Chief, United Nations Command
CINCUSAFE, Commander in Chief, U.S. Air Forces Europe
CINCUSAREUR, Commander in Chief, U.S. Army Europe
CINCUSNAVEUR, Commander in Chief, U.S. Naval Forces Europe
CMC, Commandant, United States Marine Corps
CNN, Cable News Network
CNO, Chief of Naval Operations
COB, close of business
COCOM, Coordinating Committee for Multilateral Export Controls
CodeI, congressional delegation
Col., colonel
COMECON, Council for Mutual Economic Assistance
Con., concurrent
Contadora Group, Colombia, Mexico, Venezuela, and Panama
Contras, term used by Sandinistas to refer to guerrilla forces fighting against them
Corp, corporation
CORRTEX, Continuous Reflectometry for Radius Versus Time Experiments (a hydrodynamic yield measurement for nuclear testing)
CP or CLP, Colin L. Powell
CPAC, Conservative Political Action Conference
CPSU, Communist Party of the Soviet Union
CRS, Catholic Relief Services
CSA, Chief of Staff, United States Army

CSAF, Chief of Staff, United States Air Force
CSCE, Conference on Security and Cooperation in Europe
CSIS, Center for Strategic and International Studies, Georgetown University
CSU, *Christlich-Soziale Union* (Christian Social Union), Federal Republic of Germany
CTW, Cuban Troop Withdrawal
CW, chemical weapons or warfare
CW or CWW, Caspar W. Weinberger

D, Office of the Deputy Secretary of State; also Democrat
DA, development assistance
DCL, Direct Communications Link (“hotline”)
DCM, Deputy Chief of Mission
Dep, deputy
Dep. Sec., Deputy Secretary
Dept., Department
DFL, Minnesota Democratic-Farmer-Labor Party
Dir., director
Dist, distribution, distributed
DM, Deutsche Mark
DNA, Deoxyribonucleic acid
DNC, Democratic National Committee
DOD, Department of Defense
DOD/ISP, Assistant Secretary of Defense for International Security Policy
DOE, Department of Energy
DPC, Defense Planning Committee (NATO); also Domestic Policy Council
DPRK, Democratic People’s Republic of Korea

E, Under Secretary of State for Economic Affairs
EA or EAP, Bureau of East Asian and Pacific Affairs, Department of State
EAL, Ethiopian Air Lines
EAP/J, Office of Japanese Affairs, Bureau of East Asian and Pacific Affairs, Department of State
EB, Bureau of Economic and Business Affairs, Department of State
EC, European Community
EC-121, unarmed, four engine propeller-driven reconnaissance aircraft
ECSC, European Coal and Steel Community
EE, Eastern Europe
EEC, European Economic Community
EITCA, Economic, Industrial, Technical Cooperation Agreement
Emboffs, embassy officials
ENDC, Eighteen Nation Disarmament Conference
EOB, Executive Office Building
EPC, Economic Policy Council
EPCOT, Experimental Planned Community of Tomorrow (a component of Disney World)
EPG, Commonwealth Eminent Persons Group
EPI, Economic Policy Initiative for Africa
ERW, enhanced radiation weapon
ESF, Economic Support Fund
ET, emerging technologies
EU, European Union
EUR, Bureau of European Affairs (later European and Canadian Affairs), Department of State
EUR/CE, Office of Central European Affairs, Bureau of European Affairs (later European and Canadian Affairs), Department of State

XXIV Abbreviations and Terms

- EUR/EE/HU**, Desk Officer for Hungary, Office of Eastern European Affairs, Bureau of European Affairs (later European and Canadian Affairs), Department of State
- EUR/EEY**, Office of Eastern European and Yugoslav Affairs, Bureau of European Affairs (later European and Canadian Affairs), Department of State
- EUR/NE**, Office of Northern European Affairs, Bureau of European Affairs (later European and Canadian Affairs), Department of State
- EUR/RPE**, Office of OECD, European Community and Atlantic Political-Economic Affairs, Bureau of European Affairs (later European and Canadian Affairs), Department of State
- EUR/RPM**, Office of Security and Political Affairs, Bureau of European Affairs (later European and Canadian Affairs), Department of State
- EUREKA [project]**, European Research Coordination Agency
- Ex**, executive
- EXIM**, Export-Import Bank
-
- F-5**, light, supersonic fighter aircraft
- F-15**, USAF twin-engine, tactical fighter
- F-16**, USAF multirole fighter aircraft
- F-18**, USN/USMC twin-engine, multirole fighter aircraft
- F-111**, USAF supersonic, medium range tactical attack aircraft
- FAIM**, Foreign Affairs Information Management system (Department of State)
- FBI**, Federal Bureau of Investigation
- FC or FCC**, Frank Carlucci
- FCC**, Federal Communications Commission
- FCO**, Foreign and Commonwealth Office, United Kingdom
- FDN**, *Fuerza Democrática Nicaraguense* (Nicaraguan Democratic Force)
- FDR**, Franklin Delano Roosevelt; also *Frente Democrático Revolucionario* (Revolutionary Democratic Front), El Salvador
- FEMA**, Federal Emergency Management Agency
- FFPr**, Food for Progress
- FLS**, Front Line States
- FMLN**, (*Frente*) *Farabundo Martí de Liberación Nacional* (Farabundo Marti National Liberation [Front]), El Salvador
- FMS**, foreign military sales
- FON**, freedom of navigation
- For.**, foreign
- FRELIMO**, *Frente de Libertacao de Mocambique* (Front for the Liberation of Mozambique)
- FRG**, Federal Republic of Germany
- FSI**, Foreign Service Institute, Department of State
- FSLN**, *Frente Sandinista de Liberación Nacional* (Sandinista National Liberation Front), Nicaragua
- FSO**, foreign service officer
- FSP**, Food Stamp Program
- FTA**, free trade agreement; also free trade area
- FY**, fiscal year
- FYDP**, Five-Year Defense Program
- FYI**, for your information
-
- G-7**, Group of 7 (Canada, Federal Republic of Germany, France, Italy, Japan, United Kingdom, United States)
- G-10**, Group of 10 (Belgium, Canada, Federal Republic of Germany, France, Italy, Japan, Netherlands, Sweden, United Kingdom, United States)
- G-77**, Group of 77 (group of developing countries established at the conclusion of UNCTAD in 1964)
- GAB**, general agreements to borrow (IMF)

GATT, General Agreement on Tariffs and Trade
GCC, Gulf Cooperation Council
GDR, German Democratic Republic
Gen., general
GI, general issue
GLCM, Ground-Launched Cruise Missile
GM, General Motors
GN, Global Negotiations
GNP, Gross National Product
GNZ, Government of New Zealand
GOC, Government of Canada
GOE, Government of Egypt
GOES, Government of El Salvador
GOF, Government of France
GOP, Government of Pakistan; also Grand Old Party (Republican Party)
GOR, Government of Romania
GOY, Government of Yugoslavia
GPS or GS, George P. Shultz
GSP, Generalized System of Preferences (U.S. trade)

H, Bureau of Congressional Relations (Legislative Affairs), Department of State
HFAC, House Foreign Affairs Committee
H.J. Res., House Joint Resolution
HLG, high level group
H.R., House Resolution
HREM, CSCE Human Rights Experts Meeting
HUD, Department of Housing and Urban Development

IAEA, International Atomic Energy Agency
IBRD, International Bank for Reconstruction and Development (World Bank)
ICA, International Communication Agency
ICBM, intercontinental ballistic missile
ICDAIT, International Conference on Drug Abuse and Illicit Trafficking
ICIDI, Independent Commission on International Development Issues (Brandt Commission)
ICJ, International Court of Justice
IDA, International Development Association
IDCA, International Development Cooperation Agency
IDF, Israeli Defense Force
IEA, International Energy Agency
IFALPA, International Federation of Airline Pilots Association
IFC, International Finance Corporation
IFI, international financial institutions
IG, interagency group
IISS, International Institute for Strategic Studies
IMET, International Military Education and Training
IMF, International Monetary Fund
INF, intermediate range nuclear force(s)
INR, Bureau of Intelligence and Research, Department of State
Intel, intelligence
IO, Bureau of International Organization Affairs, Department of State
IR, Minnesota Independent-Republican Party
IRS, Internal Revenue Service
ITT, International Telephone & Telegraph

XXVI Abbreviations and Terms

JCC, Joint Commercial Commission

JCS, Joint Chiefs of Staff

JLP, Joint Logistics Planning

JMCL, Joint Military Communications Link

JP, John Poindexter

JPMG, Joint Political-Military Group

KAL, Korean Air Lines

KGB, *Komitet Gosudarstvennyi Bezopasnosti* (Soviet Committee for State Security)

KT, kiloton

L, Legal Adviser, Department of State

LAFTA, Latin American Free Trade Agreement

Landsat, land remote sensing satellite system

LDC, lesser developed country

LDP, Liberal Democratic Party (Japan)

LDX, long distance xerography

LMO, legislative management officer, Bureau of Congressional Relations (Legislative Affairs), Department of State

LOS, Law of the Sea

LOU, Limited Official Use

LPAR, large phased-array radar

LRINE, Long-Range Intermediate Nuclear Forces

LRTNF, Long-Range Theatre Nuclear Forces

LSE, Lawrence S. Eagleburger

Lt. Gen., Lieutenant General

LTA, long-term agreement

M, Under Secretary of State for Management; million

MA, Michael Armacost

MAD, mutual assured destruction or mutually assured destruction

MAP, military assistance program

MBFR, Mutual and Balanced Force Reductions

MDB, Multilateral Development Bank

ME, Middle East

MEDO, Middle East Defense Organization

MFA, Ministry of Foreign Affairs; also Multi Fiber Arrangement

MFN, most-favored nation

MFO, Multinational Force and Observers/Multilateral Force Observers (Sinai)

MiGs, *Mikoyan i Gurevich* (Soviet fighter aircraft)

Min., minister

MINITEL, *Médium interactif par numérisation d'information téléphonique* (interactive medium by digitalizing telephone information; French Videotex online service)

Minute Man III, intercontinental ballistic missile

MIRV, Multiple Independently-Targeted Re-entry Vehicles

MIT, Massachusetts Institute of Technology

MNF, multinational force

MOLINK, Moscow Link (Moscow-Washington Direct Communication Link or "hot line")

MPLA, *Movimento Popular para a Libertacao de Angola* (People's Movement for the Liberation of Angola)

MX or M-X, missile experimental (intercontinental ballistic missile)

NAC, North Atlantic Council

NAM, Non-Aligned Movement

- NASA**, National Aeronautics and Space Administration
NATO, North Atlantic Treaty Organization
NBC, National Broadcasting Company
NCND, neither confirm nor deny
NEA, Bureau of Near Eastern and South Asian Affairs, Department of State
NEA/EX, Office of the Executive Director, Bureau of Near Eastern and South Asian Affairs, Department of State
NEA/IAI, Office of Israel and Arab-Israeli Affairs, Bureau of Near Eastern and South Asian Affairs, Department of State
NEA/RA, Office of Regional Affairs, Bureau of Near Eastern and South Asian Affairs, Department of State
NED, National Endowment for Democracy
NET, National Educational Television
NHAO, Nicaraguan Humanitarian Assistance Office
NICs, newly industrialized countries
NNA, neutral and non-aligned
NODIS, No Distribution
Notal, Not Received by All Addressees
NPA, New People's Army (Philippines)
NPG, Nuclear Planning Group (NATO)
NPT, Non-Proliferation Treaty
NRM, National Resistance Movement (Mozambique)
NSC, National Security Council Staff
NSDD, National Security Decision Directive
NSG, Nuclear Suppliers' Group
NSPG, National Security Planning Group
NSSD, National Security Study Directive
NST, Nuclear and Space Arms Talks
NUF, non-use of force
NYU, New York University
- OAS**, Organization of American States
OASD/PA, Office of the Assistant Secretary of Defense for Public Affairs
OAU, Organization of African Unity
OBE, overtaken by events
ODA, official development assistance
OECD, Organisation for Economic Cooperation and Development
OECS, Organization of Eastern Caribbean States
OES, Bureau of Oceans and International Environmental and Scientific Affairs, Department of State
OMB, Office of Management and Budget
OMG, operational maneuver group
ONDCP, Office of National Drug Control Policy
OPD, White House Office of Policy Development
OPEC, Organization of Petroleum Exporting Countries
OPIC, Overseas Private Investment Corporation
OPTAD, Organization for Pacific Trade and Development
OSD, Office of the Secretary of Defense
OSD/MRA&L, Manpower, Reserve Affairs & Logistics, Office of the Secretary of Defense
OSD/PA&E, Program Analysis & Evaluation, Office of the Secretary of Defense
- P**, Office of the Under Secretary of State for Political Affairs
PA, Bureau of Public Affairs, Department of State
PA/HO, Office of the Historian, Bureau of Public Affairs, Department of State

XXVIII Abbreviations and Terms

PA/OAP, Office of Opinion Analysis and Plans, Bureau of Public Affairs, Department of State
PAFTA, Pacific Free Trade Area
PAFTAD, Pacific Trade and Development Conference
Pan Am, Pan American Airways
Para, paragraph
PBS, Public Broadcasting System
PCC, Pacific Cooperation Committee
PDRY, People's Democratic Republic of Yemen
PEEC, Pacific Economic Cooperation Conference
PermRep, U.S. Permanent Representative to the United Nations
PFIAB, President's Foreign Intelligence Advisory Board
PIb, Pershing Ib missile
PII, Pershing II missile
P.L., Public Law
P.L.-480, Public Law 480; Food for Peace
PLO, Palestinian Liberation Organization
PM, Prime Minister; also Bureau of Politico-Military Affairs, Department of State
PM/TMP, Office of Theater Military Policy, Bureau of Politico-Military Affairs, Department of State
PNE, peaceful nuclear explosion
PNET, Peaceful Nuclear Explosions Treaty
Polads, political advisers
POW/MIA, prisoner of war/missing in action
PR, public relations
PRC, People's Republic of China
PRE, Bureau for Private Enterprise, Agency for International Development
Pres., President
PRG, Policy Review Group
PW, Paul Wolfowitz

R, Republican
R & D, research and development
R. Adm., Rear Admiral
RAND, U.S. global policy think tank established in 1948; acronym stands for research and development
RC-135, U.S. reconnaissance aircraft
RCM, Robert C. McFarlane
RDF, rapid deployment force
RENAMO, Resistencia Nacional Mocambicana (Mozambican National Resistance)
Rep., representative
Rept., report
Res., resolution
Ret., retired
RFE/RL, Radio Free Europe/Radio Liberty
RHS, Richard H. Solomon
RMK, Robert M. Kimmitt
ROK, Republic of Korea
ROKG, Republic of Korea Government
ROTC, Reserve Officers Training Corps
Rpt., repeat
RR, Ronald Reagan
RVA, Richard V. Allen

- S, Office of the Secretary of State; Senate
SA-7, surface to air missile
S/NP, Ambassador at Large and Special Adviser to the Secretary of State on Non-Proliferation Policy and Nuclear Energy Affairs
S/P, Policy Planning Staff (Policy Planning Council during the mid-1980s), Department of State
S/S, Executive Secretariat, Department of State
S/S-I, Information Management Section, Executive Secretariat, Department of State
S/S-O, Duty Officer, Operations Center, Department of State
SS-4, Soviet medium-range ballistic missile
SS-20, Soviet intermediate-range ballistic missile
S.A., Saudi Arabia
SACEUR, Supreme Allied Commander, Europe
SAG, South African Government; also Screen Actors Guild
SALT, Strategic Arms Limitation Treaty or Talks
SAM, surface-to-air missiles
SCG, Special Consultative Group (NATO)
S. Con. Res., Senate Concurrent Resolution
SCP, system concept paper
SCUD, Soviet missile
SDI, Strategic Defense Initiative
SDIO, Strategic Defense Initiative Organization
SEC, Securities and Exchange Commission
Sec. or Secy, Secretary
SecDef, Secretary of Defense
Secto, series indicator for telegrams sent from the Secretary of State
Sen., Senator
SFRC, Senate Foreign Relations Committee
SHAPE, Supreme Headquarters Allied Powers Europe
SI, Socialist International
SIG, senior interdepartmental group
Sit., situation
S.J. Res., Senate Joint Resolution
SLBM, sea-launched ballistic missile; submarine-launched ballistic missile
SLCM, sea-launched cruise missile; submarine-launched cruise missile
SNIE, Special National Intelligence Estimate
Solidarnosc, National Committee of Solidary (Polish Solidarity movement)
SOTU, State of the Union address
SPD, *Sozialdemokratische Partei Deutschlands* (Social Democratic Party of [West] Germany)
SRINF, Short-Range Intermediate Nuclear Forces
SSBN, ballistic missile submarine
SSOD, UN Special Session on Disarmament
STABEX, earnings stabilization fund (as specified by the 1975 Lomé Convention)
START, Strategic Arms Reduction Talks
Stat., statute
SU, Soviet Union
SWAPO, South West Africa People's Organization
SYG, Secretary-General
- T**, Under Secretary of State for Security Assistance, Science, and Technology
TASS, *Telegraphonye Agentstvo Sovyetskovo Soyuzu* (Telegraph Agency of the Soviet Union)
TNE, theater nuclear forces

XXX Abbreviations and Terms

Todep, series indicator for telegrams sent to the Deputy Secretary of State while away from Washington

Topol, series indicator for telegrams sent to the Under Secretary for Political Affairs from the Department while the Under Secretary is away from the Department

TORs, terms of reference

Tosec, series indicator for telegrams sent to the Secretary of State while away from Washington

Triad, three legs of the U.S. nuclear deterrent: ICBMs, SLBMs, and long-range strategic bombers

Trident, submarine

TTBT, Threshold Test Ban Treaty

TV, television

TWA, Trans World Airlines

U-2, U.S. high-altitude reconnaissance aircraft

UAW, United Automobile Workers

UCLA, University of California Los Angeles

UK, United Kingdom

UN, United Nations

UNCNRSE, United Nations Conference on New and Renewable Sources of Energy

UNCTAD, United Nations Conference on Trade and Development

UNDP, United Nations Development Programme

UNESCO, United Nations Educational, Scientific, and Cultural Organization

UNGA, United Nations General Assembly

UNICEF, United Nations Children's Fund

UNIFIL, United Nations Interim Force in Lebanon

UNITA, National Union for the Total Independence of Angola

UNO, *Unidad Nicaraguense Opositora* (Nicaraguan resistance)

UNSC, United Nations Security Council

UNSYG, United Nations Secretary-General

UPI, United Press International

URNG, National Revolutionary Union, Guatemala

U.S., United States

USA, United States Army

USAF, United States Air Force

U.S.C., United States Code

USCINCCENT, United States Commander in Chief, Central Command

USCINCEUR, United States Commander in Chief, European Command

USCINCRED, United States Commander in Chief, Readiness Command

USCINCSO, United States Commander in Chief, Southern Command

USDA, United States Department of Agriculture

USDOCOSOUTH, United States Documents Officer, Allied Forces, Southeastern Europe

USG, United States Government

USIA, United States Information Agency

USIA-P/G, Planning and Guidance Staff, Associate Director for Programs, United States Information Agency

USN, United States Navy

USNAMRSHAPE, United States National Military Representative, Supreme Headquarters Allied Powers Europe

USOC, United States Olympic Committee

USSR, Union of Soviet Socialist Republics

UST, United States Treaty

USTR, United States Trade Representative

USUN, United States Mission to the United Nations
UTC, United Technologies Corporation

V-E, Victory in Europe Day
V-J, Victory in Japan Day
VCR, video cassette recorder
VFW, Veterans of Foreign Wars
VOA, Voice of America
VP, Vice President

WC or WPC, William P. Clark
WEU, Western European Union
WH, White House
WHORM, White House Office of Records Management
Wireless File, daily news service supplied to the field by ICA/USIA
WSJ, *Wall Street Journal*

Z, Zulu (Greenwich Mean Time)
Z States, Zaire, Zambia, Zimbabwe

Persons

- Abdullah bin Abdulaziz Al Saud**, Crown Prince of Saudi Arabia and Deputy Prime Minister from June 13, 1982
- Abe Shintaro**, Japanese Minister of International Trade and Industry from 1981 until 1982; Japanese Foreign Minister from November 1982
- Abramowitz, Morton I. "Mort,"** U.S. Ambassador to Thailand until July 31, 1981; U.S. Representative to the Mutual and Balanced Force Reduction Talks in Vienna from March 1983; Director, Bureau of Intelligence and Research, Department of State, from February 1, 1985; Assistant Secretary of State for Intelligence and Research from August 18, 1986
- Abrams, Elliott**, Assistant Secretary of State for International Organization Affairs from May 13, 1981, until December 1, 1981; Assistant Secretary of State for Human Rights and Humanitarian Affairs from December 12, 1981, until July 17, 1985; Assistant Secretary of State for Inter-American Affairs from July 17, 1985, until January 20, 1989
- Abshire, David M.**, Assistant Secretary of State for Congressional Relations from April 20, 1970, until January 8, 1973; Chair, Center for Strategic and International Studies, Georgetown University; member, President's Foreign Intelligence Advisory Board, from October 20, 1981; U.S. Permanent Representative, U.S. Mission to the North Atlantic Treaty Organization, from July 13, 1983, until January 5, 1987; Special Counselor to the President and White House Coordinator for Iran Inquiries from January 5, 1987
- Acheson, Dean G.**, Secretary of State from January 19, 1949, until January 20, 1953
- Acland, Sir Antony**, Permanent Under Secretary of the British Foreign Office
- Adams, Alvin P., Jr.**, Special Assistant for Legislative and Public Affairs, Bureau of Economic and Business Affairs, Department of State, until 1981; Director, Secretariat Staff, Executive Secretariat in 1981; Deputy Executive Secretary of the Department of State from July 1981; U.S. Ambassador to Djibouti from July 16, 1983, until August 20, 1985; then Associate Coordinator, Counterterrorism, Department of State
- Adelman, Kenneth L.**, senior political scientist, Strategic Studies Center, SRI International; member, Department of State Transition Team, 1980; Deputy Permanent U.S. Representative to the United Nations from August 1981 until January 12, 1983; Director, Arms Control and Disarmament Agency, from April 22, 1983, until December 12, 1987
- Adenauer, Konrad**, Chancellor of the Federal Republic of Germany from 1949 until 1963
- Ahrens, Moshe**, Israeli Ambassador to the United States from 1982 until February 24, 1983; Israeli Minister of Defense from 1983 until 1984; Israeli Minister of Foreign Affairs from 1988
- Aki, Simeon**, Cote d'Ivoire Foreign Minister
- Ali, Kamal Hasan**, General, Egyptian Deputy Prime Minister and Minister of Foreign Affairs
- Allen, Richard V.**, chief foreign policy adviser to Ronald Reagan during the 1980 campaign; Senior Adviser, Reagan Transition Team; member, Interim Foreign Policy Advisory Board; President's Assistant for National Security Affairs, from January 20, 1981, until January 4, 1982
- Allin, Lyndon K. "Mort,"** Assistant White House Press Secretary/Foreign Affairs, Office of the Press Secretary, from January 20, 1981; Deputy Press Secretary to the President from September 14, 1981, until July 15, 1983
- Allon, Yigal**, Israeli Minister of Foreign Affairs until 1977

- Anderson, Martin**, senior fellow, Hoover Institution on War, Revolution, and Peace, Stanford University; Senior Adviser, Reagan–Bush campaign; Assistant to the President for Policy Development, Office of Policy Development, National Security Council, from January 1981 until March 1, 1982
- Andreotti, Giulio**, Italian Foreign Minister from August 4, 1983
- Andropov, Yuri**, Chairman of the Committee for State Security (KGB) until May 1982; General Secretary of the Communist Party of the Soviet Union from November 12, 1982, until February 9, 1984
- Aquino, Benigno S., Jr.**, Philippines politician and leader of the opposition to President Marcos
- Aquino, Maria Corazon**, President of the Philippines from February 25, 1986
- Arafat, Yassir**, Chairman, Palestine Liberation Organization
- Arias Sánchez, Oscar**, President of Costa Rica from May 8, 1986; recipient of the Nobel Peace Prize in 1987
- Armocost, Michael H., Jr.**, Deputy Assistant Secretary of State for East Asian and Pacific Affairs until February 1982; U.S. Ambassador to the Philippines from March 12, 1982, until April 18, 1984; Under Secretary of State for Political Affairs from May 18, 1984, until March 2, 1989; Secretary of State ad interim from January 20, 1989, until January 25, 1989
- Armitage, Richard L. “Rich,”** Deputy Assistant Secretary of Defense for International Security Affairs (East Asia and Pacific Affairs) from 1981 until 1983; Acting Assistant Secretary of Defense for International Security Affairs from April 2, 1983, until June 5, 1983; Assistant Secretary of Defense for International Security Affairs from June 5, 1983, until June 5, 1989
- Armstrong, Anne L.**, Co-Chair, Reagan for President campaign; member, Interim Foreign Policy Advisory Board; Vice Chair, Reagan Transition Team Executive Committee; Chair, President’s Foreign Intelligence Advisory Board, from October 20, 1981; member, Commission on Integrated Long-Term Strategy
- Army, Wayne**, Professional Staff Member, Subcommittee on Sea Power and Force Projection, Senate Armed Services Committee, from 1981 until 1984; Principal Deputy Assistant Secretary of the Navy (Shipbuilding and Logistics) from 1984 until 1986; Program Associate Director for National Security and International Affairs, Office of Management and Budget, from 1986 until 1989
- Atherton, Alfred L., Jr.**, U.S. Ambassador to Egypt until November 12, 1983; Director General of the Foreign Service and Director of Personnel, Bureau of Personnel, Department of State, from December 2, 1983, until December 28, 1984
- Bailey, Norman A.**, Office of Policy Development, National Security Council, from March 1981; Director, Planning and Evaluation, National Security Council, from April 1981 until 1983; Special Assistant to the President for National Security Affairs and Senior Director, International Economic Affairs Directorate, National Security Council, from June 3, 1983, until October 1983; thereafter, consultant to the National Security Council staff
- Baker, Howard H., Jr.**, Senator (R–Tennessee) until January 3, 1985; Senate Minority leader from 1977 until 1981; Senate Majority Leader from 1981 until January 3, 1985; member, Interim Foreign Policy Advisory Board; member, President’s Foreign Intelligence Advisory Board, from 1985 until 1987 and from 1988; White House Chief of Staff from February 27, 1987, until June 30, 1988
- Baker, James A., III “Jim,”** advisor to Gerald Ford during the 1976 Presidential campaign; head of Bush for president campaign in 1980; Senior Adviser to Ronald Reagan during the 1980 presidential campaign; Deputy Director, Reagan Transition Team; White House Chief of Staff and Assistant to the President from January 1, 1981, until February 3, 1985; Secretary of the Treasury from February 4, 1985, until August 17, 1988; thereafter, campaign manager, Bush for President campaign, in 1988
- Bakshian, Aram, Jr.**, Special Assistant to the President for Arts and Humanities, Education, and International Affairs, Office of Public Liaison, from March 17, 1981, until

- November 1981; Director, White House Office of Speechwriting and Deputy Assistant to the President from November 17, 1981, until September 1983
- Baldrige, H. Malcolm, Jr. "Mac,"** Secretary of Commerce until July 25, 1987
- Ball, William L., III,** administrative assistant to Senator John Tower (R-Texas) from 1981 until 1985; Assistant Secretary of State for Legislative and Intergovernmental Affairs from April 2, 1985, until February 28, 1986; Assistant to the President for Legislative Affairs, Office of Legislative Affairs, from 1986 until 1988
- Barnes, Michael D.,** member, U.S. House of Representatives (D-Maryland) until January 3, 1987; Senior Counselor, National Bipartisan Commission on Central America (Kissinger Commission); Chairman, Subcommittee on Western Hemisphere Affairs, House Committee on Foreign Affairs, from January 3, 1985, until January 3, 1987
- Barre, Raymond,** Prime Minister of France until May 22, 1981
- Barry, Robert L.,** Deputy Assistant Secretary of State for European Affairs from 1979 until 1981; U.S. Ambassador to Bulgaria from December 8, 1981, until July 12, 1984; John Sloan Dickey Fellow, Dartmouth College and Distinguished Visitor, W. Averell Harriman Institute for Advanced Study of the Soviet Union, Columbia University, from 1984 until 1985; U.S. Representative to the Conference on Confidence and Security Building Measures and Disarmament in Europe from September 1985 until 1987; Deputy Director, Voice of America, from 1987 until 1989
- Bartletta Vallarino, Nicolás Ardito,** President of Panama from October 11, 1984, until September 28, 1985
- Batjer, Marybel,** Director of Political Planning, National Woman's Political Caucus in 1980; Assistant to the Secretary of Defense for Executive Personnel; Assistant to the Secretary and Deputy Secretary of Defense until 1987; Deputy Executive Secretary for External Affairs, National Security Council, from 1987 until 1988; Special Assistant to the Secretary of the Navy and Senior Staff Transition Team leader in 1989
- Beal, Richard S.,** senior political analyst, Reagan for President campaign; Assistant Deputy Director for Planning and Evaluation, Office of the President-elect, from 1980 until 1981; Special Assistant to the President for National Security Affairs and Senior Director, Office of Planning and Evaluation, from January 1981 until June 1983; Special Assistant to the President for National Security Affairs and Senior Director, Crisis Management Support and Planning, National Security Council, from June 3, 1983, until 1984; thereafter, Special Assistant to the President until 1985
- Beers, R. Rand,** Political Officer, Office of Policy Analysis, Bureau of Politico-Military Affairs, Department of State; Deputy Director, Office of Policy Analysis, Bureau of Politico-Military Affairs, Department of State; Operations Coordinator and Director, Office of International Security Assistance and Sales, Bureau of Politico-Military Affairs, Department of State, from February 1985 until July 1987; Director, Office of Security Analysis and Coordinator for Policy, Bureau of Politico-Military Affairs, Department of State, from July 1987
- Begin, Menachem,** Prime Minister of Israel until October 10, 1983; also Israeli Defense Minister from May 28, 1980; also Israeli Foreign Minister from October 23, 1979, until March 10, 1980
- Belaúnde Terry, Fernando,** President of Peru from 1963 until 1968 and from July 28, 1980, until July 28, 1985
- Bell, Terrel H.,** Secretary of Education from January 22, 1981, until January 20, 1985
- Bendjedid, Chadli,** Colonel, President of Algeria
- Benedick, Richard E.,** Coordinator of Population Affairs, Bureau of Oceans and International Environmental and Scientific Affairs, Department of State, until 1985; Acting Deputy Assistant Secretary of State for Environment, Health, and Natural Resources; Deputy Assistant Secretary of State for Environment, Health and Natural Resources; Assistant Secretary of State for Oceans and International Environmental and Scientific Affairs
- Bennett, William Tapley, Jr.,** U.S. Permanent Representative, U.S. Mission to the North Atlantic Treaty Organization until March 31, 1983; Assistant Secretary of State for

- Legislative and Intergovernmental Affairs from November 17, 1983, until January 4, 1985
- Benson, Ezra Taft**, Secretary of Agriculture from 1953 until 1961
- Bentsen, Lloyd M., Jr.**, Senator (D–Texas); member, Senate Select Committee on Intelligence; Chair, Senate Committee on Finance from 1987; Senior Counselor, National Bipartisan Commission on Central America (Kissinger Commission); Democratic nominee for Vice President in 1988
- Berman, Julius**, Chair, Conference of Presidents of Major American Jewish Organizations
- Betancour Cuartas, Belisario**, President of Colombia from August 7, 1982, until August 7, 1986
- Biden, Joseph R., Jr. “Joe,”** Senator (D–Delaware); member, Senate Foreign Relations Committee and Senate Select Committee on Intelligence
- Billington, James H.**, Director, Woodrow Wilson International Center for Scholars until September 1987; Librarian of Congress from September 14, 1987
- Bishop, James K.**, U.S. Ambassador to Niger until May 29, 1981; Deputy Assistant Secretary of State for African Affairs from June 1981 until 1987; U.S. Ambassador to Liberia from May 4, 1987
- Bishop, Maurice**, Prime Minister of Grenada until October 19, 1983
- Bistany, Joanna E.**, Deputy to the Administrator of the Reagan Transition team; Deputy to the Assistant to the President for Communications, Office of Communications, from 1981; Special Assistant to the President for Communications, Office of Communications, from April 19, 1982, until 1984
- Blackwill, Robert D. “Bob,”** member, National Security Council staff, West Europe Cluster, until January 1981; Deputy Director, Bureau of Politico-Military Affairs, Department of State, from January 1981 until May 1982; Deputy Assistant Secretary of State for European Affairs from May 1982 until June 1983; Associate Dean and faculty member, John F. Kennedy School of Government, Harvard University, from 1983 until 1985 and from 1987; U.S. Representative to the Mutual and Balanced Force Reduction talks in Vienna from April 1, 1985, until 1987
- Blair, Dennis C.**, Commander, USN; Director, Western Europe, Political Affairs Office, National Security Council, from 1981 until 1983; Deputy Senior Director, European and Soviet Affairs Directorate, National Security Council, in 1983
- Bleakley, Kenneth W.**, Deputy Director, Operations Center, Executive Secretariat, Department of State, until 1981; Deputy Chief of Mission, U.S. Embassy in San Salvador, from May 1981 until 1984; thereafter, Deputy Director, Policy Planning Staff, Department of State
- Block, John R. “Jack,”** Secretary of Agriculture from January 23, 1981, until February 14, 1986
- Boeker, Paul H.**, Director, Foreign Service Institute, Department of State, until January 31, 1982; member, Policy Planning Council, Department of State, 1983; U.S. Ambassador to Jordan from September 1, 1984, until August 13, 1987
- Bohlen, Avis T.**, Office of Security and Political Affairs, Bureau of European Affairs, Department of State, until 1982; Political Officer, U.S. Embassy in Paris, from August 1982 until 1985; member, Policy Planning Staff, Department of State, from 1985; Executive Director, START, Office of Negotiations on Nuclear and Space Arms with the Soviet Union, Department of State; Director, Office of European Security and Political Affairs, Bureau of European and Canadian Affairs, Department of State
- Boland, Edward P.**, member, U.S. House of Representatives (D–Massachusetts) until January 3, 1989; Chair, House Permanent Select Committee on Intelligence until January 3, 1985
- Bond, Christopher S. “Kit,”** Republican Governor of Missouri until January 10, 1977, and from January 12, 1981, until January 14, 1985; Senator (R–Missouri) from January 3, 1987
- Bonker, Don L.**, member, U.S. House of Representatives (D–Washington) until January 3, 1989; member, House Foreign Affairs Committee

- Boschwitz, Rudolph E. "Rudy,"** Senator (R–Minnesota) from December 30, 1978; member, Senate Foreign Relations Committee
- Bosworth, Stephen W.,** U.S. Ambassador to Tunisia until June 22, 1981; Principal Deputy Assistant Secretary of State for Inter-American Affairs from July 1981 until January 1983; Chair, Policy Planning Council, Department of State, from January 3, 1983, until April 7, 1984; U.S. Ambassador to the Philippines from May 4, 1984, until April 2, 1987
- Botha, Pieter Willem "P.W.,"** Prime Minister of South Africa until September 14, 1984; State President of South Africa from 1984
- Bourguiba, Habib,** President of Tunisia until November 7, 1987
- Bova, Michele M.,** Commercial Officer, U.S. Embassy in Cairo, until 1981; Foreign Affairs Economic Analyst, Office of Economic Analysis, Bureau of Intelligence and Research, Department of State, from 1981 until 1983; Congressional Relations Legislative Management Officer for Economic Affairs, Bureau of Legislative and Intergovernmental Affairs, Department of State, from 1983 until 1984; Secretariat Staff Director, Executive Secretariat, Department of State, during 1984; Legislative Management Officer for European and Canadian Affairs, Bureau of Legislative Affairs, Department of State; Economic Officer, U.S. Embassy in Santo Domingo, from 1987
- Boverie, Richard T.,** Major General, USAF; Principal Director for Plans and Policy, Office of the Deputy Under Secretary of Defense (Policy Planning), from December 1979 until June 1981; Acting and then Principal Deputy Assistant Secretary of Defense (International Security Policy) from June 1981 until June 1982; Director, Defense Policy Directorate, National Security Council, from 1982 until 1983
- Bowie, Robert R.,** Professor of Law, Harvard University; Director of the Policy Planning Staff, Department of State, from May 28, 1953, until August 31, 1957; founder and Director, Center for International Affairs, Harvard University, from 1958 until 1972; Counselor of the Department of State, from September 21, 1966, until April 1, 1968, Deputy Director of the National Foreign Assessment Center, Central Intelligence Agency, from 1977 until 1979
- Brady, James S. "Jim,"** White House Press Secretary and Assistant to the President from January 21, 1981, until February 28, 1989
- Brainard, Lawrence J.,** economist, Bankers Trust Company
- Brandt, Willy,** former Chancellor of the Federal Republic of Germany; chair, Independent Commission for International Development Issues (Brandt Commission)
- Bremer, L. Paul, III "Jerry,"** Deputy Executive Secretary of the Department of State until February 1981; Special Assistant to the Secretary and Executive Secretary of the Department of State from February 2, 1981, until March 27, 1983; U.S. Ambassador to the Netherlands from August 31, 1983, until August 25, 1986; Director of the Bureau of Counterterrorism and Ambassador at Large for Counterterrorism, Department of State, from October 17, 1986
- Brezhnev, Leonid I.,** General Secretary of the Central Committee of the Communist Party of the Soviet Union until his death on November 10, 1982
- Bridges, Peter S.,** Director, Office of Eastern European Affairs, Bureau of European Affairs, Department of State, until 1981; Deputy Chief of Mission, U.S. Embassy in Rome, from 1981; U.S. Ambassador to Somalia from December 19, 1984, until May 14, 1986
- Brinkley, David,** host of the ABC News public affairs program *This Week with David Brinkley*
- Brock, William E., III,** Chair of the Republican National Committee until 1981; U.S. Trade Representative from January 23, 1981, until April 22, 1985; Secretary of Labor from April 29, 1985, until October 31, 1987
- Bronfman, Edgar M., Sr.,** Chief Executive, Seagram's (Distillers Corporation-Seagram Ltd.); President, World Jewish Congress, from January 1981
- Broomfield, William S.,** member, U.S. House of Representatives (R–Michigan); delegate, Strategic Arms Limitation Talks (SALT II); Senior Counselor, National Bipartisan Commission on Central America (Kissinger Commission)

- Brower, Charles N.**, Acting Legal Adviser, Department of State, from 1969 until 1973; member, Department of State Transition Team, 1980; judge, Iran-U.S. Claims Tribunal, from 1984; Deputy Special Counselor to the President from January 9, 1987
- Brown, Edmund G., Jr. "Jerry,"** Democratic Governor of California until January 3, 1983; Democratic candidate for President in 1976 and 1980
- Brown, George E.**, Office of Policy Planning Coordination, Bureau of Inter-American Affairs, Department of State
- Brzezinski, Zbigniew K.**, President's Assistant for National Security Affairs from January 20, 1977, until January 20, 1981; Senior Adviser, Center for Strategic and International Studies, Georgetown University, from 1981; member, Commission on Integrated Long-Term Strategy
- Buchanan, Patrick J. "Pat,"** Special Assistant to Presidents Nixon and Ford; syndicated columnist, co-host of CNN's *Crossfire*, and panelist on PBS's *The McLaughlin Group*; Assistant to the President and Director of Communications, Office of Communications, from February 1985 until March 1, 1987
- Buckley, James L.**, Under Secretary of State for Security Assistance, Science, and Technology from February 18, 1981, until August 20, 1982; Counselor of the Department of State from September 9, 1982, until September 26, 1982; President, Radio Free Europe/Radio Liberty, from 1982 until 1985; Judge, U.S. Court of Appeals for the District of Columbia Circuit from December 17, 1985
- Buffum, William B.**, Assistant Secretary of State for International Organization Affairs from February 4, 1974, until December 18, 1975; United Nations Under Secretary-General for Political and General Assembly Affairs
- Bumpers, Dale L.**, Democratic Governor of Arkansas until January 3, 1975; thereafter, Senator (D–Arkansas)
- Bundy, McGeorge**, Special Assistant to the President for National Security Affairs from January 20, 1961, until February 28, 1966; President, Ford Foundation, from 1966 until 1979; Professor of History, New York University, from 1979
- Burnham, Forbes**, Executive President of Guyana
- Burns, Arthur F.**, Chairman of the Federal Reserve until March 8, 1978; U.S. Ambassador to the Federal Republic of Germany from June 30, 1981, until May 16, 1985
- Burt, Richard R.**, correspondent, *New York Times*; member, Department of State Transition Team; Director, Bureau of Politico-Military Affairs, Department of State, from January 23, 1981, until February 17, 1982; Assistant Secretary of State for European Affairs-designate from May 10, 1982, until February 17, 1983; Assistant Secretary of State for European Affairs (European and Canadian Affairs from September 15, 1983), from February 18, 1983, until July 18, 1985; U.S. Ambassador to the Federal Republic of Germany from September 16, 1985, until February 17, 1989
- Burton, Bruce G.**, Office of Security and Political Affairs, Bureau of European Affairs, Department of State, until 1982; Political Officer, U.S. Embassy in Madrid, from 1984 until 1985; thereafter, Deputy Director, Multilateral and Security Affairs, Office of Soviet Union Affairs, Bureau of European and Canadian Affairs, Department of State
- Busby, Morris D.**, Deputy Assistant Secretary of State for Oceans and Fisheries Affairs until 1982; detailed to the Arms Control and Disarmament Agency as Executive Secretary to the Representative for the Committee on Disarmament and Alternate U.S. Representative to the Committee on Disarmament in 1982 and 1983; Deputy Chief of Mission, U.S. Embassy in Mexico City, from 1984 until 1987; thereafter, Principal Deputy Assistant Secretary of State for Inter-American Affairs and Special Envoy for Central America from 1987 until 1988
- Bush, George H.W.**, Chair, Republican National Committee, until September 16, 1974; Head of the U.S. Liaison Office in Beijing from September 26, 1974, until December 7, 1975; Director of Central Intelligence from January 30, 1976, until January 20, 1977; Republican candidate for President in 1980; Republican nominee for Vice President in 1980; Vice President of the United States from January 20, 1981, until January 20, 1989; Republican nominee for President in 1988; thereafter, President

- Butcher, Willard C.**, Chief Executive Officer, Chase Manhattan Bank
- Byrd, Harry F., Jr.**, Senator (I–Virginia) until January 2, 1983
- Byrd, Robert C.**, Senator (D–West Virginia); Senate Majority Leader until 1981; Senate Minority Leader from 1981 until January 3, 1987; Senate Majority Leader from January 3, 1987
- Cannon, Howard W.**, Senator (D–Nevada) until January 3, 1983
- Cannon, Lou**, *Washington Post* reporter and Reagan biographer
- Cargo, William L.**, Director, Policy Planning Staff, Department of State, from August 4, 1969, until July 30, 1973; U.S. Ambassador to Nepal from September 28, 1973, until April 3, 1976
- Carlucci, Frank C., III**, Deputy Director of Central Intelligence until February 4, 1981; Deputy Secretary of Defense from 1981 until December 31, 1982; President and Chief Operating Officer, Sears World Trade, Inc., from 1983 until 1984; Chair and Chief Executive Officer, Sears World Trade, Inc., from 1984 until 1986; member and chair, General Advisory Committee, Arms Control and Disarmament Agency, from 1986; President's Assistant for National Security Affairs from December 2, 1986, until November 5, 1987; Secretary of Defense from November 23, 1987; member, President's Blue Ribbon Commission on Defense Management (Packard Commission)
- Carrington, 6th Baron of (Peter Alexander Rupert)**, British Foreign Secretary until April 5, 1982; Secretary-General of the North Atlantic Treaty Organization from June 25, 1984, until June 30, 1988
- Carstens, Karl**, President of the Federal Republic of Germany until June 30, 1984
- Carter, James Earl, Jr. "Jimmy,"** Democratic Governor of Georgia from 1971 until 1975; Democratic nominee for President in 1976; President of the United States from January 20, 1977, until January 20, 1981
- Casey, William J.**, Chair, Interim Foreign Policy Advisory Board; Chair, Reagan Transition Team Executive Committee; Director of Central Intelligence from January 28, 1981, until January 29, 1987
- Castaneda y Alvarez de la Rosa, Jorge**, Mexican Foreign Minister until November 30, 1982
- Castro Ruz, Fidel**, Premier of Cuba
- Cavaco Silva, Anibal Antonio**, Prime Minister of Portugal from November 6, 1985
- Ceausescu, Nicolae**, President of Romania
- Cerezo Arévalo, Marco Vinicio**, President of Guatemala from January 14, 1986
- Chafee, John H.**, Senator (R–Rhode Island) from December 29, 1976; member, Senate Select Committee on Intelligence
- Chain, John T., Jr.**, General, USAF; Assistant Deputy Chief of Staff for Plans and Operations, United States Air Force, from 1981 until 1982; Deputy Chief of Staff for Plans and Operations, United States Air Force, from 1982 until 1984; Director, Bureau of Politico-Military Affairs, Department of State, from July 1, 1984, until June 14, 1985; Chief of Staff, Supreme Headquarters Allied Powers Europe, from June 1985 until June 1986; Commander in Chief, Strategic Air Command, and Director, Joint Strategic Target Planning Staff, from June 1986
- Charles, Eugenia**, Prime Minister of Dominica and Chairperson of the Organization of Eastern Caribbean States
- Cheney, Richard B.**, White House Chief of Staff from November 1975 until January 20, 1977; member, U.S. House of Representatives (R–Wyoming); Republican Whip from January 3, 1989
- Chernenko, Konstantin U.**, General Secretary, Central Committee, Communist Party of the Soviet Union and Chair, Presidium of the USSR Supreme Soviet, from 1984 until 1985
- Chew, David L.**, Executive Assistant to the Secretary of the Treasury from 1981 until 1984; Senior Deputy Comptroller of the Currency for Policy and Planning from April 1984 until 1985; Staff Secretary and Deputy Assistant to the President, White House Secretariat, from 1985 until 1987; Deputy Assistant to the President, White House Operations, from 1987 until 1989

XL Persons

- Cheysson, Claude**, French Foreign Minister until December 7, 1984; thereafter, member, Commission of the European Communities
- Chiang Ching-kuo**, President of the Republic of China (Taiwan) and Chairman of the Kuomintang until January 13, 1988
- Childress, Richard T. "Dick,"** Lieutenant Colonel, USA; staff member, Special Projects, National Security Council, in 1981; East Asia/Pacific Affairs, Political Affairs Office, National Security Council, from 1982 until 1983; Deputy Director, Political-Military Affairs Directorate, National Security Council, from 1983 until 1984; Director, Political-Military Affairs Directorate, National Security Council, from 1984 until 1986; Director, Asian Affairs Directorate, National Security Council, from 1986 until 1988
- Chirac, Jacques**, French Prime Minister from 1974 until 1976 and from March 20, 1986, until May 10, 1988
- Chubin, Shahram**, International Institute for Strategic Studies
- Chun Doo-hwan**, President of the Republic of South Korea until February 24, 1988
- Clark, Charles Joseph, (Joe)**, Prime Minister of Canada until March 1980; Canadian Secretary of State for External Affairs from September 17, 1984
- Clark, William, Jr.**, Director, Office of Japan, Bureau of East Asian and Pacific Affairs, Department of State; Deputy Chief of Mission, U.S. Embassy in Tokyo, from 1981; Deputy Chief of Mission, U.S. Embassy in Cairo, from 1985 until 1986; Chargé d'Affaires, U.S. Embassy in Cairo during 1986; Deputy Assistant Secretary of State for East Asian and Pacific Affairs from 1986 until 1987; thereafter, Principal Deputy Assistant Secretary for East Asian and Pacific Affairs from 1987
- Clark, William P., Jr., "Bill,"** Cabinet Secretary and later Chief of Staff to Governor Reagan; Judge, California Supreme Court until 1981; Deputy Secretary of State from March 25, 1981, until February 9, 1982; President's Assistant for National Security Affairs from February 10, 1982, until November 17, 1983; Secretary of the Interior from November 18, 1983, until February 7, 1985; member, President's Blue Ribbon Commission on Defense Management (Packard Commission); member, Commission on Integrated Long-Term Strategy; member, President's Blue Ribbon Task Group on Nuclear Weapons Program Management
- Clausen, Alden Winship "Tom,"** President, World Bank, from July 1981 until June 1986; Chair and Chief Executive Officer, Bank of America, from 1986
- Clements, William P. "Bill,"** Deputy Secretary of Defense from January 30, 1973, until January 20, 1977; Republican Governor of Texas until January 18, 1983, and from January 20, 1987; member, Interim Foreign Policy Advisory Board; member, President's Commission on Strategic Forces (Scowcroft Commission)
- Cobb, Tyrus P. "Ty,"** Deputy Director, European and Soviet Affairs Directorate, National Security Council, from 1983 until 1984; Director, European and Soviet Affairs Directorate, National Security Council, from 1984 until 1988; Special Assistant to the President for National Security Affairs and Senior Director, International Programs and Technology Affairs, National Security Council, from July 15, 1988
- Cockell, William A., Jr.**, Rear Admiral, USN (Ret.); Deputy Under Secretary of Defense for Research and Engineering until July 1986; Deputy Assistant to the President for Defense Policy, National Security Council, from July 25, 1986, until 1987; Special Assistant to the President for National Security Affairs and Senior Director, Defense Policy, Defense Programs and Arms Control Directorate, National Security Council, from 1987 until 1988
- Codevilla, Angelo M.**, member, Department of State Transition Team, 1980; professional staff member, Senate Select Committee on Intelligence until 1985; Senior Research Fellow, Hoover Institution, Stanford University, from 1985
- Coffey, Steven J.**, Deputy Director, Office of Strategic Nuclear Policy, Bureau of Politico-Military Affairs, Department of State; Special Assistant, Office of the Under Secretary of State for Political Affairs

- Cohen, Herman Jay "Hank,"** Deputy Assistant Director, Bureau of Intelligence and Research, Department of State until 1984; Special Assistant to the President for National Security Affairs and Senior Director, African Affairs Directorate, National Security Council, from February 1987 until 1988
- Cohen, William S.,** member, U.S. House of Representatives (R–Maine) until January 3, 1979; thereafter, Senator (R–Maine)
- Combs, Richard E., Jr.,** Deputy Director, Office of Soviet Union Affairs, Bureau of European Affairs, Department of State, from 1980 until July 1983; Director, Office of Eastern European and Yugoslav Affairs, Bureau of European and Canadian Affairs, Department of State, from July 1983 until July 1985; Deputy Chief of Mission, U.S. Embassy in Moscow, from July 1985 until 1987
- Córdovez, Diego,** United Nations Under Secretary-General for Special Political Affairs and Personal Representative of the United Nations Secretary-General on the Situation in Afghanistan
- Cossiga, Francesco,** Prime Minister of Italy until 1980; President of Italy from July 1, 1985
- Cranston, Alan,** Senator (D–California) and Democratic Whip; member, Senate Foreign Relations Committee; Democratic candidate for President in 1984
- Craxi, Bettino,** Prime Minister of Italy from August 1983 until 1987
- Cribb, T. Kenneth, Jr.,** deputy to the chief counsel of the Reagan for President campaign in 1980; member, Reagan Transition Team; Staff Assistant to the President and Deputy Director, Office of Cabinet Affairs, from February 12, 1981, until March 1982; Assistant Counselor to the President (Deputy Assistant to the President), Office of the Counselor to the President, from March 23, 1982, until January 1985; Counselor to Attorney General Meese from 1985 until 1986; member, Chief of Staff's transition team, from March 4, 1987, until April 1987; Assistant to the President for Domestic Affairs and Director of the Office of Domestic Affairs from April 1987 until January 1989
- Crocker, Chester A.,** member, Department of State Transition Team, 1980; Assistant Secretary of State for African Affairs from June 9, 1981
- Cronkite, Walter,** anchor, CBS *Evening News*, until early 1981
- Crowe, William, J., Jr.,** Admiral, USN; Commander in Chief, Allied Forces, Southern Europe, until 1983; Commander in Chief, U.S. Pacific Command, from 1983 until 1985; Chairman of the Joint Chiefs of Staff from 1985
- Culver, John C.,** Senator (D–Iowa) until January 3, 1981
- Dam, Kenneth W. "Ken,"** Provost, University of Chicago, until 1982; Deputy Secretary of State from September 23, 1982, until June 15, 1985
- Danforth, John C. "Jack,"** Senator (R–Missouri)
- Daniels, Mitchell, Jr. "Mitch,"** administrative assistant to Senator Richard Lugar (R–Indiana) until 1982; Executive Director, National Republican Senatorial Committee, from 1983 until 1985, Deputy Assistant to the President and Director, Office of Intergovernmental Affairs, from March until August 1985; Assistant to the President for Political and Intergovernmental Affairs from November 1985 until March 1987
- Daniloff, Nicholas,** Moscow correspondent for *U.S. News & World Report*
- Danzansky, Stephen I.,** Special Assistant to the President and Senior Director, International Economic Affairs Directorate, National Security Council, from October 24, 1985, until October 6, 1988; thereafter, Deputy Assistant to the President for International Economic Affairs, Office of Policy Development, National Security Council
- D'Aubuisson, Roberto,** co-founder and leader, Nationalist Republican Alliance (ARENA); President, Constituent Assembly, El Salvador, from 1982 until 1983
- de la Espriella, Ricardo,** President of Panama from July 31, 1982, until February 13, 1984
- de la Madrid Hurtado, Miguel,** President of Mexico from December 1, 1982, until November 30, 1988
- Darman, Richard G. "Dick,"** member and Executive Director, Reagan Transition Team; Deputy Assistant to the President and Deputy to the Chief of Staff, Office of the

- Chief of Staff, from January 20, 1981, until August 1981; Assistant to the President and Deputy to the Chief of Staff from September 14, 1981, until February 3, 1985; supervisor of the White House Office of Speechwriting beginning in January 1984; Deputy Secretary of the Treasury from February 1985 until April 2, 1987; Director of the Office of Management and Budget from January 1989
- Dean, Robert W.**, Deputy Director, Bureau of Politico-Military Affairs, Department of State, from 1981 until 1985; Senior Representative for Strategic Technology Policy, Department of State, from August 1986 until February 1987; Special Assistant to the President for National Security Affairs and Senior Director, International Programs and Technology Affairs Directorate, National Security Council, from February 11, 1987, until 1988
- Deaver, Michael K.**, Director of Administration for Governor Reagan; Chief of Staff, Reagan for President campaign in 1976; Senior Adviser, Reagan for President campaign in 1979 and from February 1980; Senior Adviser, Reagan Transition Team; Deputy Chief of Staff and Assistant to the President from January 1, 1981, until May 10, 1985
- Deng Xiaoping (Teng Hsiao-p'ing)**, Vice Premier of the State Council of the People's Republic of China
- Derwinski, Edward J. "Ed,"** member, U.S. House of Representatives (R-Illinois) until January 3, 1983; Counselor of the Department of State from March 23, 1983, until March 24, 1987; Under Secretary of State for Security Assistance, Science, and Technology from March 24, 1987, until January 21, 1989
- Djerejian, Edward P.**, Deputy Chief of Mission, U.S. Embassy in Amman, from 1981 until 1984; Deputy Spokesman, Department of State, from January 19 until June 22, 1985; Special Assistant to the President and Deputy Press Secretary for Foreign Affairs, Office of the Press Secretary, from 1985 until August 1, 1986; Deputy Assistant Secretary of State for Near Eastern and South Asian Affairs from 1986 until 1988; U.S. Ambassador to Syria from October 2, 1988
- Dobriansky, Paula J.**, Soviet Union/Eastern Europe, Political Affairs Office, National Security Council, from 1981 until 1983; Deputy Director, European and Soviet Affairs Directorate, National Security Council, from 1983 until 1984; Director, European and Soviet Affairs Directorate, National Security Council, from 1984 until 1987; thereafter, Deputy Assistant Secretary of State for Human Rights and Humanitarian Affairs
- Dobrynin, Anatoly F.**, Soviet Ambassador to the United States until May 1986; Director of the International Department of the Central Committee of the Communist Party of the Soviet Union from 1986
- Dodd, Christopher J.**, member, U.S. House of Representatives (D-Connecticut) until January 3, 1981; Senator (D-Connecticut) from January 3, 1981; member, Senate Foreign Relations Committee
- Dodd, James P.**, Regional Labor Attaché and Regional Labor Adviser, Office of Regional Affairs, Bureau of Near Eastern and South Asian Affairs, Department of State
- Dolan, Anthony R. "Tony,"** Speechwriter and Director of Special Research and Issues, Office of Research and Policy, Reagan-Bush Campaign; Speechwriter, White House Office of Speechwriting from January 1981 until November 17, 1981; Acting Director of Speechwriting from April 1981 until November 17, 1981; Special Assistant to the President and Chief Speechwriter from November 17, 1981, until 1985; Deputy Assistant to the President and Director of Speechwriting from 1986
- Dole, Elizabeth Hanford**, Deputy Assistant (later Assistant) to the President for Public Liaison and Director, Office of Public Liaison, from 1981 until January 1983; Secretary of Transportation from February 7, 1983, until September 30, 1987
- Dole, Robert "Bob,"** Republican nominee for Vice President in 1976; Republican candidate for President in 1980 and 1988; Senator (R-Kansas); Chair, Senate Finance Committee, from January 3, 1981, until January 3, 1985; Senate Majority Leader from January 3, 1985, until January 3, 1987; Senate Minority Leader from January 3, 1987
- Domenici, Pete V.**, Senator (R-New Mexico); Senior Counselor, National Bipartisan Commission on Central America (Kissinger Commission)

- Donaldson, Sam**, ABC News White House correspondent
- Donovan, Raymond J.**, Secretary of Labor from February 4, 1981, until March 15, 1985
- dos Santos, José Eduardo**, President of Angola
- Draper, Morris "Morrie,"** Chief U.S. Negotiator in Lebanon and Assistant to the Special Representative of the President for the Middle East until July 22, 1983; Deputy Assistant Secretary of State for Near Eastern and South Asian Affairs until February 6, 1983
- Drischler, Alvin P.**, member, Department of State Transition Team, 1980; staff aide to Senator Paul Laxalt (R–Nevada) until early 1981; Deputy Assistant Secretary of State for Congressional Relations; later, Principal Deputy Assistant Secretary of State for Legislative and Intergovernmental Affairs
- Duarte Fuentes, José Napoleón**, President of El Salvador from June 1, 1984
- Duberstein, Kenneth M.**, Deputy Assistant to the President for Legislative Affairs, Office of Legislative Affairs, until December 1981; Assistant to the President for Legislative Affairs from 1982 until December 15, 1983; Deputy White House Chief of Staff from March 23, 1987, until June 30, 1988; White House Chief of Staff from July 1, 1988, until January 20, 1989
- Dubinín, Yuri V.**, Soviet Ambassador to the United States from May 1986
- Dukakis, Michael S.**, Democratic Governor of Massachusetts until January 4, 1979, and from January 6, 1983; Democratic presidential nominee in 1988
- Dunbar, Charles F., Jr.**, Political Officer, acting Deputy Chief of Mission, Deputy Chief of Mission, Chargé d'Affaires ad Interim, U.S. Embassy in Kabul, until May 1983; U.S. Ambassador to Qatar from October 30, 1983, until March 23, 1985; Special Assistant, Bureau of Near Eastern and South Asian Affairs, Department of State, from April 1985 until July 1988; U.S. Ambassador to the Yemen Arab Republic from August 14, 1988
- Duvalier, Jean-Claude "Baby Doc,"** President of Haiti until 1986
- Dyke, Nancy Bearg**, Assistant to the Vice President for National Security Affairs
- Eagleburger, Lawrence S. "Larry,"** U.S. Ambassador to Yugoslavia until January 24, 1981; Assistant Secretary of State for European Affairs from May 14, 1981, until January 26, 1982; Under Secretary of State for Political Affairs from February 12, 1982, until May 1, 1984; Career Ambassador from April 12, 1984
- Eagleton, Thomas F.**, Democratic vice presidential candidate in 1972; Senator (D–Missouri), until January 3, 1987
- Einaudi, Luigi R.**, member, Policy Planning Staff, Department of State, from 1974 until 1977; Director, Office of Policy Planning Coordination, and Staff Director, NSC Interdepartmental Groups, Bureau of Inter-American Affairs, Department of State
- Eisenhower, Dwight D.**, President of the United States from January 20, 1953, until January 20, 1961
- Elizabeth II**, Queen of England
- Elliot, Bently T. "Ben,"** Speechwriter, White House Office of Speechwriting, from 1981 until 1983; Deputy Assistant to the President and Director, White House Office of Speechwriting, from October 1983 until 1986
- Enders, Thomas O.**, U.S. Representative to the European Community until May 27, 1981, Assistant Secretary of State for Inter-American Affairs from June 23, 1981, until June 27, 1983; U.S. Ambassador to Spain from September 15, 1983, until July 6, 1986
- Erhard, Ludwig W.**, Chancellor of the Federal Republic of Germany from 1963 until 1966
- Ermath, Fritz W.**, member, Defense Coordination Cluster, National Security Council staff, from 1978 until 1980; National Intelligence Officer for the Soviet Union and member, National Intelligence Council, from 1984 until 1987; Special Assistant to the President for National Security Affairs and Senior Director, European and Soviet Affairs Directorate, National Security Council, from February 11, 1987, until January 1989
- Evans, Rowland**, syndicated columnist with Robert Novak of *Evans & Novak*
- Evren, Kenan**, General, President of Turkey from November 9, 1982
- Evron, Ephraim**, Israeli Ambassador to the United States until 1982

- Exon, J. James "Jim,"** Democratic Governor of Nebraska until 1979; Senator (D–Nebraska) from January 3, 1979
- Fahd bin Abdulaziz Al Saud,** Crown Prince of Saudi Arabia until June 13, 1982; thereafter, King of Saudi Arabia
- Fairbanks, Richard M., III "Dick,"** Assistant Secretary of State for Congressional Relations from March 6, 1981, until January 26, 1982; Special Assistant to the Secretary from 1982 until 1984; Ambassador at Large from April 3, 1984, until August 8, 1985; also, Special Middle East Peace Negotiator
- Falldin, Thornbjorn,** Prime Minister of Sweden from 1976 until 1978 and from October 12, 1979, until October 8, 1982
- Fanfani, Amintore,** Prime Minister of Italy from December 1, 1982, until August 4, 1983, and from April 17, 1987, until July 28, 1987
- Febres-Cordero Ribadeneyra, León,** President of Ecuador from 1984 until 1988
- Feldman, Harvey J.,** U.S. Ambassador to Papua New Guinea until May 25, 1981; Washington Representative of the U.S. Permanent Representative to the United Nations until September 24, 1984; thereafter, Alternate U.S. Representative to the United Nations for Special Political Affairs
- Feldstein, Michael "Mike,"** member, Policy Planning Staff, Department of State
- Ferraro, Geraldine A.,** member, U.S. House of Representatives (D–New York), from January 3, 1979, until January 3, 1985; Democratic vice presidential nominee in 1984
- Fischer, Dean E.,** News Editor, Washington bureau, *TIME* Magazine; Department of State Spokesman from March 28, 1981, until August 19, 1982; also, Assistant Secretary of State for Public Affairs from August 7, 1981
- Fitzwater, M. Marlin,** Office of Public Affairs, Environmental Protection Agency, until 1981; Deputy Assistant Secretary for Public Affairs, Department of the Treasury, from 1981 until 1983; Special Assistant to the President and Deputy Press Secretary for Domestic Affairs, Office of the Press Secretary, from September 1, 1983, until April 1, 1985; Press Secretary and Assistant to Vice President Bush from April 1, 1985, until January 1987; Assistant to the President for Press Relations and Spokesman for the President, Office of the Press Secretary, from February 2, 1987, until January 20, 1989
- Fontaine, Roger W.,** Director, Inter-American Affairs, Political Affairs Office, National Security Council, from February 1981 until 1983; Director, Latin American Affairs Directorate, National Security Council, in 1983
- Ford, Gerald R.,** President of the United States from August 9, 1974, until January 20, 1977; member, Interim Foreign Policy Advisory Board
- Forlani, Arnaldo,** Prime Minister of Italy until June 28, 1981
- Fortier, Alison Brenner,** professional staff member, House Committee on Foreign Affairs; Director, Office of Congressional Affairs, Arms Control and Disarmament Agency, from February 1985 until April 1987; Special Assistant to the President for National Security Affairs and Senior Director, Legislative Affairs Directorate, National Security Council, from April 2, 1987, until 1988
- Fortier, Donald R. "Don,"** Deputy Director, Policy Planning Staff, Department of State, from February 1981 until September 1982; Director, Western Europe, Political Affairs Office, National Security Council, from September 1982 until June 1983; Special Assistant to the President for National Security Affairs and Senior Director, Political-Military Affairs Directorate, National Security Council, from June 3 until December 21, 1983; Deputy Assistant to the President for National Security Affairs and Senior Director, Policy Development Directorate, from December 21, 1983, until 1985; Principal Deputy Assistant to the President for National Security Affairs from December 1985 until August 23, 1986
- Fox, J. Edward,** minority staff consultant, House Committee on Foreign Affairs until 1982; Deputy Assistant Secretary of State for Legislative and Intergovernmental Affairs (House of Representatives) from 1983 until 1984; Principal Deputy Assistant

- Secretary of State for Legislative and Intergovernmental Affairs from 1984 until 1985; Special Assistant to the President for Legislative Affairs (House), Office of Legislative Affairs, from October 21, 1985, until June 1986; Assistant Secretary of State for Legislative and Intergovernmental Affairs (Assistant Secretary of State for Legislative Affairs from October 2, 1987), from June 18, 1986
- Francois-Poncet, Jean**, French Minister of Foreign Affairs until May 13, 1981
- Fraser, Malcolm**, Prime Minister of Australia until March 11, 1983
- Fried, Daniel**, Consular Officer, U.S. Consulate at Leningrad, from 1981 until 1982; Political Officer, U.S. Embassy in Belgrade, from 1982 until 1985; Office of Soviet Union Affairs, Bureau of European and Canadian Affairs, Department of State, from 1985 until 1987; Polish Desk Officer, Office of Eastern European and Yugoslavia Affairs, Bureau of European and Canadian Affairs, Department of State, from 1987 until 1989
- Friedersdorf, Max L.**, Assistant to the President for Legislative Affairs, Office of Legislative Affairs, from January 1981 until January 2, 1982; Assistant to the President and Legislative Strategy Coordinator from 1985; U.S. Representative to the Conference on Disarmament in Geneva from May 1, 1987
- Fujinami Takao**, Japanese Deputy Chief Cabinet Secretary from December 1982 until December 1983; thereafter, Chief Cabinet Secretary
- Fukuda Takeo**, Prime Minister of Japan from December 24, 1976, until December 7, 1978
- Fuller, Craig L.**, Deputy Assistant to the President and Director, Office of Cabinet Administration, from January until September 1981; Assistant to the President for Cabinet Affairs from September 14, 1981, until March 1985; Chief of Staff to Vice President Bush from April 1, 1985, until January 20, 1989
- Funseth, Robert L.**, Director, Office of Northern European Affairs, Bureau of European Affairs, Department of State, until November 1982; Deputy Assistant Secretary of State for Refugee Resettlement, Bureau for Refugee Programs; Senior Deputy Assistant Secretary of State for Management, Bureau for Refugee Programs, from 1984; Senior Deputy Assistant Secretary of State for Refugee Programs
- Galatz, Karen M.**, Special Assistant, Executive Secretariat, Department of State; member, Policy Planning Staff
- Gandhi, Indira**, Prime Minister of India until March 1977 and from January 14, 1980, until her death on October 31, 1984
- Gandhi, Rajiv**, Prime Minister of India from October 31, 1984
- Gates, Robert S.**, Director, Executive Staff, Office of the Director of Central Intelligence and Director, Office of Policy and Planning, Central Intelligence Agency, from 1981; National Intelligence Officer for Soviet Union and Eastern Europe from November 1981 until January 1982; Deputy Director for Intelligence from January 1982 until April 1986; Chairman, National Intelligence Council, from September 1983; Deputy Director of the Central Intelligence Agency until May 1, 1987; Acting Director of the Central Intelligence Agency from May 2, 1987, until May 26, 1987; Deputy Director of the Central Intelligence Agency from May 26, 1987
- Gemayel, Amin(e)**, President of Lebanon from September 23, 1982, until September 22, 1988
- Gemayel, Bashir**, President-elect of Lebanon in 1982
- Genscher, Hans-Dietrich**, Vice Chancellor and Foreign Minister of the Federal Republic of Germany
- Gergen, David R.**, Assistant to the President and Staff Director of the White House from January 21 until June 17, 1981; Assistant to the President for Communications and Director, Office of Communications, White House Press Office, and White House Office of Speechwriting from June 17, 1981, until January 15, 1984; commentator, PBS's *MacNeil Lehrer NewsHour*, from 1985
- Geyer, Georgie Anne**, syndicated columnist, Universal Press Syndicate; panelist, 1984 presidential debates

- Ghorbal, Ashraf A.**, Egyptian Ambassador to the United States until 1984
- Giscard d'Estaing, Valéry**, President of France until May 21, 1981
- Glassman, Jon D.**, Political Officer, U.S. Embassy in Mexico City, until 1981; member, Policy Planning Staff, Department of State, from 1981 until 1983; Senior Adviser to the Ambassador at Large and Special Envoy for Central America from 1983 until 1984; Director, Office of Australia and New Zealand Affairs, Bureau of East Asian and Pacific Affairs, Department of State, from 1984; Chargé d'Affaires, U.S. Embassy in Afghanistan, from September 1987 until January 1989
- Glenn, John H., Jr.**, former astronaut; Senator (D-Ohio) from December 24, 1974; member, Senate Foreign Relations Committee; Democratic candidate for President in 1984
- Glitman, Maynard W. "Mike,"** Deputy Chief of Mission and Deputy Permanent Representative, U.S. Mission to the North Atlantic Treaty Organization until 1981; Ambassador and Deputy Head negotiator, U.S. Delegation to the Intermediate-Range Nuclear Force negotiations, from 1981 until June 1984; chief U.S. representative to the Mutual and Balanced Force Reduction talks from June 1984 until 1985, Head INF Negotiator to the U.S.-U.S.S.R Nuclear and Space Talks in Geneva; U.S. Ambassador to Belgium from September 28, 1988
- Gobbi, Hugo J.**, Special Representative of the U.N. Secretary General in Cyprus
- Goldberg, Sherwood "Woody,"** Executive Assistant to Secretary of State Haig until July 1982
- Goldwater, Barry M.**, Republican nominee for President in 1964; Senator (R-Arizona); Chair, Senate Armed Services Committee, from 1981; Chair, Senate Select Committee on Intelligence
- Gompert, David C.**, Acting Deputy Assistant Secretary of State for European Affairs; Deputy Assistant Secretary of State for European Affairs from 1981 until 1982; Deputy to the Under Secretary of State for Political Affairs from 1982 until 1983
- González Márquez, Felipe**, Prime Minister of Spain from December 2, 1982
- Goodpaster, Andrew J., Jr.**, General, USA; staff secretary to President Eisenhower from 1954 until 1961; Deputy Commander, Military Assistance Command, Vietnam, from 1968 until 1969; Supreme Allied Commander, Europe, from 1969 until 1974; Senior Fellow, Woodrow Wilson International Center for Scholars, from 1975 until 1976; Superintendent, United States Military Academy, from June 1977 until July 1981; member, Commission on Integrated Long-Term Strategy; member, Citizens Network for Foreign Affairs
- Gorbachev, Mikhail S.**, General Secretary of the Central Committee of the Communist Party of the Soviet Union from March 11, 1985; also Chairman of the Presidium of the Supreme Soviet from October 1, 1988
- Gorbachev, Raisa**, wife of Mikhail Gorbachev
- Graham, Billy**, religious leader and televangelist
- Gramm, William Philip "Phil,"** member, U.S. House of Representatives (D-Texas) until January 5, 1983; member, U.S. House of Representatives (R-Texas) from February 12, 1983, until January 3, 1985; Senator (R-Texas) from January 3, 1985
- Graner, Ralph H.**, Deputy Director, Office of Inter-African Affairs, Bureau of African Affairs, Department of State, until 1982; Director, Office of Multilateral Affairs, Bureau of Human Rights and Humanitarian Affairs, Department of State, from 1982 until 1984; Deputy Chief of Mission, U.S. Embassy in Ndjamena, from 1984
- Green, Grant S., Jr.**, Colonel, USA (Ret.); Military Assistant to the Deputy Secretary of Defense; Deputy Assistant to the President and General Counsel, NSC Office of the Legal Adviser, National Security Council; Special Assistant to the President for National Security Affairs and Executive Secretary, National Security Council, from 1986 until 1987; thereafter, Assistant Secretary of Defense (Force Management and Personnel)
- Greener, William I., III**, Political Director, Republican National Committee

- Gregg, Donald P. "Don,"** member, Intelligence Coordination Cluster, National Security Council staff, until January 1981; thereafter, East Asia/China Cluster; Director, Intelligence Directorate, National Security Council, from 1981 until 1982; Assistant to the Vice President for National Security Affairs
- Griscom, Thomas C. "Tom,"** press secretary to Senator Howard Baker (R-Tennessee) until 1984; Executive Director, National Republican Senatorial Committee, from 1985 until 1986; member, Chief of Staff's transition team, 1987; Assistant to the President for Communications and Planning and Director, Office of Communications, from April 2, 1987, until June 16, 1988
- Gromyko, Andrei A.,** Soviet Minister of Foreign Affairs until 1985; member of the Politburo of the Central Committee of the Communist Party of the Soviet Union; First Deputy Premier, from 1983 until 1985; Chair, Presidium of the USSR Supreme Soviet, from 1985 until October 1, 1988
- Grooms Cowal, Sally M.S.,** Cultural Affairs Officer, U.S. Embassy in Tel Aviv, from 1978 until 1982; Director, International Youth Exchanges Program, United States Information Agency, from 1982 until 1983; Political Officer, U.S. Mission to the United Nations, from 1983 until 1985; Public Affairs Officer, U.S. Embassy in Mexico City, from 1985 until 1989; Chair, Public Diplomacy Working Group (interagency working group for public diplomacy for President Reagan's 1987 trip to the Venice Economic Summit, Rome, the Vatican, West Berlin, and Bonn), Public Affairs Office, National Security Council
- Haass, Richard N.,** Director, Office of Regional Security Affairs, Bureau of Politico-Military Affairs, Department of State, from 1981 until 1982; Deputy for Policy Planning, Office of the Assistant Secretary of State for European and Canadian Affairs and Special Cyprus Coordinator from 1982 until July 18, 1985; thereafter, lecturer, John F. Kennedy School of Government, Harvard University
- Habib, Philip C. "Phil,"** Special Representative of the President to the Middle East from May 1981 until July 1983; Personal Representative of the President to the Philippines, from February 11, 1986, until March 7, 1986; thereafter, President's Special Envoy for Central America
- Hackett, James T.,** Administrative Director, Office of Administration, Arms Control and Disarmament Agency; member, Department of State Transition Team, 1980; Associate Director for Management, International Communication Agency (reverted back to USIA in 1982)
- Haig, Alexander M., Jr.,** General, USA (Ret.); Military Assistant to the President's Assistant for National Security Affairs from 1969 until 1970; Deputy Assistant to the President for National Security Affairs from 1970 until 1973; Vice Chief of Staff, U.S. Army, in 1973; White House Chief of Staff from 1973 until 1974; Commander in Chief, U.S. European Command, from 1974 until 1978; President and Chief Operating Officer, United Technologies Corporation, from 1979 until 1981; member, Interim Foreign Policy Advisory Board; Secretary of State from January 22, 1981, until July 5, 1982; member, President's Commission on Strategic Forces (Scowcroft Commission)
- Hammarskjöld, Dag,** U.N. Secretary General from 1953 until 1961
- Hart, Gary W.,** Senator (D-Colorado) until January 3, 1987; Democratic candidate for President in 1984 and 1988
- Hartley, Muriel,** Assistant to Secretary of State Haig
- Hasegawa Kazutoshi,** private secretary to Prime Minister Nakasone
- Hatfield, Mark O.,** Senator (R-Oregon)
- Hawke, Robert J.L. "Bob,"** Prime Minister of Australia from March 11, 1983
- Hayakawa, S.I.,** Senator (R-California) from January 2, 1977, until January 3, 1983
- Healey, Denis,** shadow British Foreign Minister and Deputy Leader of the Labour Party
- Helms, Jesse,** Senator (R-North Carolina); Chair, Senate Agriculture, Nutrition, and Forestry Committee, from 1981 until 1987; member, Senate Foreign Relations Committee

- Heng Samrin**, President of the People's Republic of Kampuchea (Cambodia) and General Secretary of the Central Committee of the Kampuchean People's Revolutionary Party
- Hermes, Peter**, West German Ambassador to the United States until 1984; West German Ambassador to the Vatican from 1984 until 1987
- Herrera Campins, Luis**, President of Venezuela until February 2, 1984
- Herres, Robert T.**, General, USAF; Commander in Chief, North American Aerospace Command and Commander of U.S. Air Force Space Command from July 1984 until September 1985; Commander in Chief, U.S. Space Command and Commander in Chief, North American Air Defense Command, from September 1985; Vice Chairman, Joint Chiefs of Staff, from February 6, 1987
- Hewitt, Ashley C., Jr.**, Political Officer, U.S. Embassy in Madrid until 1982; Political Officer, U.S. Embassy in Panama City from 1983 until 1985; member, Policy Planning Staff, Department of State, from 1985
- Hill, M. Charles**, Political Officer, U.S. Embassy in Tel Aviv; Director, Israeli and Arab-Israeli Affairs, Bureau of Near Eastern and South Asian Affairs, Department of State, from 1982; Special Assistant to the Secretary and Executive Secretary of the Department of State from March 28, 1983, until January 1, 1985; thereafter, Executive Assistant to the Secretary
- Hodel, Donald P.**, Under Secretary of the Interior from February 1981 until November 1982; Secretary of Energy from November 5, 1982, until February 7, 1985; Secretary of the Interior from February 8, 1985, until January 20, 1989
- Holdridge, John H.**, Assistant Secretary of State for East Asian and Pacific Affairs from May 28, 1981, until December 9, 1982; U.S. Ambassador to Indonesia from February 19, 1983, until January 7, 1986
- Hollings, Ernest F. "Fritz,"** Senator (D-South Carolina); Democratic candidate for President in 1984
- Honecker, Erich**, Chairman of the State Council of the German Democratic Republic and General Secretary of the Central Committee of the Socialist Unity Party of Germany
- Howe, Jonathan T.**, Rear Admiral, USN; Senior Military Assistant to the Deputy Secretary of Defense from 1981 until 1982; Director, Bureau of Politico-Military Affairs, Department of State, from May 10, 1982, until July 1, 1984; Deputy Chairman, NATO Military Committee, from 1986 until 1987; Assistant to the Chairman of the Joint Chiefs of Staff from 1987 until 1989
- Huang Hua**, PRC Vice Premier and Foreign Minister until 1982
- Huddleston, Walter D.**, Senator (D-Kentucky), until January 3, 1985
- Hull, Cordell**, Secretary of State from March 4, 1933, until November 30, 1944
- Hummel, Arthur W., Jr.**, U.S. Ambassador to Pakistan until July 19, 1981; U.S. Ambassador to China from September 24, 1981, until September 24, 1985
- Humphrey, Gordon J.**, Senator (R-New Hampshire)
- Husak, Gustav**, First Secretary of the Communist Party of Czechoslovakia until December 1987; President of Czechoslovakia until December 1989
- Hussein, Saddam**, President of Iraq
- Hussein bin Talal I (Husayn ibn)**, King of Jordan
- Iklé, Frederick C. "Fred,"** Director, Arms Control and Disarmament Agency, from 1973 until 1977; Senior Foreign Policy Adviser, Reagan-Bush Committee; adviser, Reagan Transition Team group on National Security; Under Secretary of Defense for Policy from April 2, 1981, until February 19, 1988; co-chair, Commission on Integrated Long-Term Strategy
- Inouye, Daniel K.**, Senator (D-Hawaii); member, Senate Select Committee on Intelligence; Senior Counselor, National Bipartisan Commission on Central America (Kissinger Commission)
- Ito Masayoshi**, Japanese Minister of Foreign Affairs until May 18, 1981

- Jackson, Henry M. "Scoop,"** Senator (D–Washington) until his death on September 1, 1983; member, Senate Select Committee on Intelligence; member, Interim Foreign Policy Advisory Board; Senior Counselor, National Bipartisan Commission on Central America (Kissinger Commission)
- Jaruzelski, Wojciech,** General, First Secretary, Central Committee, Polish United Workers Party; Prime Minister of Poland from 1981 until 1985; Polish Defense Minister; Head of the Polish Council of State from 1985
- Javits, Jacob K.,** Senator (R–New York) until January 3, 1981
- Jepsen, Roger W.,** Senator (R–Iowa) from January 3, 1979, until January 3, 1985; Co-Chair, Joint Economic Committee
- John Paul II (Karol Wojtyła),** Supreme Pontiff of the Catholic Church and Sovereign of Vatican City
- Johnson, Lyndon Baines,** President of the United States from November 22, 1963, until January 20, 1969
- Juan Carlos I,** King of Spain
- Kadar, Janos,** General Secretary of the Hungarian Socialist Workers' Party until May 1988; Prime Minister of Hungary from 1956 until 1958 and from 1961 until 1965
- Kalb, Marvin,** chief diplomatic correspondent, NBC News; panelist, 1984 presidential debates; moderator, NBC News public affairs program *Meet the Press* from 1984 until 1987
- Kampelman, Max M.,** Ambassador and Co-Chair, U.S. Delegation to the review meeting of the Conference on Security and Cooperation in Europe from 1980 until 1981; Chair, CSCE follow up meeting in Madrid, from 1981 until 1983; Head of Delegation to the Negotiations on Nuclear and Space Talks and Defense and Space Negotiator, Office of Negotiations on Nuclear and Space Arms With the Soviet Union, Office of the Secretary of State, from March 5, 1987, until January 20, 1989; Counselor of the Department of State from July 15, 1987, until January 20, 1989
- Kanter, Arnold L., "Arnie,"** Deputy Director, Office of Policy Analysis, Bureau of Politico-Military Affairs, Department of State until May 1981; Director, Office of Policy Analysis, from May 1981 until September 1983; Deputy to the Under Secretary of State for Political Affairs in 1984; Deputy Director, Bureau of Politico-Military Affairs, from 1985; thereafter, Senior Staff Member, RAND Corp.
- Kaplan, Philip S. "Phil,"** Director, Office of Multilateral Affairs Plans and Coordination, Office of the Deputy Assistant Secretary of State for Political and Multilateral Affairs, Bureau of International Organization Affairs, from 1979 until February 1981; Deputy Director, Policy Planning Staff; Staff Director, Policy Planning Council, from February 1981 until 1985; Deputy Chief of Mission, U.S. Embassy in Manila, from 1985; Chargé d' Affaires, U.S. Embassy in Manila in 1987; Deputy U.S. Representative to the Negotiations on Conventional Armed Forces in Europe from 1989
- Karita Yoshio,** Director, First North American Division, Japanese Ministry of Foreign Affairs
- Karmal, Babrak,** President of Afghanistan until May 4, 1986
- Kassebaum, Nancy Landon,** Senator (R–Kansas); Chair, Subcommittee on African Affairs, Senate Foreign Relations Committee
- Kasten, Robert W., Jr.,** member, U.S. House of Representatives (R–Wisconsin) until January 3, 1979; Senator (R–Wisconsin) from January 3, 1981
- Kauzlarich, Richard Dale, "Dick,"** Economic Officer, U.S. Embassy in Tel Aviv until 1983; Director, Operations Center, Executive Secretariat, Department of State, from 1983 until 1984; Deputy Assistant Secretary of State for International Economic, Social, and Private Sector Affairs, Bureau of International Organization Affairs, from 1984 until 1986; Deputy Director, Policy Planning Staff, Department of State, from 1986 until 1989

L Persons

- Keating, Robert B.**, consultant, international security affairs, Office of the Secretary of Defense, from 1981 until 1982; consultant to the office of General Counsel at the Department of the Navy from 1982 until 1983; U.S. Ambassador to Madagascar and the Comoros from August 11, 1983, until May 1, 1986; thereafter, U.S. Executive Director of the International Bank for Reconstruction and Development
- Keel, Alton G., Jr. "Al,"** Senior Professional Staff, Senate Armed Services Committee, until 1981; Assistant Secretary of the Air Force (Research, Development and Logistics) from 1981 until 1982; associate director for national security and international affairs, Office of Management and Budget, from September 1982; Executive Director, Presidential Commission on the Space Shuttle Challenger Accident, from February 10, 1986; Deputy Assistant to the President for National Security Affairs and acting Principal Deputy to the Assistant to the President for National Security Affairs from July 15 until November 24, 1986; Acting President's Assistant for National Security Affairs from November 25, 1986, until December 18, 1986; U.S. Permanent Representative, U.S. Mission to the North Atlantic Treaty Organization, from March 13, 1987
- Kelley, Paul X.**, General, USMC; Assistant Commandant, U.S. Marine Corps and Chief of Staff, Headquarters, U.S. Marine Corps, from July 1, 1981, until July 1, 1983; Commandant, U.S. Marine Corps, from July 1, 1983, until June 30, 1987
- Kelly, David Barry**, Special Assistant to the President for National Security Affairs and Senior Director, Intelligence and Multilateral Affairs Directorate, National Security Council, from February 11, 1987, until 1988
- Kelly, James A. "Jim,"** Deputy Assistant Secretary of Defense for International Security Affairs (East Asia and Pacific Affairs), from June 1983 until March 1986; Special Assistant to the President for National Security Affairs and Senior Director, Asian Affairs Directorate, National Security Council, from March 28, 1986, until 1988
- Kemp, Geoffrey T.H.**, Director, Near East and South Asia, Political Affairs Office, National Security Council, from 1981 until 1983; Special Assistant to the President for National Security Affairs and Senior Director, Near East and South Asia Affairs Directorate, National Security Council, from June 3, 1983, until 1985; thereafter, senior associate and Director, Middle East Arms Control Project, Carnegie Endowment for International Peace
- Kemp, Jack**, Special Assistant to Governor Reagan during 1967; member, U.S. House of Representatives (R–New York), from January 3, 1971, until January 3, 1989; Senior Counselor, National Bipartisan Commission on Central America (Kissinger Commission); Republican candidate for president in 1988
- Kennan, George F.**, Professor of History, Princeton University; Director, Policy Planning Staff, Department of State, from May 5, 1947, until July 11, 1951, and Counselor from August 4, 1949, until July 11, 1951; U.S. Ambassador to the Soviet Union from May 14, 1952, until September 19, 1952; U.S. Ambassador to Yugoslavia from May 16, 1961, until July 28, 1963
- Kennedy, Edward M. "Ted,"** Senator (D–Massachusetts); Chair, Senate Labor and Human Resources Committee, from 1987; Democratic candidate for President in 1980
- Kennedy, John F.**, President of the United States from January 20, 1961, until his death on November 22, 1963
- Kérékou, Mathieu**, President of Benin
- Kerry, John F.**, Democratic Lieutenant Governor of Massachusetts from March 6, 1983, until January 2, 1985; thereafter, Senator (D–Massachusetts)
- Keyes, Alan L.**, member, Policy Planning Staff, Department of State, from 1981 until 1983; U.S. Representative, U.N. Economic and Social Council, from 1983; Alternative Representative to the United Nations until November 1985; Assistant Secretary of State for International Organization Affairs, from November 13, 1985, until November 17, 1987
- Khedouri, Frederick N. "Fred,"** Associate Director for Natural Resources, Energy and Science, Office of Management and Budget, from 1981 until 1985; also Associate

- Director for Policy and Planning from 1983 until 1985; Assistant to the Vice President for Policy and Deputy Chief of Staff, from 1985 until 1987
- Khomeini, Ayatollah Ruhollah Mussavi**, Religious Leader of Iran
- Khrushchev, Nikita**, First Secretary of the Communist Party of the Soviet Union from 1953 until 1964
- Kim Il-sung, Marshal**, President of the Democratic People's Republic of Korea and General Secretary of the Central Committee of the Worker's Party of Korea
- King, Barrington**, Deputy Chief of Mission, U.S. Embassy in Islamabad until 1984; U.S. Ambassador to Brunei from May 28, 1984, until April 30, 1987
- King, Martin Luther, Jr.**, Reverend, civil rights activist; recipient, Nobel Peace Prize in 1964
- Kingon, Alfred H. "Al,"** Assistant Secretary of Commerce (International Economic Policy) from 1983 until 1984; Assistant Secretary of the Treasury (Policy Planning and Communications) from March 1984 until January 1985; Cabinet Secretary and Deputy Assistant to the President from January 1985; Cabinet Secretary and Assistant to the President from January 7, 1986; Chief of Mission, U.S. Mission to the European Communities at Brussels, from March 27, 1987
- Kirkland, Lane**, President, AFL-CIO; member, National Bipartisan Commission on Central America (Kissinger Commission)
- Kirkpatrick, Jeane J.**, Professor of Government, Georgetown University; member, Interim Foreign Policy Advisory Board; U.S. Ambassador to the United Nations from February 4, 1981, until April 1, 1985; President's Representative to the National Bipartisan Commission on Central America (Kissinger Commission); member, President's Foreign Intelligence Advisory Board
- Kishi Nobusuke**, Prime Minister of Japan from 1957 until 1958 and in 1959
- Kissinger, Henry A.**, President's Assistant for National Security Affairs from 1969 until November 3, 1975, and Secretary of State from September 21, 1973, until January 20, 1977; member, Interim Foreign Policy Advisory Board; chair, National Bipartisan Commission on Central America (Kissinger Commission); member, President's Foreign Intelligence Advisory Board, from 1984; member, Commission on Integrated Long-Term Strategy
- Kitamura Hiroshi**, Director General, North American Affairs Bureau, Japanese Ministry of Foreign Affairs, from August 1982 until July 1984
- Kloske, Dennis E.**, Special Assistant to the U.S. Ambassador to the North Atlantic Treaty Organization from 1983 until 1985; Special Adviser for Armaments to the U.S. Ambassador to NATO from 1985 until 1987 and Special Adviser for NATO Armaments to the Deputy Secretary of Defense in 1986; detailed to the White House as Adviser to the Special Counselor to the President in 1987; Deputy Under Secretary of Defense for Planning and Resources from 1987
- Klosson, Michael**, Office of Japan, Bureau of East Asian and Pacific Affairs, Department of State until 1981; Special Assistant to Secretaries of State Haig and Shultz from 1981 until 1983; Deputy Director for Political Affairs, Office of European Security and Political Affairs, Bureau of European and Canadian Affairs, Department of State, from 1984; thereafter, Secretariat Staff Director, Executive Secretariat, Department of State
- Kohl, Helmut**, Chancellor of the Federal Republic of Germany from October 1, 1982
- Kondracke, Morton**, executive editor, the *New Republic*; panelist, 1984 presidential debates
- Kordek, John F.**, Director, Office of American Republic Affairs, United States Information Agency, from 1983 until 1985; Director, Office of European Affairs, United States Information Agency, from 1985; Counselor of the United States Information Agency until 1988; U.S. Ambassador to Botswana from September 29, 1988
- Kornblum, John C.**, Political Officer, U.S. Mission at Berlin until 1981; Director, Office of Central European Affairs, Bureau of European Affairs, Department of State, from 1981 until 1985; Deputy U.S. Permanent Representative to the North Atlantic Treaty Organization from 1987

LII Persons

- Kosygin, Aleksey**, Chairman of the Soviet Council of Ministers, until 1980
- Kraemer, Sven F.**, Planning/Policy, Defense Policy Directorate, National Security Council, from 1981 until 1982; staff member, Defense Policy Directorate, National Security Council, from 1982 until 1983; Director of Arms Control, Defense Programs and Arms Control Directorate, National Security Council, from 1983 until 1987
- Kraigher, Sergej**, President of Yugoslavia from May 15, 1981, until May 15, 1982
- Kreisky, Bruno**, Chancellor of Austria until May 24, 1983
- Lake, W. Anthony K. "Tony,"** member, Policy Planning Staff, Department of State, during the Nixon administration; Director, Policy Planning Staff, from January 21, 1977, until January 20, 1981
- Laux, David N.**, Director, East Asian and Pacific Affairs, Political Affairs Office, National Security Council in 1982; Director, Asian Affairs Directorate, National Security Council, from 1983 until 1987
- Leahy, Patrick**, Senator (D–Vermont); member, Senate Select Committee on Intelligence; Chair, Senate Agriculture, Nutrition, and Forestry Committee, from 1987
- Ledsky, Nelson C.**, acting Chief of Mission, U.S. Mission at Berlin; Principal Deputy Director, Policy Planning Staff, Department of State, from August 1985 until April 1987; Deputy Senior Director, European and Soviet Affairs Directorate, National Security Council, from April 1987 until April 1988; Special Assistant to the President for National Security Affairs and Senior Director, European and Soviet Affairs Directorate, from April 18, 1988; Special Cyprus Coordinator, Department of State, from 1989
- Lee Kuan Yew**, Prime Minister of Singapore
- Lehman, Ronald F., II "Ron,"** Special Assistant to the President and Senior Director, Defense Programs and Arms Control Directorate, National Security Council, from May 1983 until 1986; Deputy U.S. Negotiator for Strategic Nuclear Arms from January 1985; Deputy Assistant to the President for National Security Affairs for Defense Policy from January 29, 1986; Chief U.S. Negotiator on Strategic Arms from 1986 until 1988; Assistant Secretary of Defense for International Security Policy from 1988
- Leland, Marc E.**, Deputy Under Secretary of the Treasury for International Affairs (designated as Assistant Secretary of the Treasury for International Affairs) from 1981 until 1984
- Lenczowski, John**, Office of the Under Secretary of State for Political Affairs from 1981 until 1983; Director, Soviet Union/Eastern Europe, Political Affairs Office, National Security Council, 1983; Director, European and Soviet Affairs Directorate, National Security Council, from 1983 until 1987
- Lenz, Allen J.**, Staff Director for Coordination, Office of the Executive Secretary, National Security Council
- Leonard, Burleigh C.W.**, legislative coordinator at the Department of Agriculture for the Reagan Transition Team; Legislative Director, Senate Agriculture Committee during 1981; staff member, Office of Policy Development, from 1981 until 1982; Deputy Assistant Director for Energy, Agriculture, Natural Resources, Office of Policy Development, from 1982 until 1984; Special Assistant to the President for Policy Development and Executive Secretary of the Cabinet Council on Food and Agriculture from March 14, 1984
- Leonard, James F.**, Assistant Director, International Relations Bureau, Arms Control and Disarmament Agency, from 1969 until 1973; Deputy to the Special Representative to the President to the Middle East peace negotiations from May 12, 1979, until 1981; co-founder, Scientists Working Group on Biological and Chemical Weapons
- Levin, Carl**, Senator (D–Michigan) from January 3, 1979
- Levin, Norman D.**, analyst, RAND Corp.; member, Policy Planning Staff, Department of State, from 1984 until 1987
- Levitsky, Melvyn**, Director, Office of UN Political Affairs (later UN Political and Multilateral Affairs), Office of the Deputy Assistant Secretary of State for Political

- and Multilateral Affairs, Bureau of International Organization Affairs; Deputy Assistant Secretary of State for Human Rights and Humanitarian Affairs from 1982 until 1983; detailed to the United States Information Agency as Deputy Director of the Voice of America in 1983; U.S. Ambassador to Bulgaria from November 13, 1984, until February 6, 1987; Special Assistant to the Secretary and Executive Secretary of the Department of State from February 13, 1987, until March 25, 1989
- Lewis, Andrew L., Jr. "Drew,"** Deputy Chairman, Republican National Committee; Deputy Director, Office of the President-elect; Secretary of Transportation from January 23, 1981, until February 1, 1983
- Libby, I. Lewis,** member, Policy Planning Staff, Department of State, from 1981 until 1982; Director of Special Projects, Bureau of East Asian and Pacific Affairs, Department of State, from 1982 until 1985
- Lie, Trygve,** United Nations Secretary General from 1946 until 1952
- Lilley, James R.,** Director, East Asia/Pacific Affairs, Political Affairs Office, National Security Council, from February until November 1981; Director, American Institute in Taiwan, from 1982 until 1984; consultant on international security affairs at the Department of Defense from 1984 until 1985; Deputy Assistant Secretary of State for East Asian and Pacific Affairs, from 1985 until October 1986; U.S. Ambassador to Korea from November 26, 1986, until January 3, 1989
- Linhard, Robert E. "Bob,"** Colonel, USAF; Director of Defense Programs, Defense Programs and Arms Control Directorate, National Security Council, from November 1981 until 1986; Special Assistant to the President for National Security Affairs and Senior Director, Defense Programs and Arms Control Directorate, National Security Council, from January 29, 1986
- Linowitz, Sol M.,** U.S. Permanent Representative to the Organization of American States from 1966 until 1969; Special Representative of the President to the Middle East peace negotiations from December 4, 1979; member, Citizens Network for Foreign Affairs
- Littlefield, Edmund W.,** General Manager, Utah International Inc.; former President of the Business Council during the 1970s
- Long, Clarence D.,** member, U.S. House of Representatives (D–Maryland)
- Longo, D. Thomas, Jr.,** Office of Eastern European Affairs, Bureau of European Affairs, Department of State, until 1981; Foreign Affairs Analyst, Office of Analysis for the Soviet Union and Eastern Europe, Bureau of Intelligence and Research, Department of State, from 1981 until 1983; Office of Western European Affairs, Bureau of European and Canadian Affairs, Department of State, from 1983
- López Portillo y Pacheco, José,** President of Mexico until November 30, 1982
- Lord, Carnes R.,** Director, Ideology and Strategic Concepts, Planning and Evaluation Directorate, National Security Council, from 1981 until 1983; Director, International Communications and Information Directorate, National Security Council, from 1983
- Lord, Winston "Win,"** member, National Security Council staff, from 1969 until 1970; staff member, Office of the Assistant to the President for National Security Affairs, from 1970; Director, Policy Planning Staff, Department of State, from October 12, 1973, until January 20, 1977; Executive Director, Council of Foreign Relations; Senior Counselor, National Bipartisan Commission on Central America (Kissinger Commission); U.S. Ambassador to the People's Republic of China from November 19, 1985, until April 23, 1989
- Lott, Chester Trent,** member, U.S. House of Representatives (R–Mississippi) until January 1989; thereafter, Senator (R–Mississippi)
- Lowenkron, Barry F.,** member, Policy Planning Staff, Department of State, from 1983 until 1984; Bureau of Politico-Military Affairs, Department of State, from 1984 until 1986; member, Policy Planning Staff, Department of State, from 1986
- Luers, William "Bill,"** U.S. Ambassador to Venezuela until June 28, 1982; U.S. Ambassador to Czechoslovakia from December 29, 1983, until March 11, 1986

LIV Persons

- Luft, R. David**, member, Policy Planning Staff, Department of State, from 1981 to 1984; thereafter, Senior Policy Advisor, U.S. Mission to the Organization of American States, Bureau of Inter-American Affairs, Department of State; Deputy Assistant Secretary of Commerce for Services
- Lugar, Richard G.**, Senator (R-Indiana); member, Senate Select Committee on Intelligence; Chair, Senate Foreign Relations Committee, from 1985; Chair, Subcommittee on European Affairs, Senate Foreign Relations Committee
- Luns, Joseph M.A.H.**, Secretary-General, North Atlantic Treaty Organization, until June 25, 1984
- Lyman, Princeton W.**, Director, Office of Inter-African Affairs and Staff Director, NSC Interdepartmental Group, Bureau of African Affairs, Department of State, from 1980 until 1981; Deputy Assistant Secretary of State for African Affairs from June 1981 until September 1986; U.S. Ambassador to Nigeria from October 10, 1986
- Lyng, Richard E.**, consultant on food and agriculture; Deputy Secretary of Agriculture from 1981 until 1985; consultant, Lyng and Leshner, Inc., from 1985 until 1986; Secretary of Agriculture from March 6, 1986
- MacGuigan, Mark**, Canadian Secretary of State for External Affairs until September 9, 1982; thereafter, Canadian Justice Minister and Attorney General
- Machel, Samora Moises**, President of Mozambique until October 19, 1986
- Macias Nguema, Francisco**, President of Equatorial Guinea until August 1979
- Magana, Alvaro**, President of El Salvador from May 2, 1982, until June 1, 1984
- Mandela, Nelson**, Leader of the African National Congress
- Mansfield, Michael J. "Mike,"** U.S. Ambassador to Japan until December 22, 1988
- Marcos, Ferdinand E.**, President of the Philippines until February 25, 1986
- Marshall, Andrew W. "Andy,"** Director, Office of Net Assessment, Department of Defense
- Marshall, George C.**, Secretary of State from January 21, 1947, until January 20, 1949; Secretary of Defense from September 21, 1950, until September 12, 1951
- Mauroy, Elvis L.**, Chief Executive Officer, InterFirst Corporation
- Mathias, Charles McCurdy, Jr. "Mac,"** Senator (R-Maryland); member, Senate Foreign Relations Committee; Senior Counselor, National Bipartisan Commission on Central America (Kissinger Commission)
- Matlock, John F., Jr. "Jack,"** Chargé d' Affaires, U.S. Embassy in Moscow, from January until July 1981; U.S. Ambassador to Czechoslovakia from November 11, 1981, until September 20, 1983; Special Assistant to the President for National Security Affairs and Senior Director, European and Soviet Affairs Directorate, National Security Council, from September 1983 until 1987; U.S. Ambassador to the Soviet Union from April 6, 1987
- Matsunaga, Spark Masayuki**, Senator (D-Hawaii)
- Mauroy, Pierre**, Prime Minister of France from 1981 until July 17, 1984
- McCall, Sherrod B.**, Political Officer, U.S. Embassy in Moscow; Deputy Chief of Mission, U.S. Embassy in Stockholm; Director, Office of Analysis for East Asia and the Pacific, Bureau of Intelligence and Research, Department of State; Deputy Director, Policy Planning Staff, Department of State
- McCloughry, John T.**, Senior Policy Adviser, Office of Policy Development; Executive Secretary, Cabinet Council on Food and Agriculture
- McCloy, John J.**, President, World Bank and International Monetary Fund, from 1947 until 1949; U.S. High Commission for Germany from 1949 until 1952; Chair, Chase Manhattan Bank, from 1953 until 1960; Chair, Ford Foundation, from 1958 until 1965; adviser to numerous Presidents; member, Interim Foreign Policy Advisory Board
- McFarlane, Robert C. "Bud,"** Colonel, USMC (Ret.); member, Department of State Transition Team; Counselor of the Department of State from February 28, 1981, until April 4, 1982; Deputy Assistant to the President for National Security Affairs

- from 1982 until August 1983; Personal Representative of the President to the Middle East from July 22 until October 17, 1983; President's Assistant for National Security Affairs from October 17, 1983, until December 4, 1985
- McGhee, George C.**, Assistant Secretary of State for Near Eastern Affairs, from June 28, 1949, until December 19, 1951; U.S. Ambassador to Turkey from January 15, 1952, until June 19, 1953; Director, Policy Planning Staff, Department of State, from February 13 until November 29, 1961, and Counselor from February 16, 1961, until December 3, 1961; Under Secretary of State for Political Affairs, from December 4, 1961, until March 28, 1963; U.S. Ambassador to the Federal Republic of Germany from May 18, 1963, until May 21, 1968; Ambassador at Large from May 24, 1968, until March 15, 1969
- McGovern, George S.**, Senator (D-South Dakota) until January 3, 1981; Democratic nominee for President in 1972; Democratic candidate for President in 1968 and 1984
- McKinley, Brunson**, Political Officer, U.S. Embassy in London, until 1981; Political Officer, U.S. Mission at Berlin, from 1981 until 1983; Deputy Executive Secretary of the Department of State from 1983; U.S. Ambassador to Haiti from October 9, 1986
- McMahon, John N.**, Deputy Director for Operations, Central Intelligence Agency, from January 1978 until April 1981; Deputy Director for National Foreign Assessment; Executive Director, Central Intelligence Agency, from January 4 until June 1982; Deputy Director of Central Intelligence from June 1982 until March 1986
- McManaway, Clayton E., Jr. "Clay,"** Deputy Assistant Secretary of State for Classification/Declassification, Bureau of Administration, Department of State, from 1978 until 1981; Deputy Executive Secretary of the Department of State from September 1981 until June 1983; U.S. Ambassador to Haiti from January 10, 1984, until August 18, 1986; Associate Coordinator, Counterterrorism, Department of State, from 1987 until 1989
- McMinn, Douglas W.**, Deputy Chief of Mission, Office of the United States Trade Representative in Geneva until 1981; Director, International Economic Affairs Directorate, National Security Council, from 1982 until 1985; Director of Trade, Planning and Evaluation Directorate, in 1985; Assistant Secretary of State for Economic and Business Affairs from July 19, 1985, until November 30, 1987
- McMullen, R. Bruce "Robert,"** Deputy Director, Office of Development Finance, International Finance and Development, Bureau of Economic and Business Affairs, Department of State, until August 1983; Economic/Commercial Officer, U.S. Embassy in Dhaka, from August 1983
- McNamar, Robert T. "Tim" or "R.T.,"** Executive Director, Federal Trade Commission, until 1977; Deputy Secretary of the Treasury from 1981 until 1985
- McNamara, Robert S.**, Secretary of Defense from January 21, 1961, until February 29, 1968; President, World Bank and International Monetary Fund, from April 1, 1968, until July 1, 1981
- McPherson, M. Peter**, General Counsel, Reagan Transition Team; Acting Counsel to the President from January 20 until February 26, 1981; acting Director, International Development Cooperation Agency; Director, Agency for International Development, from February 27, 1981, until August 7, 1987; thereafter, Deputy Secretary of the Treasury
- Meesse, Edwin, III "Ed,"** Chief of Staff, Reagan for President campaign; Director, Reagan Transition Team; Counselor to the President from January 21, 1981, until February 24, 1985; Attorney General from February 25, 1985, until August 12, 1988
- Menges, Constantine C.**, National Intelligence Officer for Latin America, Central Intelligence Agency, from 1981 until 1983; Senior Director, Latin American Affairs Directorate, National Security Council, from 1983 until 1985; also Special Assistant to the President for National Security Affairs from January 24, 1984, until 1985; thereafter, Special Assistant to the President and Senior Director, International Communications and Information Directorate, National Security Council

- Michalopoulos, Constantine**, Director, Office of Economic Affairs, Bureau for Program and Policy Coordination, Agency for International Development
- Michel, Robert H. "Bob,"** member, U.S. House of Representatives (R-Illinois); House Minority Leader
- Miki Takeo**, Prime Minister of Japan from 1974 until 1976
- Miles, Richard M.**, Yugoslav Desk Officer, Office of Eastern European Affairs, Bureau of European Affairs, Department of State, until fall 1981; Deputy Director, Office of Regional Security Affairs, Bureau of Politico-Military Affairs, Department of State, from August 1981 until September 1983; assistant to Senator Ernest Hollings (D-South Carolina) from 1983 until 1984; Political Officer, U.S. Embassy in Belgrade, from August 1984 until 1987; fellow, Center for International Affairs, Harvard University, from 1987 until 1988
- Miller, James C., III "Jim,"** Administrator, Information and Regulatory Affairs, Office of Management and Budget and Executive Director, Presidential Task Force on Regulatory Relief, until September 1981; member and Chairman, Federal Trade Commission, from September 1981 until 1985; Director, Office of Management and Budget, from October 8, 1985, until October 15, 1988
- Mitchell, George J.**, Senator (D-Maine) from May 19, 1980
- Mitterrand, Francois**, President of France from May 26, 1981
- Moellering, John H.**, Lieutenant General, USA (Ret.); Assistant to the Chairman of the Joint Chiefs of Staff from 1985 until 1987
- Moi, Daniel T. arap**, President of Kenya
- Molander, Roger C.**, member, Defense Coordination Cluster, National Security Council staff, during the Carter administration; leader, Ground Zero movement
- Mondale, Walter F., "Fritz,"** Vice President of the United States from January 20, 1977, until January 20, 1981; Democratic candidate for President in 1984; Democratic nominee for President in 1984
- Moore, Powell A.**, Assistant Director for Congressional Relations, Reagan Transition Team in 1980 and 1981; Deputy Assistant to the President for Legislative Affairs, Office of Legislative Affairs; Assistant to the President for Legislative Affairs; Assistant Secretary of State for Congressional Relations from February 8, 1982, until August 5, 1983
- Morán López, Fernando**, Spanish Foreign Minister from 1982 until 1985
- Morgan, Robert B.**, Senator (D-North Carolina) until January 3, 1981
- Morgenthau, Hans J.**, political scientist; Professor, University of Chicago, City University of New York, and New School for Social Research; also, consultant to the Departments of State and Defense
- Motley, Langhorne Anthony "Tony,"** U.S. Ambassador to Brazil from October 6, 1981, until July 6, 1983; Assistant Secretary of State for Inter-American Affairs from July 12, 1983, until July 3, 1985
- Moynihan, Daniel Patrick**, Senator (D-New York); Vice Chair, Senate Select Committee on Intelligence
- Mubarak, Mohammed Hosni**, Vice President of Egypt until October 13, 1981; thereafter, President of Egypt
- Mulroney, Martin Brian**, Prime Minister of Canada from September 17, 1984
- Murata Ryohei**, Director General, Economic Affairs Bureau, Japanese Ministry of Foreign Affairs, from August 1982 until October 1984
- Murtha, John**, member, U.S. House of Representatives (D-Pennsylvania)
- Murphy, Richard W. "Dick,"** U.S. Ambassador to the Philippines until August 10, 1981; U.S. Ambassador to Saudi Arabia from August 29, 1981, until August 21, 1983; Assistant Secretary of State for Near Eastern and South Asian Affairs from October 28, 1983
- Muskie, Edmund S.**, Democratic nominee for Vice President in 1968; Democratic candidate for President in 1972; Senator (D-Maine) until May 1980; Secretary of State from May 8, 1980, until January 18, 1981; member, President's Special Review Board on the National Security Council (Tower Board), from 1986 until 1987

- Myer, Allan A.**, Lieutenant Colonel, USA; staff member, Special Projects, National Security Council, in 1981; staff member, Defense Policy Directorate, National Security Council, from 1982 until 1983; Director of Defense Programs, Defense Programs and Arms Control Directorate, National Security Council, from 1983 until 1984
- Nakajima Toshijiro**, Japanese Deputy Minister for Foreign Affairs
- Nakasone Yasuhiro**, Prime Minister of Japan from November 27, 1982, until November 6, 1987
- Nance, James W. "Bud,"** Deputy Assistant to the President for National Security Affairs from January 1981 until January 1982
- Nau, Henry R.**, Director, International Economics, Planning and Evaluation Directorate, National Security Council, from February 1981 until July 1983; responsible for coordinating policy for G-7 economic summits
- Negroponte, John D.**, Deputy Assistant Secretary of State for East Asian and Pacific Affairs from 1980 until 1981; U.S. Ambassador to Honduras from November 11, 1981, until May 30, 1985; Assistant Secretary of State for Oceans and International Environmental and Scientific Affairs from July 19, 1985, until November 23, 1987; thereafter, President's Deputy Assistant for National Security Affairs
- Neumann, Robert G.**, Vice Chair, Center for Strategic and International Studies, Georgetown University, from 1980; head, Department of State Transition Team; U.S. Ambassador to Saudi Arabia from June 22 until July 16, 1981
- Newell, Gregory J.**, Special Assistant to the President for Appointments and Scheduling, Office of Appointments and Scheduling, from 1981 until 1982; Assistant Secretary of State for International Organization Affairs from June 4, 1982, until November 12, 1985; U.S. Ambassador to Sweden from December 19, 1985
- Newman, Edwin**, syndicated columnist, King Features; moderator, 1984 presidential debates
- Niles, Thomas M.T.**, Director, Office of Central European Affairs, Bureau of European Affairs, Department of State, from 1979 until 1982; Deputy Assistant Secretary of State for European and Canadian Affairs from 1982 until 1985; U.S. Ambassador to Canada from September 10, 1985
- Nitze, Paul H.**, Director of the Policy Planning Staff, Department of State, from January 1, 1950, until May 28, 1953; Assistant Secretary of Defense for International Security Affairs during the Kennedy administration; Secretary of the Navy during the Johnson administration; member, delegation to the Strategic Arms Limitation Talks, during the Nixon administration; Chief U.S. Negotiator, Intermediate-Range Nuclear Force Negotiations, Arms Control and Disarmament Agency, from November 1981; Special Representative for Arms Control and Disarmament Negotiations from January 1984; Adviser to the Secretary of State for the Geneva Talks from December 1984; Special Advisor to the President and Secretary of State on Arms Control Matters from 1985; Ambassador at Large from May 22, 1986, until May 1, 1989
- Nixon, Richard M.**, President of the United States from January 20, 1969, until August 9, 1974
- Noonan, Margaret "Peggy,"** Producer, CBS News, from 1981 until 1984; Speechwriter, White House Office of Speechwriting, from April until December 1984; Special Assistant to the President for Presidential Speechwriting from 1984 until 1986
- Novak, Robert D. "Bob,"** syndicated columnist with Rowland Evans of "Evans & Novak"
- Nunn, Samuel A. "Sam,"** Senator (D-Georgia); Chair, Senate Armed Services Committee, from January 3, 1987
- Nyerere, Julius K.**, President of Tanzania until November 5, 1985
- Oakley, Robert B.**, U.S. Ambassador to Zaire until August 22, 1982; U.S. Ambassador to Somalia from January 26, 1983, until August 12, 1984; Director, Office for Counterterrorism and Emergency Planning, Department of State, from September 1984 until

- September 1986; resident fellow, Carnegie Endowment for International Peace; Special Assistant to the President for National Security Affairs and Senior Director, Middle East, South Asia, and North Africa Affairs Directorate, National Security Council, from February 11, 1987; U.S. Ambassador to Pakistan from September 1, 1988
- Obando y Bravo, Miguel**, Monsignor, Catholic Archbishop of Managua and Cardinal for Central America
- Oberdorfer, Don**, reporter, *Washington Post*
- O'Donohue, Daniel A.**, Deputy Director, Bureau of Politico-Military Affairs, Department of State, from 1978 until 1981; Deputy Assistant Secretary of State for East Asian and Pacific Affairs from 1981 until 1983; U.S. Ambassador to Burma from December 26, 1983, until December 16, 1986; Deputy Director, Policy Planning Staff, Department of State, from 1987 until 1988; U.S. Ambassador to Thailand from August 13, 1988
- Okawara Yoshio**, Japanese Ambassador to the United States
- Olmer, Lionel H.**, Under Secretary of Commerce for International Trade and head, International Trade Administration, from January 1981 until 1985
- O'Neill, Thomas P., Jr. "Tip,"** member, U.S. House of Representatives (D–Massachusetts) and Speaker of the House of Representatives
- Orfila, Alejandro**, Secretary-General, Organization of American States, until June 1984
- Ortega Saavedra, Humberto**, Nicaraguan Defense Minister
- Ortega Saavedra, Jose Daniel**, Coordinator of the Junta of National Reconstruction of Nicaragua until January 10, 1985; thereafter, President of Nicaragua
- Osgood, Robert E.**, Assistant for Programs, National Security Council staff, from 1969; Director, National Security Council Planning Group, from 1969 until 1970; Dean, School of Advanced International Studies, Johns Hopkins University, from 1973 until 1979; adviser, Reagan for President campaign; Council member, Policy Planning Council, Department of State, from 1983
- Owen, Henry D.**, Director, Policy Planning Staff, Department of State, from June 19, 1966, until February 8, 1969; Director of Foreign Policy Studies, Brookings Institution, until March 1977; member, International Economics Cluster, National Security Council staff, from 1977 until 1981; Ambassador at Large and Coordinator for Economic Summit Affairs from October 20, 1978, until January 21, 1981
- Pahr, Willibald**, Austrian Foreign Minister until May 24, 1983
- Palme, Olof**, UN Special Representative to Iran and Iraq from 1979 until 1982; Prime Minister of Sweden from October 8, 1982, until his death on February 28, 1986
- Palmer, Robie M.H. "Mark,"** Deputy for Policy Planning, Bureau of European Affairs, Department of State in 1981; Deputy to the Under Secretary of State for Political Affairs; Deputy Assistant Secretary of State for European and Canadian Affairs from November 1982; U.S. Ambassador to Hungary from December 8, 1986
- Papandreou, Andreas**, Prime Minister of Greece and Minister of National Defense
- Pappageorge, John**, member, Policy Planning Staff, Department of State
- Pascoe, B. Lynn**, Political Officer, U.S. Embassy in Moscow, until 1982; Deputy Director, Office of Soviet Union Affairs, Bureau of European and Canadian Affairs, Department of State, from 1983; thereafter, Deputy Executive Secretary of the Department of State
- Pastora Gomez, Edén Atanacio "Comandante Cero,"** former Sandinista leader; founder, Democratic Revolutionary Alliance (ARDE)
- Pell, Claiborne**, Senator (D–Rhode Island); member, Senate Foreign Relations Committee; Chair, Senate Foreign Relations Committee, from January 3, 1987
- Percy, Charles H.**, Senator (R–Illinois); Chair, Senate Foreign Relations Committee, from January 3, 1981, until January 3, 1985
- Peres, Shimon**, Prime Minister of Israel from September 13, 1984, until October 20, 1986; Israeli Minister of Foreign Affairs from October 20, 1986, until December 23, 1988

- Pérez de Cuéllar, Javier**, Peruvian Ambassador to the Soviet Union; United Nations Secretary General from January 1, 1982
- Pertito, Robert M. "Bob,"** Special Assistant to the Under Secretary of State for Political Affairs until 1982; Special Assistant to the Deputy Secretary of State from 1982; Director, Office of China Affairs, Department of Commerce, from 1982 until 1983; Political Officer and Human Rights Officer, U.S. Mission to the European Office of the United Nations and Other International Organizations in Geneva, from 1984 until 1986; Deputy Director for Northern Tier Countries, Office of Eastern European and Yugoslavia Affairs, Bureau of European and Canadian Affairs, Department of State; thereafter, Deputy Executive Secretary, National Security Council
- Pertini, Alessandro "Sandro,"** President of Italy until June 29, 1985
- Pierce, Samuel R., Jr.**, Secretary of Housing and Urban Development from January 23, 1981, until January 20, 1989
- Pinochet Ugarte, Augusto**, General; President of Chile
- Pipes, Richard E.**, Professor of History, Harvard University; member, Committee on the Present Danger, from 1977 until 1980; member, Department of State Transition Team, 1980; Director, Soviet Union/Eastern Europe, Political Affairs Office, National Security Council, from February 1981 until December 1982
- Platt, Alexander H.**, associate general counsel, Office of the U.S. Trade Representative; acting Assistant U.S. Trade Representative for Congressional Affairs in 1985; Director, International Affairs Directorate, National Security Council, from 1985 until 1987
- Platt, Nicholas**, member, National Security Council staff, East Asia/Chinese Affairs, from 1978 until 1980; Deputy Assistant Secretary of Defense for International Security Affairs from 1980 until 1981; Deputy Assistant Secretary of State for International Organization Affairs from July 1981 until July 1982; U.S. Ambassador to Zambia from August 31, 1982, until December 17, 1984; Special Assistant to the Secretary and Executive Secretary of the Department of State from January 7, 1985, until February 13, 1987; U.S. Ambassador to the Philippines from August 27, 1987
- Poindexter, John M.**, Rear Admiral, USN; Military Assistant to the President's Assistant for National Security Affairs from 1981 until 1983; Deputy Assistant to the President for National Security Affairs from October 1983 until 1985; President's Assistant for National Security Affairs from December 4, 1985, until November 25, 1986
- Pompidou, Georges**, President of France until 1974
- Powell, Colin L.**, Brigadier General, USA (Major General from August 1, 1983, until February 26, 1986; Lieutenant General, from February 26, 1986); senior Military Assistant to Deputy Secretary of Defense Carlucci from January 1981 until May 1981; senior Military Assistant to Secretary of Defense Weinberger from 1983 until 1986; Commanding General, Headquarters Fifth Corps, Frankfurt, in 1986; Deputy Assistant to the President for National Security Affairs from late 1986 until 1987; President's Assistant for National Security Affairs from November 5, 1987, until January 20, 1989
- Pratt, Mark S.**, Deputy Director, Office of Regional Affairs, Bureau of East Asian and Pacific Affairs, Department of State, from 1981 until 1982; Taiwan Coordination Adviser from 1982 until 1986; Consul General, U.S. Consulate at Guangzhou, from 1986
- Qaddafi, Muammar, "Muamar Gaddafi,"** Colonel; Chairman, Revolutionary Command Council of Libya
- Quainton, Anthony C.E.**, Director, Office for Combatting Terrorism, Department of State, and chairman, NSC/SCC Executive Committee and Working Group on Terrorism, until August 1, 1981; U.S. Ambassador to Nicaragua from March 26, 1982, until May 6, 1984; U.S. Ambassador to Kuwait from September 19, 1984, until August 14, 1987; thereafter, Deputy Inspector General, Department of State
- Quinn, Kenneth M.**, Deputy Executive Secretary of the Department of State from December 1984

- Randolph, Raymond Sean "R. Sean,"** member, Policy Planning Staff, Department of State from 1981; Special Adviser for Policy and Deputy Director, Office of Regional Affairs, Bureau of East Asian and Pacific Affairs, Department of State; Deputy Assistant Secretary of Energy for International Affairs from 1985
- Raphel, Arnold L. "Arnie,"** Special Assistant to Secretary of State Vance from 1979 until 1981; The Senior Seminar, from 1981 until 1982; Deputy Director, Bureau of Politico-Military Affairs, Department of State, from June 1982; Senior Deputy Assistant Secretary of State for Near Eastern and South Asian Affairs, from April 1984; U.S. Ambassador to Pakistan from June 24, 1987, until August 17, 1988
- Rashish, Myer,** member, Department of State Transition Team, 1980; member, Advisory Committee for Trade Negotiations; Under Secretary of State for Economic Affairs from June 29, 1981, until January 20, 1982
- Rayburn, Samuel T. "Sam,"** member, U.S. House of Representatives (D-Texas) and Speaker of the House of Representatives until 1961
- Raymond, Walter, Jr.,** Director, Intelligence Directorate, National Security Council, from 1982 until June 1983; Special Assistant to the President for National Security Affairs and Senior Director, International Communications and Information Directorate, National Security Council, from June 3, 1983, until 1987
- Reagan, Nancy D.,** First Lady of the United States from January 20, 1981, until January 20, 1989
- Reagan, Ronald W.,** Republican Governor of California until January 6, 1975; Republican candidate for President in 1976 and 1980; Republican nominee for President in 1980, President of the United States from January 20, 1981, until January 20, 1989
- Regan, Donald T. "Don,"** Secretary of the Treasury from January 22, 1981, until February 2, 1985; White House Chief of Staff from February 2, 1985, until February 27, 1987
- Rentschler, James M. "Jim,"** member, Western Europe Cluster, National Security Council staff, from October 1978 until January 1981; Western Europe, Political Affairs Office, National Security Council, from 1981 until 1982; U.S. Ambassador to Malta from October 19, 1982, until July 26, 1985; Ambassador-in-Residence, Fletcher School of Law and Diplomacy, Tufts University, from 1985 until 1986
- Reston, James B. "Scotty,"** syndicated newspaper columnist
- Reynolds, Dean,** United Press International reporter
- Ridgway, Rozanne L. "Roz,"** Counselor of the Department of State until February 24, 1981; Special Assistant to the Secretary from 1981 until 1982; U.S. Ambassador to the German Democratic Republic from January 26, 1983, until July 13, 1985; Assistant Secretary of State for European and Canadian Affairs from July 19, 1985
- Riegle, Donald W., Jr.,** Senator (D-Michigan); Chair, Senate Committee on Banking, Housing, and Urban Affairs from January 3, 1989; member, Senate Committee on Budget
- Ripert, Jean,** Director General for Development and International Economic Affairs, United Nations
- Risque, Nancy J.,** Special Assistant to the President for Legislative Affairs from 1981 and Deputy Director, Office of Legislative Affairs, from October 1982 until November 1985; Deputy Assistant to the President for Legislative Affairs, from November 1985 until 1986; Assistant to the President and Cabinet Secretary, Office of Cabinet Affairs, from February 18, 1987
- Rixse, J.H. "Jay,"** Special Assistant to Secretary of Defense Weinberger
- Robinson, Roger W., Jr.,** Vice President, International Department, Chase Manhattan Bank; Director, East/West Economics, Planning and Evaluation Directorate, National Security Council staff, from 1982 until 1983; Director, International Economic Affairs Directorate, National Security Council, from 1983 until 1984; Special Assistant to the President for National Security Affairs and Senior Director, International Economic Affairs Directorate, National Security Council, from 1984 until September 1985

- Rockefeller, David**, Chair, Chase-Manhattan Bank; co-founder, Trilateral Commission; chair, U.S. Business Committee on Jamaica; member, Kissinger Group
- Rodman, Peter W.**, Center for Strategic and International Studies, Georgetown University until March 1983; Council member, Policy Planning Council, Department of State from 1983 until 1984; Chairman, Policy Planning Council, from April 9, 1984, until March 3, 1986 (Director, Policy Planning Staff, from May 7, 1985); Deputy Assistant to the President for National Security Affairs for Foreign Policy, from January 29, 1986, until 1987; Special Assistant to the President and NSC Counselor from 1987 until 1989
- Rogers, William D.**, lawyer, Arnold & Porter; member, Kissinger Group; Senior Counselor, National Bipartisan Commission on Central America (Kissinger Commission)
- Rogers, William P. "Bill,"** Secretary of State from January 22, 1969, until September 3, 1973; Chair, Presidential Commission on the Space Shuttle *Challenger* Accident (Rogers Commission)
- Roh Tae-woo**, President of the Republic of South Korea from February 25, 1988
- Roosevelt, Eleanor**, First Lady of the United States from 1933 until 1945; member, U.S. delegation to the United Nations, from 1946 until 1952, U.S. representative to the UN Commission on Human Rights, from 1946 until 1950; chair, UN Commission on Human Rights; special adviser to the U.S. delegation to the United Nations in 1961
- Roosevelt, Franklin D.**, President of the United States from March 4, 1933, until April 12, 1945
- Rosen, David Moses**, Chief Rabbi, Romania
- Ross, Dennis B.**, member, Policy Planning Staff, Department of State, from 1981 until 1982; Deputy Director, Office of Net Assessment, Department of Defense, from 1982 until 1984; Executive Director, Berkeley-Stanford Program on Soviet International Behavior, from 1984 until 1986; Special Assistant to the President for National Security Affairs and Senior Director, 1986; Director, Near East and South Asia Affairs Directorate, National Security Council, from 1986 until 1988
- Rostenkowski, Daniel D. "Dan" or "Rosty,"** Member, U.S. House of Representatives, (D-Illinois); Chair, House Committee on Ways and Means, from January 3, 1981
- Rostow, Charles Nicholas "Nick,"** Special Assistant to the Legal Adviser of the Department of State from July 1985 until March 1987 and Counselor to the President's Special Review Board on the National Security Council (Tower Board); Deputy Legal Adviser, National Security Council, from March 1987; Special Assistant to the President for National Security Affairs and Legal Adviser, from December 14, 1987
- Rostow, Eugene V. "Gene,"** Professor of Law and Public Affairs, Yale University; Under Secretary of State for Political Affairs from October 14, 1966, until January 20, 1969; Chair, Committee on the Present Danger, from 1975 until 1981; member, Interim Foreign Policy Advisory Board; Director of the Arms Control and Disarmament Agency from June 30, 1981, until January 12, 1983; member, President's Foreign Intelligence Advisory Board from January 14, 1983
- Rostow, Walt W.**, Director, Policy Planning Staff, Department of State from November 29, 1961, until March 31, 1966 and Counselor from December 4, 1961, until March 31, 1966; President's Assistant for National Security Affairs from April 1, 1966, until January 20, 1969
- Rowen, Henry "Harry,"** Chair, National Intelligence Council, from 1981 until 1983; member, Defense Science Board, from 1983; Professor, Hoover Institution on War, Revolution, and Peace, Stanford University
- Rowny, Edward L., "Ed,"** General, USA (Ret.); Joint Chiefs of Staff representative at the Strategic Arms Limitation Talks from 1973 until 1979; co-chair, Reagan Defense Advisory Committee, in 1980; adviser for European affairs and arms control for the Interim Foreign Policy Advisory Board and head of the Central Intelligence Agency Transition Team; Special Representative for Arms Control and Disarmament Negotiations, Arms Control and Disarmament Agency, and Chief Negotiator and Head, U.S. Delegation for Arms Control Negotiations from April 1981; Head, U.S.

LXII Persons

- Delegation to the Strategic Arms Reduction Talks, from 1982 until 1983; Special Adviser to the President and Secretary of State on Arms Control Matters from 1985
- Rudman, Warren B.**, Senator (R–New Hampshire) from December 29, 1980; Chair, Senate Select Committee on Ethics from January 3, 1985, until 1987
- Rumsfeld, Donald H.**, member, Interim Foreign Policy Advisory Board; President and Chief Executive Officer, G.D. Searle & Company; Personal Representative of the President in the Middle East from November 3, 1983, until May 1984; Senior Counselor, President’s Commission on Strategic Forces (Scowcroft Commission)
- Ryzhkov, Nikolai**, Chairman of the Council of Ministers of the Communist Party of the Soviet Union from 1985
- Sadat, Anwar al-**, President of Egypt until his death on October 6, 1981
- Sakharov, Andrei Dmitrievich**, physicist and Soviet dissident; recipient, Nobel Peace Prize in 1975
- Sanjuan, Pedro A.**, policy coordinator, Department of State Transition Team, 1980; fellow and director, Hemispheric Center, American Enterprise Institute for Public Policy Research, until 1981; Assistant Secretary of the Interior (Territorial and International Affairs), from 1981 until 1983
- Sapia-Bosch, Alphonso F.**, Director, Inter-American Affairs, Political Affairs Office, National Security Council, from 1982 until 1983; Director, Latin American Affairs Directorate, National Security Council, in 1983
- Sarbanes, Paul S.**, Senator (D–Maryland); member, Senate Foreign Relations Committee
- Sariva Guerreiro, Ramiro**, Brazilian Foreign Minister
- Sarney de Araujo Costa, José**, Vice President of Brazil from March until April 1985; thereafter, President of Brazil
- Sassou Nguesso, Denis**, President of the People’s Republic of the Congo
- Sattar, Abdus**, Acting President of Bangladesh
- Savimbi, Jonas Malheiro**, founder and leader of the Angolan national liberation movement UNITA
- Schmidt, Helmut**, Chancellor of the Federal Republic of Germany until October 1, 1982
- Schweiker, Richard S.**, Senator (R–Pennsylvania) until January 3, 1981; Secretary of Health and Human Services from January 22, 1981, until February 3, 1983
- Scott, Bruce R.**, Professor of Business Administration, Harvard University
- Scowcroft, Brent A.**, Lieutenant General, USAF (Ret.); President’s Assistant for National Security Affairs from November 3, 1975, until January 20, 1977; Chairman, President’s Commission on Strategic Forces (Scowcroft Commission); member, President’s Blue Ribbon Commission on Defense Management (Packard Commission); member, President’s Special Review Board on the National Security Council (Tower Board), from 1986 until 1987
- Seaga, Edward**, Prime Minister of Jamaica
- Sepúlveda Amor, Bernardo**, Mexican Ambassador to the United States from March until November 1982; Mexican Foreign Minister from December 1, 1982, until November 30, 1988
- Sestanovich, Stephen R.**, member, Policy Planning Staff, Department of State; Director, Political-Military Affairs Directorate, National Security Council, from 1984 until 1986; Senior Director, Policy Development Directorate, National Security Council, from 1986 until 1987
- Shagari, Shehu**, President of Nigeria until December 31, 1983
- Shamir, Yitzhak**, Prime Minister of Israel from October 10, 1983, until September 13, 1984, and from October 20, 1986; Israeli Foreign Minister from March 10, 1980, until October 20, 1986
- Sharon, Ariel**, Israeli Defense Minister until February 13, 1983; Israeli Minister for Trade and Industry from 1984
- Shcharanskiy, Anatoly**, Soviet refusenik who was denied a visa to emigrate to Israel

- Sherman, William Courtney**, Deputy Chief of Mission, U.S. Embassy in Tokyo until 1981
- Shevardnadze, Eduard A.**, Soviet Minister of Foreign Affairs from July 1985
- Shlaudeman, Harry W.**, U.S. Ambassador to Argentina until August 26, 1983; Executive Director, National Bipartisan Commission on Central America (Kissinger Commission) from 1983 until 1984; Ambassador at Large and Special Envoy for Central America from March 26, 1984, until July 7, 1986; U.S. Ambassador to Brazil from August 5, 1986
- Shoemaker, Christopher C. "Chris,"** Major, USA; member, Defense Coordination Cluster, National Security Council staff, until January 1981; Director, Strategic and General Purpose Forces, Defense Policy Directorate, National Security Council, from 1981 until 1982
- Shultz, George P.**, Secretary of Labor from 1969 until 1970; Director, Office of Management and Budget, from 1970 until 1972; Secretary of the Treasury from 1972 until 1974; Vice President, Bechtel Group, Inc., from 1974 until 1975; President, Bechtel Group, Inc., from 1975 until 1982; member, Interim Foreign Policy Advisory Board; Chair, President's Economic Policy Advisory Board; Secretary of State from July 16, 1982, until January 20, 1989
- Sigur, Gaston J., Jr.**, Director, Institute for Sino-Soviet Studies and Professor of International Affairs, George Washington University; Director, East Asian and Pacific Affairs, Political Affairs Office, National Security Council, from 1982 until 1983; Special Assistant to the President for National Security Affairs and Senior Director, Asian Affairs Directorate, National Security Council, from 1983 until 1986; thereafter, Assistant Secretary of State for East Asian and Pacific Affairs from March 1986
- Sihanouk Norodom**, President of the Coalition Government of Democratic Kampuchea (Cambodia) from 1982
- Simons, Thomas W., Jr.**, Director, Office of Soviet Union Affairs, Bureau of European Affairs, Department of State, from 1982 until 1985; The Senior Seminar from 1985 until 1986; Deputy Assistant Secretary of State for European and Canadian Affairs from 1986 until 1989
- Sims, Robert Bell**, Captain, USN; Senior Research Fellow, National Defense University from 1981 until May 1982; Special Assistant to the President and Senior Director, Public Relations, National Security Council, from May 1982 until June 1983; Special Assistant to the President for National Security Affairs and Senior Director, Public Affairs Directorate, National Security Council, from June 3, 1983, until October 1983; Special Assistant to the President and Deputy Press Secretary for Foreign Affairs, Office of the Press Secretary, from November 1983 until April 1984; Assistant Secretary of Defense (Public Affairs), from October 18, 1985, until September 20, 1987
- Sinowatz, Fred**, Chancellor of Austria from May 24, 1983, until June 16, 1986
- Smith, Gerald C. "Gerry,"** Director, Policy Planning Staff, Department of State, from October 18, 1957, until January 20, 1961; Director, Arms Control and Disarmament Agency, from February 7, 1969, until January 4, 1973; Ambassador at Large and Special Representative of the President for Nonproliferation Matters from July 22, 1977, until November 10, 1980; also U.S. Representative to the International Atomic Energy Agency, from July 14, 1977, until November 10, 1980
- Smith, Howard K.**, political analyst and commentator, ABC News; moderator of the 1980 presidential debate
- Smith, Michael B.**, Deputy U.S. Trade Representative in Geneva until 1983; Deputy U.S. Trade Representative in Washington from 1983 until October 1988
- Smith, William French**, Attorney General from January 23, 1981, until February 25, 1985; member, President's Foreign Intelligence Advisory Board from 1985
- Soares, Joao Clemente Baena**, Secretary General of the Organization of American States
- Soares, Marió**, Prime Minister of Portugal

- Solomon, Richard H. "Dick,"** head, Political Science Department, RAND Corp., Director, Policy Planning Staff, Department of State, from March 3, 1986, until January 21, 1989
- Sommer, Peter R.,** Political-Military Officer, U.S. Embassy in London, until 1982; Security Assistance/Legal Affairs, National Security Council, from 1982 until 1983; Director, European and Soviet Affairs Directorate, National Security Council, from 1983 until 1987; U.S. Ambassador to Malta from October 9, 1987
- Somoza Debayle, Anastasio,** President of Nicaragua until July 1979
- Sorzano, José S.,** U.S. Representative to UNESCO from 1981 until 1983; Deputy U.S. Permanent Representative to the United Nations from 1983 until 1985; Special Assistant to the President for National Security Affairs and Senior Director, Latin American Affairs Directorate, National Security Council, from February 11, 1987, until 1988
- Spadolini, Giovanni,** Prime Minister of Italy from June 28, 1981, until December 1, 1982; Italian Defense Minister from August 4, 1983, until April 17, 1987
- Speakes, Larry M.,** Deputy Press Secretary, Office of the Press Secretary, from January 20 until June 17, 1981; Assistant to the President and Principal Deputy Press Secretary from June 17, 1981, until February 1, 1987; thereafter, Senior Vice President for Communications, Merrill Lynch
- Spiegel, Albert A. "Al,"** lawyer; Chair, National Republican Jewish Coalition; consultant to President Reagan
- Spiljak, Mika,** President of Yugoslavia from May 15, 1983, until May 15, 1984
- Sprinkel, Beryl W.,** Under Secretary of the Treasury for Monetary Affairs from March 1981 until 1985; chair, Council of Economic Advisers from 1985 until 1989
- Stafford, Michael F.,** Special Assistant to the Senior Adviser to the President and Secretary of State on Arms Control Matters from April 1985
- Stafford, Robert T.,** Senator (R-Vermont) until January 3, 1989
- Stearman, William L.,** member, Reagan Foreign Policy Advisory Team and National Security Transition Team; General Counsel, Executive Secretariat, National Security Council, from February 1981
- Stern, Thomas,** Deputy Assistant Secretary of State for Organization and Management and Deputy Director, Bureau of Politico-Military Affairs, Department of State, during the Nixon administration; Deputy Chief of Mission, U.S. Embassy in Seoul from 1976 until 1979; member, Department of State Transition Team, 1980
- Stevens, Paul Schott,** lawyer; Deputy Director and General Counsel, President's Blue Ribbon Commission on Defense Management (Packard Commission), from September 1985 until July 1986; Special Assistant to the President for National Security Affairs and Legal Adviser, National Security Council, from February 11, 1987; Special Assistant to the President for National Security Affairs and Executive Secretary, National Security Council, from November 20, 1987
- Stockman, David A.,** Director, Office of Management and Budget, from January 27, 1981, until August 1, 1985
- Stoessel, Walter J., Jr. "Walt,"** U.S. Ambassador to Germany until January 5, 1981; Under Secretary of State for Political Affairs from February 28, 1981, until January 26, 1982; Deputy Secretary of State from February 11, 1982, until September 22, 1982; Secretary of State ad interim from July 5 until July 16, 1982
- Stone, Richard B. "Dick,"** Senator (D-Florida) until December 31, 1980; member, Interim Foreign Policy Advisory Board; Vice Chairman, President's Commission for Radio Broadcasting to Cuba during 1982; Special Representative of the President for Public Diplomacy in Central America from February until April 1983; thereafter, Ambassador at Large and Special Representative of the President to Central America
- Streator, Edward J., Jr.,** Deputy Chief of Mission, U.S. Embassy in London; Chargé D'affaires, U.S. Embassy in London; U.S. Representative to the Organization for Economic Cooperation and Development from 1985
- Suharto,** President of Indonesia

- Sutterlin, James S. "Jim,"** Director, Policy Planning Staff, Department of State, from September 4, until October 15, 1973; Inspector General of the Department of State from October 15, 1973, until August 31, 1974
- Suzuki Zenko,** Prime Minister of Japan until November 27, 1982
- Takeshita Noboru,** Japanese Finance Minister; Prime Minister of Japan from November 6, 1987
- Tanaka Rokusuke,** Japanese Minister of International Trade and Industry in 1980
- Tarcov, Nathan,** Professor of Political Science, University of Chicago; member, Policy Planning Staff, Department of State, from 1981 until 1982
- Teicher, Howard J.,** Office of the Counselor, Department of State, from 1981 until 1982; Director, Near East/South Asia, Political Affairs Office, National Security Council, from 1982 until 1983; Director, Near East and South Asia Affairs Directorate, National Security Council, from 1983 until 1985; Special Assistant to the President for National Security Affairs and Senior Director, Political-Military Affairs Directorate, National Security Council, from 1985 until 1986
- Teltschik, Horst,** Director, Foreign and Inner-Government Relations and External Security, Federal Republic of Germany
- Thatcher, Margaret,** Prime Minister of the United Kingdom from 1979
- Thayer, William Paul,** Chief Executive Officer, LTV Corp.; Deputy Secretary of Defense from January 12, 1983, until January 4, 1984
- Thomas, Charles H.,** Principal Deputy Assistant Secretary of State for European and Canadian Affairs, Acting Assistant Secretary of State for European and Canadian Affairs in 1987
- Thomas, Helen,** United Press International correspondent
- Thorn, Gaston,** President of the Commission, European Communities
- Thurmond, Strom,** Senator (R-South Carolina)
- Tillman, Jacqueline,** Executive Assistant, Washington Office of the Permanent Representative to the United Nations, Bureau of International Organization Affairs, Department of State; Deputy Director, Latin American Affairs Directorate, National Security Council, from 1984 until 1987; Director from 1987 until 1988
- Timbie, James P. "Jim,"** Assistant Director, International Security Programs Bureau, Arms Control and Disarmament Agency; Advisor to the Deputy Secretary of State for Strategic Policy from October 1983
- Timmons, William "Bill,"** Head, Office of Executive Branch Management and Deputy Director of the Transition Office, Office of Personnel
- Tower, John G.,** Senator (R-Texas) until 1984; member, Interim Foreign Policy Advisory Board; chief negotiator on strategic arms at the U.S.-U.S.S.R. Nuclear and Space Arms Talks in Geneva from 1985 until 1986; chair, President's Special Review Board on the National Security Council (Tower Board), from 1986 until 1987
- Trewhitt, Henry,** diplomatic correspondent, *Baltimore Sun*; panelist, 1984 presidential debates
- Trudeau, Pierre Elliot,** Prime Minister of Canada until June 3, 1979, and from March 3, 1980, until June 30, 1984
- Truman, Harry S,** President of the United States from April 12, 1945, until January 20, 1953
- Tsongas, Paul E.,** Senator (D-Massachusetts) until January 2, 1985
- Tutu, Desmond M.,** Right Reverend, General Secretary of the South African Council of Churches; Anglican Archbishop of Cape Town from September 1986; recipient, Nobel Peace Prize in 1984
- Tyson, Charles P., II,** Deputy Assistant to the President for National Security Affairs (for Coordination), Office of Coordination, from 1981 until 1983
- Ulam, Adam B.,** Professor of History and Political Science, Harvard University
- Urquhart, Brian E.,** United Nations Under Secretary General for Special Political Affairs

- Ustinov, Dmitriy F.**, Soviet Defense Minister and member, Politburo, Central Committee, Communist Party of the Soviet Union
- Van Agt, Andreas Antonius Maria "Dries,"** Prime Minister of the Netherlands until November 4, 1982; also, Foreign Minister from May 28, 1982, until November 4, 1982; Ambassador of the European Union to Japan from January 1, 1987
- Vance, Cyrus R.**, Secretary of State from January 23, 1977, until April 28, 1980
- Vandenberg, Arthur H.**, Senator (R-Michigan) from 1927 until 1952
- VanOudenaren, John**, analyst, RAND Corp., member, Policy Planning Staff, Department of State, from September 1985 until 1987
- Velasco, Jose Alberto Zabrano**, Venezuelan Foreign Minister
- Veliotos, Nicholas A.**, U.S. Ambassador to Jordan until February 10, 1981; Assistant Secretary of State for Near Eastern and South Asian Affairs from May 21, 1981, until October 27, 1983; U.S. Ambassador to Egypt from November 24, 1983, until April 1, 1986
- Vessey, John W., Jr.**, General, USA; Vice Chief of Staff, U.S. Army, until June 1982; Chairman of the Joint Chiefs of Staff from June 18, 1982, until September 30, 1985; member, Commission on Integrated Long-Term Strategy; Special Presidential Emissary for POW-MIA and Other Humanitarian Issues from February 1987
- von Staden, Berndt**, West German Ambassador to the United States from 1973 until 1979; State Secretary of the Federal Republic of Germany
- von Weizsacker, Richard**, Governing Mayor of West Berlin from June 11, 1981, until February 9, 1984; President of the Federal Republic of Germany from July 1, 1984
- Waldheim, Kurt**, United Nations Secretary-General until December 31, 1981
- Walesa, Lech**, Polish labor activist and co-founder and head of Solidarity (Solidarnosc) trade union movement
- Wallis, W. Allen**, Chancellor, University of Rochester, until 1982; Under Secretary of State for Economic Affairs from September 23, 1982, until January 20, 1989 (Under Secretary of State for Economic and Agricultural Affairs from August 16, 1985)
- Walters, Vernon A. "Dick,"** General, USA (Ret.); senior adviser to Secretary of State Haig; Ambassador at Large from July 22, 1981, until April 17, 1985; U.S. Representative to the United Nations from May 1985
- Warner, John W.**, Senator (R-Virginia); Chair, Subcommittee on Strategic and Theater Forcers, Senate Armed Services Committee
- Washington, John L.**, member, Policy Planning Staff, Department of State, from 1985 until 1987
- Watt, James G.**, Secretary of the Interior from January 22, 1981, until November 8, 1983
- Wayne, E. Anthony "Tony,"** Special Assistant to Secretaries of State Haig and Shultz until 1983
- Webster, William H.**, Director, Federal Bureau of Investigation, until May 25, 1987; Director of Central Intelligence from May 26, 1987
- Weicker, Lowell P., Jr.**, Senator (R-Connecticut)
- Weidenbaum, Murray L.**, Professor of Economics and Director of the Center for the Study of American Business, Washington University; Chair, Council of Economic Advisers, from February 24, 1981, until September 1, 1982; thereafter, Professor of Economics, Washington University
- Weinberger, Caspar W. "Cap,"** Deputy Director, Office of Management and Budget, from 1970 until 1972; Director, Office of Management and Budget, from 1972 until 1973; Secretary of Health, Education, and Welfare from 1973 until 1975; Senior Adviser, Reagan Transition Team; member, Interim Foreign Policy Advisory Board; Secretary of Defense from January 21, 1981, until November 23, 1987
- Weiss, Seymour**, Director, Bureau of Politico-Military Affairs, Department of State, from August 6, 1973, until January 17, 1974; U.S. Ambassador to the Bahamas

- from September 11, 1974, until December 15, 1976; member, Department of State Transition Team, 1980
- Welty, Dean L.**, Office of Analysis for East Asia and the Pacific, Bureau of Intelligence and Research, Department of State; Special Assistant, Bureau of East Asian and Pacific Affairs, Department of State
- Wettering, Frederick L. "Fred,"** Director, Africa, Political Affairs Office, National Security Council, from 1981 until 1983; Senior Director, African Affairs Directorate, National Security Council, from 1983 until 1985
- Wheeler, Michael O.**, Staff Secretary and Executive Secretary, Executive Secretariat, National Security Council
- Whitehead, John C.**, Deputy Secretary of State from July 9, 1985, until January 20, 1989
- Wick, Charles Z.**, Director of the International Communication Agency (United States Information Agency from 1982) from June 9, 1981, until January 20, 1989
- Wilcox, Philip C.**, Deputy Director, Geographic Affairs, Office of the Deputy Assistant Secretary of State for Political and Multilateral Affairs, Bureau of International Organization Affairs; Deputy Director, Middle East, Asian, European and Arms Control Affairs (subsequently included Outer Space and Oceans Affairs), Office of the Senior Deputy Assistant Secretary of State, Bureau of International Organization Affairs, until 1983; Director, Regional Affairs, Bureau of Near Eastern and South Asian Affairs, Department of State from 1983 until 1984; Director, Israel and Arab-Israeli Affairs, Bureau of Near Eastern and South Asian Affairs, Department of State from 1984 until 1987; Deputy Assistant Secretary of State for Near Eastern and South Asian Affairs from 1987
- Williams, Edward Bennett**, lawyer; member, Interim Foreign Policy Advisory Board; member, President's Foreign Intelligence Advisory Board
- Willkie, Wendell L., II**, General Counsel, National Endowment for the Humanities, from 1982 until 1984; Associate Counsel to the President, Office of the Counsel to the President, from 1984 until 1985; Chief of Staff and Counselor to the Secretary of Education in 1985; General Counsel, Department of Education, from 1985 until 1988; Special Counsel, Bush-Quayle campaign, 1988
- Wills, E. Ashley**, Public Affairs Officer, U.S. Embassy in Bridgetown; Office of Southern African Affairs, Bureau of African Affairs, Department of State
- Winsor, Curtin, Jr.**, member, Department of State Transition Team, 1980; U.S. Ambassador to Costa Rica from July 14, 1983 until February 18, 1985
- Wisner, Frank G., II**, U.S. Ambassador to Zambia until April 19, 1982; Deputy Assistant Secretary of State for African Affairs from 1982 until 1986; U.S. Ambassador to Egypt from August 28, 1986
- Wohlstetter, Albert J.**, Director of Research, PAN Heuristics; member, President's Foreign Intelligence Advisory Board; co-chair, Commission on Integrated Long-Term Strategy
- Wolf, John S.**, Special Assistant to the Under Secretary of State for Security Assistance, Science, and Technology, from July 1981 until July 1984; Political Officer, U.S. Embassy in Islamabad, from July 1984 until 1987; Director, Office of Regional Affairs, Bureau of Near Eastern and South Asian Affairs, Department of State, from August 1987 until June 1988; Executive Assistant to the Under Secretary of State for Political Affairs from June 1988
- Wolff, Alejandro "Alex,"** Staff Assistant, Policy Planning Staff, Department of State
- Wolfowitz, Paul D.**, Professor, Johns Hopkins University School of Advanced International Studies, from 1980 until 1981; member, Department of State Transition Team; Director, Policy Planning Staff, Department of State, from February 13, 1981, until December 22, 1982; Assistant Secretary of State for East Asian and Pacific Affairs, from December 22, 1982, until March 12, 1986; U.S. Ambassador to Indonesia from April 11, 1986
- Wolpe, Howard E.**, member, U.S. House of Representatives (D-Michigan); member, House Foreign Affairs Committee

- Woodcock, Leonard F.**, President of the United Auto Workers (UAW) until 1977; Chief of the U.S. Liaison Office in Beijing from July 26, 1977, until February 17, 1979; U.S. Ambassador to China from March 7, 1979, until February 13, 1981
- Wright, James C., Jr. "Jim,"** member, U.S. House of Representatives (D–Texas) and House Majority Leader until 1986; Speaker of the House of Representatives from January 3, 1987; Senior Counselor, National Bipartisan Commission on Central America (Kissinger Commission)
- Wright, John Oliver**, British Ambassador to the United States from 1982 until 1986
- Wright, Joseph R., Jr.**, Deputy Secretary of Commerce from 1981 until 1982; Deputy Director, Office of Management and Budget, from 1982; Director from November 8, 1988
- Wright, Lacy A., Jr.**, Executive Assistant, Bureau of International Organization Affairs, Department of State
- Wriston, Walter**, Chief Executive Officer, CitiCorp; member, President’s Economic Policy Advisory Board from February 1981; Chair, President’s Economic Policy Advisory Board, from September 3, 1982
- Zablocki, Clement J.**, member, U.S. House of Representatives (D–Wisconsin) until his death on December 3, 1983; Chairman, House Foreign Affairs Committee and Chair, Subcommittee on International Security and Scientific Affairs, House Foreign Affairs Committee; member, House Permanent Select Committee on Intelligence
- Zapanta, Albert C.**, Senior Executive, ARCO; member, Department of State Transition Team, 1980
- Zhao Ziyang**, Premier of the People’s Republic of China until November 24, 1987; General Secretary of the Central Committee of the Communist Party of China from 1987 until 1989
- Zia-ul-Haq, Mohammed**, General, President of Pakistan and Chief Martial Law Administrator until his death on August 17, 1988
- Zorinsky, Edward "Ed,"** Senator (D–Nebraska) and member, Senate Foreign Relations Committee until his death on March 6, 1987

Foundations of Foreign Policy, 1975–1980

1. Editorial Note

Former California Governor Ronald Reagan declared his candidacy for the 1976 Republican Presidential nomination on November 20, 1975. In so doing, Reagan issued a challenge to incumbent Republican President Gerald Ford. Speaking at a news conference held at the National Press Club in Washington, D.C. that day, Reagan stated: “I’ve called this press conference to announce that I am a candidate for the Presidency and to ask for the support of all Americans who share my belief that our nation needs to embark on a new, constructive course.

“I believe my candidacy will be healthy for the nation and my party.

“I am running because I have grown increasingly concerned about the course of events in the United States and in the world.”

After commenting on the economy, the role of government, and U.S. dependence on foreign energy sources, Reagan continued: “A decade ago, we had military superiority. Today we are in danger of being surpassed by a nation that has never made any effort to hide its hostility to everything we stand for.

“Through détente we have sought peace with our adversaries. We should continue to do so, but must make it plain that we expect a stronger indication that they also seek a lasting peace with us.”

Reagan stressed that “the root of these problems” facing the United States stemmed from unresponsive leadership in Washington. He asserted: “If America is to survive and go forward, this must change. It will only change when the American people vote for a leadership that listens to them, relies on them, and seeks to return government to them. We need a government that is confident not of what *it* can do, but of what the people can do.”

Reagan concluded his statement by saying: “In the coming months I will take this message to the American people. I will talk in detail about responsible, responsive government. I will tell the people it is they who should decide how much government they want.

“I don’t believe for one moment that four more years of business-as-usual in Washington is the answer to our problems and I don’t think the American people believe it either.

“We, as a people, aren’t happy if we are not moving forward. A nation that is growing and thriving is one which will solve its problems. We must offer progress instead of stagnation; the truth instead of promises; hope and faith instead of defeatism and despair. Then, I am sure the people will make those decisions which will restore confidence in our way of life and release that energy that is the American spirit.” (Statement, November 20, 1975; Reagan Library, Vertical File, Reagan, Ronald W.—Speeches and Articles (1974–1976))

Following the announcement, Reagan departed Washington for Miami, his first stop on a 2-day campaign tour of Florida, New Hampshire, North Carolina, Illinois, and California. For additional information about the announcement and the campaign trip, see Jon Nordheimer, “Reagan Enters Campaign, Seeks a Curb on Spending,” *New York Times*, November 21, 1975, pages 1, 20, and Joseph Lelyveld, “Reagan Campaign Debut: A 2-Day TV Event,” *New York Times*, November 22, 1975, page 52.

Throughout the spring of 1976, Reagan competed against Ford in the Republican primaries. During the Republican National Convention, held in Kansas City, Missouri, August 16–19, 1976, delegates placed both Ford’s and Reagan’s names in nomination. On August 17, Reagan lost to Ford on the first ballot. Ford and Reagan subsequently took part in an exchange and question-and-answer session on the afternoon of August 19 at the Alameda Plaza Hotel, where Reagan was staying throughout the convention. Ford began the exchange by congratulating Reagan “on a very fine campaign.” Reagan responded: “Mr. President, my congratulations to you. It was a good fight, Mom, and he won. My congratulations.

“And, of course, you know that as we both agreed all the way from the very beginning, once the fight was over, we are on the same side, and we go forward together.” (*Public Papers: Ford, 1976–1977*, Book III, page 2149)

That evening, Reagan offered remarks to the convention delegates. After his initial comments, the former governor said: “May I just say some words. There are cynics who say that a party platform is something that no one bothers to read and it doesn’t very often amount to much.

“Whether it is different this time than it has ever been before, I believe the Republican Party has a platform that is a banner of bold, unmistakable colors with no pale pastel shades.

“We have just heard a call to arms based on that platform. And a call to arms to really be successful in communicating and reveal to the American people the difference between this platform and the platform of the opposing party, which is nothing but a revamped and a reissue and a running of a late, late show of the thing that we’ve been hearing from them for the last 40 years.

“If I could just take a moment—I had an assignment the other day. Someone asked me to write a letter for a time capsule that is going to be opened in Los Angeles a hundred years from now, on our Tricentennial.

“It sounded like an easy assignment. They suggested I write something about the problems and issues of the day. And I said I could do so, riding down the coast in an automobile, looking at the blue Pacific out on one side and the Santa Ines Mountains on the other, and I couldn’t help but wonder if it was going to be that beautiful a hundred years from now as it was on that summer day.

“Then, as I tried to write—let your own minds turn to that task. You’re going to write for people a hundred years from now who know all about us. We know nothing about them. We don’t know what kind of a world they’ll be living in.

“And suddenly, thought to myself as I write of the problems, they’ll be the domestic problems of which the President spoke here tonight; the challenges confronting us; the erosion of freedom that has taken place under Democrat rule in this country; the invasion of private rights; the controls and restrictions on the vitality of the great free economy that we enjoy. These are our challenges that we must meet.

“And then again there is that challenge of which he spoke, that we live in a world in which the great powers have poised and aimed at each other horrible missiles of destruction, nuclear weapons that can in a matter of minutes arrive in each other’s country and destroy virtually the civilized world we live in.

“And suddenly it dawned on me, those who would read this letter a hundred years from now will know whether those missiles were fired. They will know whether we met our challenge.

“Whether they had the freedom that we have known up until now, will depend on what we do here. Will they look back with appreciation and say, thank God for those people in 1976 who headed off that loss of freedom; who kept us now a hundred years later free; who kept our world from nuclear destruction? And if we fail, they probably won’t get to read the letter at all because it spoke of individual freedom and they won’t be allowed to talk of that or read of it.

“This is our challenge. And this is why here in this hall tonight. Better than we’ve ever done before, we’ve got to quit talking to each other and about each other and go out and communicate to the world that we may be fewer in number than we’ve ever been. But we carry the message they’re waiting for.

“We must go forth from here united, determined, that what a great general said a few years ago is true: There is no substitute for victory.” (Transcript of Reagan’s Remarks to the Convention; *New York Times*, August 20, 1976, page 12)

2. Editorial Note

In the November 1, 1979, issue of *Commentary Magazine*, Georgetown University Professor Jeane Kirkpatrick published an article entitled, "Dictatorships & Double Standards." Kirkpatrick began the article by writing: "The failure of the Carter administration's foreign policy is now clear to everyone except its architects, and even they must entertain private doubts, from time to time, about a policy whose crowning achievement has been to lay the groundwork for a transfer of the Panama Canal from the United States to a swaggering Latin dictator of Castroite bent. In the thirty-odd months since the inauguration of Jimmy Carter as President there has occurred a dramatic Soviet military buildup, matched by the stagnation of American armed forces, and a dramatic extension of Soviet influence in the Horn of Africa, Afghanistan, Southern Africa, and the Caribbean, matched by a declining American position in all these areas. The U.S. has never tried so hard and failed so utterly to make and keep friends in the Third World.

"As if this were not bad enough, in the current year the United States has suffered two other major blows—in Iran and Nicaragua—of large and strategic significance. In each country, the Carter administration not only failed to prevent the undesired outcome, it actively collaborated in the replacement of moderate autocrats friendly to American interests with less friendly autocrats of extremist persuasion. It is too soon to be certain about what kind of regime will ultimately emerge in either Iran or Nicaragua, but accumulating evidence suggests that things are as likely to get worse as to get better in both countries. The Sandinistas in Nicaragua appear to be as skillful in consolidating power as the Ayatollah Khomeini is inept, and leaders of both revolutions display an intolerance and arrogance that do not bode well for the peaceful sharing of power or the establishment of constitutional governments, especially since those leaders have made clear that they have no intention of seeking either.

"It is at least possible that the SALT debate may stimulate new scrutiny of the nation's strategic position and defense policy, but there are no signs that anyone is giving serious attention to this nation's role in Iranian and Nicaraguan developments—despite clear warnings that the U.S. is confronted with similar situations and options in El Salvador, Guatemala, Morocco, Zaire, and elsewhere. Yet no problem of American foreign policy is more urgent than that of formulating a morally and strategically acceptable, and politically realistic, program for dealing with non-democratic governments who are threatened by Soviet-sponsored subversion. In the absence of such a policy, we can expect that the same reflexes that guided Washington in Iran and

Nicaragua will be permitted to determine American actions from Korea to Mexico—with the same disastrous effects on the U.S. strategic position. (That the administration has not called its polices in Iran and Nicaragua a failure—and probably does not consider them as such—complicates the problem without changing its nature.)”

Kirkpatrick devoted the body of the article to outlining the common assumptions that Carter administration officials “brought to the crises in Iran and Nicaragua,” explaining the intellectual foundations of Carter’s foreign policy, and assessing the limitations of his approach. She concluded: “The President’s mistakes and distortions are all fashionable ones. His assumptions are those of people who want badly to be on the progressive side in conflicts between ‘rightist’ autocracy and ‘leftist’ challenges, and to prefer the latter, almost regardless of the probable consequences.

“To be sure, neither the President, nor [Cyrus] Vance, nor [Zbigniew] Brzezinski *desires* the proliferation of Soviet-supported regimes. Each has asserted his disapproval of Soviet ‘interference’ in the modernization process. But each, nevertheless, remains willing to ‘destabilize’ friendly or neutral autocracies without any assurance that they will not be replaced by reactionary totalitarian theocracies, totalitarian Soviet client states, or worst of all, by murderous fanatics of the Pol Pot variety.

“The foreign policy of the Carter administration fails not for lack of good intentions but for lack of realism about the nature of traditional versus revolutionary autocracies and the relation of each to the American national interest. Only intellectual fashion and the tyranny of Right/Left thinking prevent intelligent men of good will from perceiving the *facts* that traditional authoritarian governments are less repressive than revolutionary autocracies, that they are more susceptible of liberalization, and that they are more compatible with U.S. interests. The evidence on all these points is clear enough.

“Surely it is now beyond reasonable doubt that the present governments of Vietnam, Cambodia, Laos are much more repressive than those of the despised previous rulers; that the government of the People’s Republic of China is more repressive than that of Taiwan, that North Korea is more repressive than South Korea, and so forth. This is the most important lesson of Vietnam and Cambodia. It is not new but it is a gruesome reminder of harsh facts.

“From time to time a truly bestial ruler can come to power in either type of autocracy—Idi Amin, Papa Doc Duvalier, Joseph Stalin, Pol Pot are examples—but neither type regularly produces such moral monsters (though democracy regularly prevents their accession to power). There are, however, *systemic* differences between traditional and revolutionary autocracies that have a predictable effect on their

degree of repressiveness. Generally speaking, traditional autocrats tolerate social inequities, brutality, and poverty while revolutionary autocracies create them.

“Traditional autocrats leave in place existing allocations of wealth, power, status, and other resources which in most traditional societies favor an affluent few and maintain masses in poverty. But they worship traditional gods and observe traditional taboos. They do not disturb the habitual rhythms of work and leisure, habitual places of residence, habitual patterns of family and personal relations. Because the miseries of traditional life are familiar, they are bearable to ordinary people who, growing up in the society, learn to cope, as children born to untouchables in India acquire the skills and attitudes necessary for survival in the miserable roles they are destined to fill. Such societies create no refugees.

“Precisely the opposite is true of revolutionary Communist regimes. They create refugees by the million because they claim jurisdiction over the whole life of the society and make demands for change that so violate internalized values and habits that inhabitants flee by the tens of thousands in the remarkable expectation that their attitudes, values, and goals will ‘fit’ better in a foreign country than in their native land.

“The former deputy chairman of Vietnam’s National Assembly from 1976 to his defection early in August 1979, Hoang Van Hoan, described recently the impact of Vietnam’s ongoing revolution on that country’s more than one million Chinese inhabitants:

“‘They have been expelled from places they have lived in for generations. They have been dispossessed of virtually all possessions—their lands, their houses. They have been driven into areas called new economic zones, but they have not been given any aid. How can they eke out a living in such conditions reclaiming new land? They gradually die for a number of reasons—diseases, the hard life. They also die of humiliation.’

“It is not only the Chinese who have suffered in Southeast Asia since the ‘liberation,’ and it is not only in Vietnam that the Chinese suffer. By the end of 1978 more than six million refugees had fled countries ruled by Marxist governments. In spite of walls, fences, guns, and sharks, the steady stream of people fleeing revolutionary utopias continues.

“There is a damning contrast between the number of refugees created by Marxist regimes and those created by other autocracies: more than a million Cubans have left their homeland since Castro’s rise (one refugee for every nine inhabitants) as compared to about 35,000 each from Argentina, Brazil, and Chile. In Africa more than five times as many refugees have fled Guinea and Guinea Bissau as

have left Zimbabwe Rhodesia, suggesting that civil war and racial discrimination are easier for most people to bear than Marxist-style liberation.

“Moreover, the history of this century provides no grounds for expecting that radical totalitarian regimes will transform themselves. At the moment there is a far greater likelihood of progressive liberalization and democratization in the governments of Brazil, Argentina, and Chile than in the government of Cuba; in Taiwan than in the People’s Republic of China; in South Korea than in North Korea; in Zaire than in Angola; and so forth.

“Since many traditional autocracies permit limited contestation and participation, it is not impossible that U.S. policy could effectively encourage this process of liberalization and democratization, provided that the effort is not made at a time when the incumbent government is fighting for its life against violent adversaries, and that proposed reforms are aimed at producing gradual change rather than perfect democracy overnight. To accomplish this, policymakers are needed who understand how actual democracies have actually come into being. History is a better guide than good intentions.

“A realistic policy which aims at protecting our own interest and assisting the capacities for self-determination of less developed nations will need to face the unpleasant fact that, if victorious, violent insurgency headed by Marxist revolutionaries is unlikely to lead to anything but totalitarian tyranny. Armed intellectuals citing Marx and supported by Soviet-bloc arms and advisers will almost surely not turn out to be agrarian reformers, or simple nationalists, or democratic socialists. However incomprehensible it may be to some, Marxist revolutionaries are not contemporary embodiments of the Americans who wrote the Declaration of Independence, and they will not be content with establishing a broad-based coalition in which they have only one voice among many.

“It may not always be easy to distinguish between democratic and totalitarian agents of change, but it is also not too difficult. Authentic democratic revolutionaries aim at security governments based on the consent of the governed and believe that ordinary men are capable of using freedom, knowing their own interest, choosing rulers. They do not, like the current leaders in Nicaragua, assume that it will be necessary to postpone elections for three to five years during which time they can ‘cure’ the false consciousness of almost everyone.

“If, moreover, revolutionary leaders describe the United States as the scourge of the 20th century, the enemy of freedom-loving people, the perpetrator of imperialism, racism, colonialism, genocide, war, then they are not authentic democrats or, to put it mildly, friends. Groups which define themselves as enemies should be treated as

enemies. The United States is not in fact a racist, colonial power, it does not practice genocide, it does not threaten world peace with expansionist activities. In the last decade especially we have practiced remarkable forbearance everywhere and undertaken the ‘unilateral restraints on defense spending’ recommended by Brzezinski as appropriate for the technetronic era. We have also moved further, faster, in eliminating domestic racism than any multiracial society in the world or in history.

“For these reasons and more, a posture of continuous self-abasement and apology *vis-a-vis* the Third World is neither morally necessary nor politically appropriate. No more is it necessary or appropriate to support vocal enemies of the United States because they invoke the rhetoric of popular liberation. It is not even necessary or appropriate for our leaders to forswear unilaterally the use of military force to counter military force. Liberal idealism need not be identical with masochism, and need not be incompatible with the defense of freedom and the national interest.” (*Commentary*, vol. 68, no. 5, November 1, 1979, pages 34–45. Reprinted by permission of John Kirkpatrick on behalf of the Estate of Jeane Kirkpatrick, 2021.)

3. Editorial Note

Seeking the 1980 Republican Presidential nomination, former California Governor Ronald Reagan announced his candidacy in a television address taped in New York on November 12, 1979, and broadcast in most national television markets the evening of November 13. Reagan began by discussing his background and the different perspectives from which he had seen the United States. He then explained what the country meant to him: “To me our country is a living, breathing presence, unimpressed by what others say is impossible, proud of its own success, generous, yes and naïve, sometimes wrong, never mean and always impatient to provide a better life for its people in a framework of a basic fairness and freedom.

“Someone once said that the difference between an American and any other kind of person is that an American lives in anticipation of the future because he knows it will be a great place. Other people fear the future as just a repetition of past failures. There’s a lot of truth in that. If there is one thing we are sure of it is that history need not be relived; that nothing is impossible, and that man is capable of improving his circumstances beyond what we are told is fact.

“There are those in our land today, however, who would have us believe that the United States, like other great civilizations of the past, has reached the zenith of its power; that we are weak and fearful, reduced to bickering with each other and no longer possessed of the will to cope with our problems.

“Much of this talk has come from leaders who claim that our problems are too difficult to handle. We are supposed to meekly accept their failures as the most which humanly can be done. They tell us we must learn to live with less, and teach our children that their lives will be less full and prosperous than ours have been, that the America of the coming years will be a place where because of our past excesses—it will be impossible to dream and make those dreams come true.

“I don’t believe that. And, I don’t believe you do either. That is why I am seeking the presidency. I cannot and will not stand by and see this great country destroy itself. Our leaders attempt to blame their failures on circumstances beyond their control, on false estimates by unknown, unidentifiable experts who rewrite modern history in an attempt to convince us our high standard of living, the result of thrift and hard work, is somehow selfish extravagance which we must renounce as we join in sharing scarcity. I don’t agree that our nation must resign itself to inevitable decline, yielding its proud position to other hands. I am totally unwilling to see this country fail in its obligation to itself and to the other free peoples of the world.

“The crisis we face is not the result of any failure of the American spirit; it is a failure of our leaders to establish rational goals and give our people something to order their lives by. If I am elected, I shall regard my election as proof that the people of the United States have decided to set a new agenda and have recognized that the human spirit thrives best when goals are set and progress can be measured in their achievement.”

Reagan proceeded to highlight several issues, including the economy, taxes, the federal government, and domestic energy policy. He then turned to foreign policy: “On the foreign front, the decade of the 1980’s will place severe pressures upon the United States and its allies. We can expect to be tested in ways calculated to try our patience, to confound our resolve and to erode our belief in ourselves. During a time when the Soviet Union may enjoy nuclear superiority over this country, we must never waiver in our commitment to our allies nor accept any negotiation which is not clearly in the national interest. We must judge carefully. Though we should leave no initiative untried in our pursuit of peace, we must be clear voiced in our resolve to resist any unpeaceful act wherever it may occur. Negotiation with the Soviet Union must never become appeasement.

“For the most of the last forty years, we have been preoccupied with the global struggle—the competition—with the Soviet Union and with our responsibilities to our allies. But too often in recent times we have just drifted along with events, responding as if we thought of ourselves as a nation in decline. To our allies we seem to appear to be a nation unable to make decisions in its own interests, let alone in the common interest. Since the Second World War we have spent large amounts of money and much of our time protecting and defending freedom all over the world. We must continue this, for if we do not accept the responsibilities of leadership, who will? And if no one will, how will we survive?

“The 1970’s have taught us the foolhardiness of not having a long-range diplomatic strategy of our own. The world has become a place where, in order to survive, our country needs more than just allies—it needs real friends. Yet, in recent times we often seem not to have recognized who our friends are. This must change. It is now time to take stock of our own house and to resupply its strength.”

After a brief discussion of Puerto Rico, Reagan turned his attention to the benefits of hemispheric cooperation among the United States, Canada, and Mexico. Reagan urged the conclusion of a “North American accord” among the three countries, asserting that the “key to our own future security may lie in both Mexico and Canada becoming much stronger countries than they are today,” and stated that, if elected, he “would immediately seek the views and ideas of Canadian and Mexican leaders” in order to pursue “cooperation on a broader and more significant scale.” Reagan then concluded his remarks by stating: “In recent months leaders in our government have told us that we, the people, have lost confidence in ourselves; that we must regain our spirit and our will to achieve our national goals. Well, it is true there is a lack of confidence, an unease with things the way they are. But the confidence we have lost is confidence in our government’s policies. Our unease can almost be called bewilderment at how our defense strength has deteriorated. The great productivity of our industry is now surpassed by virtually all the major nations who compete with us for world markets. And, our currency is no longer the stable measure of value it once was.

“But there remains the greatness of our people, our capacity for dreaming up fantastic deeds and bringing them off to the surprise of an unbelieving world. When Washington’s men were freezing at Valley Forge, Tom Paine told his fellow Americans: ‘We have it in our power to begin the world over again.’ We still have that power.

“We—today’s living Americans—have in our lifetime fought harder, paid a higher price for freedom and done more to advance the dignity of man than any people who ever lived on this earth.

The citizens of this great nation want leadership—yes—but not a ‘man on a white horse’ demanding obedience to his commands. They want someone who believes they *can* ‘begin the world over again.’ A leader who will unleash their great strength and remove the roadblocks government has put in their way. I want to do that more than anything I’ve ever wanted. And it’s something that I believe with God’s help I *can* do.

“I believe this nation hungers for a spiritual revival; hungers to once again see honor placed above political expediency; to see government once again the protector of our liberties, not the distributor of gifts and privilege. Government should uphold and not undermine those institutions which are custodians of the very values upon which civilization is founded—religion, education and, above all, family. Government cannot be clergyman, teacher and parent. It is our servant, beholden to us.

“We who are privileged to be Americans have had a rendezvous with destiny since the moment in 1630 when John Winthrop, standing on the deck of the tiny *Arbella* off the coast of Massachusetts, told the little band of Pilgrims, ‘We shall be as a city upon a hill. The eyes of all people are upon us so that if we shall deal falsely with our God in this work we have undertaken and so cause Him to withdraw His present help from us, we shall be made a story and a byword throughout the world.’

“A troubled and afflicted mankind looks to us, pleading for us to keep our rendezvous with destiny; that we will uphold the principles of self-reliance, self-discipline, morality, and—above all—responsible liberty for every individual that we will become that shining city on a hill.

“I believe that you and I together can keep this rendezvous with destiny.” (Official announcement, November 13, 1979; Reagan Library, White House Office of Speechwriting, Research Office, 1980 Campaign File, Campaign and Pre-Presidential Speeches, 1979–1981, 11/13/1979 Reagan Announces Campaign for Presidency)

Reagan also delivered the address on the evening of November 13 before a dinner of donors at the New York Hilton. For additional information, see Robert Lindsey, “Reagan, Entering Presidency Race, Calls for North American ‘Accord,’” *New York Times*, pages A1, A24; Lou Cannon, “Reagan Announces, Urges Strength at Home, Abroad,” *Washington Post*, pages A1, A2; and Albert R. Hunt, “Reagan Opens His Bid for the Presidency By Refurbishing Some Long-Held Views,” *Wall Street Journal*, page 6; all November 14, 1979.

4. Statement by Ronald Reagan¹

Florence, South Carolina, January 24, 1980

RONALD REAGAN'S STATEMENT ON THE STATE OF THE UNION ADDRESS

Having reviewed Mr. Carter's State of the Union address last evening,² I must today speak out strongly on the crises in Iran and Afghanistan.³ Mr. Carter terms the Afghan crises as "the most serious threat to world peace since the Second World War", yet he is willing to accept the Soviet presence in Afghanistan with a vague threat that if further aggression transpires in the Persian Gulf he may do something. I wonder how the Pakistanis feel about American resolve when they have, in effect, been excluded from the protection of even this vague threat of American action. And how seriously will the Soviet Union treat Mr. Carter's threat to take action in the Persian Gulf when it is accompanied by his voluntary pledge to unilaterally observe the terms of SALT I and SALT II treaties.⁴ We are in a power poker game with

¹ Source: Reagan Library, White House Office of Speechwriting, Research Office, 1980 Campaign File, Campaign Reference File 1964–1980, Defense/Peace Strategy. No classification marking. The statement is printed on "Reagan for President NEWS" letterhead, prepared by the Reagan for President Campaign. For additional information about Reagan's remarks, see Bernard Weinraub, "Reagan Blames Carter 'Failure' For Soviet Move: Joins in G.O.P Criticism of the President's Speech," *New York Times*, January 25, 1980, p. A12.

² The evening of January 23, Carter delivered his State of the Union address before a joint session of Congress. For the text of the address, see *Public Papers: Carter, 1980–81*, Book I, pp. 194–200. It is also printed in *Foreign Relations, 1977–1980*, vol. I, Foundations of Foreign Policy, Document 138.

³ References are to the seizure of the U.S. Embassy in Tehran and taking of American hostages on November 4, 1979, and the Soviet invasion of Afghanistan on December 25–27, 1979.

⁴ In his State of the Union address (see footnote 2, above), Carter asserted: "Especially now, in a time of great tension, observing the mutual constraints imposed by the terms of these treaties [SALT I and SALT II] will be in the best interest of both countries and will help to preserve world peace." (*Foreign Relations, 1977–1980*, vol. I, Foundations of Foreign Policy, Document 138) On January 25, at a news conference at the Southern Republican Leadership Conference in New Orleans, Reagan again referenced Carter's statement, saying: "Today I call upon Mr. Carter to tell the Soviet Union that we will no longer observe the provisions of the SALT II treaty and that we shall no longer give unilateral support to the expired SALT I Agreement unless or until Soviet troops are withdrawn from Afghanistan." (News release, January 25; Reagan Library, White House Office of Speechwriting, Research Office, 1980 Campaign File, Campaign Reference File 1964–1968, Defense/Peace Strategy) For additional information concerning Reagan's remarks, see Robert Lindsey, "Reagan Urges Bar on Arms Pact Unless Soviet Withdraw Troops," *New York Times*, p. 10, and "GOP Chairman Says It's Time For Debate on U.S. Hostages," *Washington Post*, p. A3; both January 26, 1980.

the Soviet Union. Grain embargoes and threats to refuse to attend the Olympics are not responsive to the Soviet call of our hand.⁵

In Iran, 50 innocent Americans are still being held hostage as a result of an act of war on our embassy.⁶ I cannot doubt that our failure to act decisively at the time that this happened provided the Russians with the final encouragement to invade Afghanistan. All Mr. Carter's attempts at negotiation have failed and now he seems to think that the Iranians may soon desire American protection against the Russians and that some hope can be found in this. Mr. Carter is either deceitful or a fool if this is what he believes. How on earth could *this* Iranian government look for help from a country that doesn't even possess the will to act decisively when its embassy is seized and its diplomats held hostage? How in the world can Mr. Carter offer protection to Iran when Iran more than any other country knows how weak we are?

The Iranians bet that Mr. Carter would be weak in responding to an act of war. They were right. The Soviet Union has bet that Mr. Carter is too weak to respond to its invasion of Afghanistan. And they were right. Mr. Carter is encouraging the belief that this nation will not risk war no matter what the provocation. In doing so he is increasing the chances of a nuclear confrontation. It is time for him to make our resolve clear to the American people in terms that are specific.

⁵ In a January 4 televised address to the nation regarding the Soviet invasion of Afghanistan Carter announced a grain embargo of the Soviet Union. For the text of the address, see *Public Papers: Carter, 1980–81*, Book I, pp. 21–24. It is also printed in *Foreign Relations, 1977–1980*, vol. I, Foundations of Foreign Policy, Document 136. Carter indicated in the State of the Union address (see footnote 2, above) that he had notified the United States Olympic Committee (USOC) that, as a result of the invasion of Afghanistan, he did not support sending the U.S. Olympic team to Moscow to compete in the Summer Olympic games.

⁶ The Iranians released several of the hostages in mid-November. See Michael Getler, "Freed Trio Arrives at U.S. Hospital in Germany," and "10 Freed Hostages Join Colleagues in Wiesbaden," both *Washington Post*, November 20, 1979, p. A11, and November 21, 1979, p. A15, respectively.

5. Excerpts From a Speech by Ronald Reagan¹

Worcester, Massachusetts, February 15, 1980

FOREIGN AFFAIRS

Excerpts from Speech by Ronald Reagan at
the 64th Annual Worcester County Lincoln Day Dinner

I believe that if peace in the world is to be maintained, America must be strong, reliable and predictable. That is why I have spoken extensively about the glaring defects and contradictions of this Administration's foreign and national security policies.

Jimmy Carter risks our national security—our credibility—and damages American purposes by sending timid and even contradictory signals to the Soviet Union. The crisis of confidence which pervades this Administration has become a permanent feature of our daily lives.

I intend to continue calling the Carter Administration to account for its stewardship of American security in an increasingly dangerous and threatening world.

I have great confidence and deep admiration for the basic strength and the sound and noble convictions of the American people.

I am appalled by the *lack* of conviction on the part of those who now manage our foreign and defense policies. And dismayed by the extent to which our basic strength has been so bobbled up by our own government that our enemies now begin to surpass us in nearly every measure of military power.

We must take steps to reverse the trend toward weakness and confusion. The decade of the eighties has begun with a warning to the West that it must once again be prepared to defend its legitimate interests. There is a more specific warning to the United States, as the leader of the Free World. The message is simple and straight forward—"get your house in order, establish your priorities carefully and marshal your great resources for the defense of freedom."

The prerequisite for taking even the first step to redress this shifting balance against the United States, is to formulate a coherent,

¹ Source: Reagan Library, White House Office of Speechwriting, Research Office, 1980 Campaign File, Campaign Reference File 1964–1980, Defense/Peace Strategy. No classification marking. The excerpt is printed on "Reagan for President NEWS" letterhead, prepared by the Reagan for President Campaign. Reagan delivered the speech at the 64th annual Worcester County Lincoln Day dinner. For additional information about the speech, see Lou Cannon, "Reagan's Foreign Policy: Scrap 'Weakness, Illusion,' Stress Military Strength," *Washington Post*, February 16, 1980, p. A3.

consistent and principled grand strategy; our plan for action, our agenda for the 1980's. And that strategy must be clearly understood at home and abroad, by friends and enemies and those who are neither. Its central principle must be the preservation of peace and freedom.

My first task would be to set in motion policies that will achieve our American priorities. And I would like to share with you tonight some of those priorities as I see them.

To begin with, we have to:

- rebuild this country's military strength; and
- base our foreign policy again on the convictions of the American people.

Rebuilding our military strength will require time and prudence; a sustained effort, pursued with perseverance and guided by a long-term plan.

We have permitted the Russians to move ahead of us in every type of weaponry. The principal blame for this belongs with the Democratic-controlled Congress and, more recently, with the disastrous defense and arms control policies of the Carter Administration.

Now we most exploit fully our potential advantage in technology and work closely with our allies.

Stronger Deterrent Forces

First of all, our nuclear strategic deterrent must not be weakened. We must make our nuclear forces less vulnerable so that our adversaries will never be tempted to destroy our missiles and our bombers with a passive surprise attack. We also need more flexible and stronger deterrent forces to prevent any kind of nuclear attack and to discourage nuclear blackmail, or major armed aggression, against our allies and friends.

Naval Superiority

We need a superior navy. We are a maritime nation with vital interests and commitments overseas. Our navy must stay ahead of the Soviet build-up. This means building the ships and developing the technology that will enable us to command the oceans for the decades to come.

Military Strength

We must restore our capacity to project our military strength to those vital regions where further expansion of Soviet imperialism threatens our national security. We must have the military assets in hand that can protect our friends and our interests in the Persian Gulf region. Proclaiming

that military force will be employed to defend those interests when we haven't the military power to do so is a hollow "doctrine."²

Research and Development

We have to take full advantage of the contributions that American science and technology can make to the defense of the United States and to the protection of peace. This requires a vigorous expansion of our research and development efforts.

U.S. Intelligence

We must once again restore the United States intelligence community. A Democratic Congress, aided and abetted by the Carter Administration, has succeeded in shackling and demoralizing our intelligence services to the point that they cannot function effectively as a component part of our defenses. Senseless restrictions requiring the Central Intelligence Agency to report any and all covert actions to eight Congressional committees, must be eliminated.³ National leaders must have reliable intelligence upon which to base sound policies; and this calls for a first-class intelligence capability with high morale and dedicated people. We have the means to regenerate our intelligence capabilities, and I would employ those means.

Message of Freedom

We need to get the American message out to the world in a coherent, understandable fashion. It is time to expand dramatically the Voice of America, Radio Free Europe and Radio Liberty. We have a message of peace and hope and nothing to be ashamed of in the example we set for the world. Millions upon millions of people look to us as a beacon of freedom in a world that is fast losing freedom. We can convey our own deep convictions to the world, to combat the

² Presumable reference to Carter's State of the Union address (see footnote 2, Document 4) and the promulgation of what would become known as the "Carter Doctrine." In his address, Carter stated: "Let our position be absolutely clear: An attempt by any outside force to gain control of the Persian Gulf region will be regarded as an assault on the vital interests of the United States of America, and such an assault will be repelled by any means necessary, including military force."

³ Presumable reference to the Foreign Assistance Act of 1974 (P.L. 93–559), which Ford signed into law on December 30, 1974. The Act included the Hughes-Ryan Amendment, co-authored by Senator Harold Hughes (D-Iowa) and Representative Leo Ryan (D-California), which amended the Foreign Assistance Act of 1961 (P.L. 87–195) to require the President to report all covert actions of the Central Intelligence Agency to several congressional committees, including the Senate Foreign Relations Committee and the House Foreign Affairs Committee. For additional information concerning the impact of the Foreign Assistance Act of 1974 regarding congressional reporting, see *Foreign Relations, 1969–1976*, vol. XXXVIII, Part 2, Organization and Management of Foreign Policy; *Public Diplomacy, 1973–1976*, Document 26 and footnotes 3 and 4 thereto.

hostile and ceaseless communist propaganda that distorts everything we stand for.

Stronger Alliances

And finally, we need to shore up our alliance with those friends who rely on us and who truly want America to be a strong, resolute and faithful ally. The NATO alliance will certainly be tested in the near future as the Soviet Union tries to drive a wedge between us and our partners, Japan, with the free world's second strongest economy, an industrious and creative people has no significant military strength with which to defend itself and is totally dependent on others for natural resources, oil and food. With these allies and with others we must expand our consultation and eliminate the unpredictability in our policies which weaken the bonds between us. Closer to home, we must enter the eighties with a North American continent united in purpose, utilizing the tremendous human and natural resources which await the application of our technology and our capital resources. This is the essence of the North American Accord which I have proposed.⁴

To influence events abroad, the United States should not have to rely on military power alone. Military strength is absolutely essential for our protection and to preserve the peace, but it must always be an instrument of last resort.

Our foreign policy should aim to avoid both retreat and the need for military intervention. We must have ways to help our friends and to defend our interests without having to send in the Marines.

We used to have such a capacity. Jimmy Carter had the option of building on that strength, but chose illusion and weakness instead.

There are sound alternatives to the disastrous policies of this Administration, and tonight I have mentioned just a few. As this campaign progresses, I will continue to evaluate the policies of the Carter Administration and elaborate on alternatives which I believe will begin to restore American security.

My views on foreign policy and national security are not based upon the latest opinion poll. They rest upon recent history as I read it; upon the realities of the world beyond our borders, as I see them; and particularly upon the nature of the Soviet Union, as it exists rather than as any of us would like it to exist.

⁴Reagan proposed the North American Accord in his November 13, 1979, television address announcing his candidacy for President; see Document 3.

6. Editorial Note

On May 1, 1980, *Wall Street Journal* reporters Albert Hunt and Thomas Bray interviewed Republican candidate for President Ronald Reagan aboard Reagan's campaign plane. After asking Reagan questions concerning fiscal and monetary policy and the most recent Republican presidential administrations, Hunt and Bray then turned to foreign policy. The previous week, the Jimmy Carter administration had launched a rescue operation to free the American hostages held in Iran. On April 25, Carter announced to the American public that the operation had been aborted, and that American casualties had ensued during the attempt. The reporters initiated the foreign policy segment of the interview by referencing these recent developments, asking: "WSJ: On the current situation in Iran. Do you think the most important issue or priority now is that of the hostages themselves, or the overall strategic situation in the area?"

Reagan replied: "Well, I don't think you can divorce the two. I think you have to weigh the importance of those hostages and their continuing being held, to what it means to the United States—the possible threat to the United States, and to other Americans, when seemingly someone with so little power can get away with a thing of this.

"Is anyone safe in an American Embassy anywhere?"

"That's why I just—I think that, you know, I just don't understand the President's words about now the burden isn't so great, it's as if, with this failed mission, is he washing his hands of it? Is he saying: 'Well, we'll continue to think about them, but there isn't anything we can do about them?'"

The reporters then asked: "Do you fear that the Iranians are either being driven or are moving more and more into the Soviet camp? And if so, what would you propose to do about that?"

Reagan replied: "Well, there's confusion about whether Khomeini feels this way; he's taken some action and made some statements that would appear that he does not want Soviet influence in there either.

"On the other hand there is no question of the Soviet influence with regard to the revolution to begin with, with that radio station across the border pumping away at the people with propaganda, with the presence of the Communist Party in Iran, which has been a factor."

The reporters asked: "If it became evident that they were, though, moving directly more into the Soviet camp, do you think the United States should take action, covert or overt, to stop that?"

Reagan responded: "I think the United States—we have to recognize, all of us, that this would be one of the most serious threats to the

Middle East, and to our security and that of our allies, of anything that has been done so far.” The interview continued with questions about Cuba, defense spending, and U.S. allies, among other topics. (Albert Hunt and Thomas Bray, “An Interview With Ronald Reagan,” *Wall Street Journal*, May 6, 1980, page 26)

7. Editorial Note

On July 17, 1980, former Governor of California Ronald Reagan accepted the Republican nomination for President and addressed delegates at the Republican National Convention, held at the Joe Louis Arena in Detroit. In his acceptance speech, Reagan emphasized the connections between peace and security and pledged that his administration would protect the American people: “It is the responsibility of the President of the United States, in working for peace, to insure that the safety of our people cannot successfully be threatened by a hostile foreign power. As President, fulfilling that responsibility will be my Number One priority.

“We are not a warlike people. Quite the opposite. We always seek to live in peace. We resort to force infrequently and with great reluctance—and only after we have determined that it is absolutely necessary. We are awed—and rightly so—by the forces of destruction at loose in the world in this nuclear era. But neither can we be naive or foolish. Four times in my lifetime America has gone to war, bleeding the lives of its young men into the sands of beachheads, the fields of Europe and the jungles and rice paddies of Asia. We know only too well that war comes not when the forces of freedom are strong, but when they are weak. It is then that tyrants are tempted.

“We simply cannot learn these lessons the hard way again without risking our destruction.

“Of all the objectives we seek, first and foremost is the establishment of lasting world peace. We must always stand ready to negotiate in good faith, ready to pursue any reasonable avenue that holds forth the promise of lessening tensions and furthering the prospects of peace. But let our friends and those who may wish us ill take note: the United States has an obligation to its citizens and to the people of the world never to let those who would destroy freedom dictate the future course of human life on this planet. I would regard my election as proof that we have renewed our resolve to preserve world peace

and freedom. This nation will once again be strong enough to do that.” (Reagan Library, White House Office of Speechwriting, Research Office, 1980 Campaign File, Campaign and Pre-Presidential Speeches, 1979–1981, 07/13/1980, 07/14/1980, 07/17/1980 Acceptance Speech & 2 Press Statements)

The full text of the speech was printed in the *New York Times* and the *Washington Post* on July 18.

8. Address by Ronald Reagan¹

Chicago, August 18, 1980

[Omitted here are Reagan’s introductory remarks and the portion of his address dealing with the Veterans Administration.]

These are matters of great concern to your great organization. Let us turn now to a matter which vitally concerns our nation – “PEACE”.

It has always struck me as odd that you who have known at first-hand the ugliness and agony of war are so often blamed for war by those who parade for peace.

The truth is exactly the reverse. Having known war, you are in the forefront of those who know that peace is not obtained or preserved by wishing and weakness. You have consistently urged maintenance of a defense capability that provides a margin of safety for America. Today, that margin is disappearing.

But because of your support for military preparedness, there are those who equate that with being militant and desirous of war. The great American humorist, Will Rogers, had an answer for those who believed that strength invited war. He said, “I’ve never seen anyone insult Jack Dempsey.”

¹ Source: Reagan Library, White House Office of Speechwriting, Research Office, 1980 Campaign File, Campaign and Pre-Presidential Speeches, 1979–1981, 0/8/18/1980 VFW Convention, Chicago, IL. Reagan addressed the annual convention of the Veterans of Foreign Wars at McCormack Place at the beginning of a 4-day, three-state campaign tour; see F. Richard Ciccone, “Reagan vows strong U.S.: VFW speech here opens campaign,” *Chicago Tribune*, August 19, 1980, pp. 1, 8. For additional information concerning the address, see Howell Raines, “Reagan Calls Arms Race Essential To Avoid a ‘Surrender’ or ‘Defeat’,” *New York Times*, pp. A1, D17, and Lou Cannon, “Reagan: ‘Peace Through Strength’,” *Washington Post*, pp. A1, A4; both August 19, 1980.

About 10 days ago, our new Secretary of State addressed a gathering on the West Coast.² He took me to task about American military strength. Indeed, he denounced the Republican Party for pledging to restore that margin of safety which the Carter Administration had allowed to evaporate. Actually, I've called for whatever it takes to be strong enough that no other nation will dare violate the peace. This is what we mean by superiority—nothing more, nothing less. The American people expect that the nation will remain secure; they have a right to security and we have an obligation to provide it. But Mr. Muskie was downright angry. He charged that such a policy would lead to an all-out arms race. Well, I have a message for him—one which he ignored for years as a Senator³ when he consistently voted against a strong national defense—we're already in an arms race, but only the Soviets are racing. They are outspending us in the military field by 50 percent and more than double, sometimes triple, on their strategic forces.

One wonders why the Carter Administration fails to see any threatening pattern in the Soviet presence, by way of Cuban proxies, in so much of Africa, which is the source of minerals absolutely essential to the industrialized democracies of Japan, Western Europe, and the U.S. We are self-sufficient in only 5 of the 27 minerals important to us industrially and strategically, and so the security of our resource life line is essential.

Then there is the Soviet Cuban and East German presence in Ethiopia, South Yemen, and now the invasion and subjugation of Afghanistan. This last step moves them within striking distance of the oil-rich Arabian Gulf. And is it just coincidence that Cuban and Soviet-trained terrorists are bringing civil war to Central American countries in close proximity to the rich oil fields of Venezuela and Mexico? All over the world, we can see that in the face of declining American power, the Soviets and their friends are advancing. Yet the Carter Administration seems totally oblivious.

² Reference is to Edmund Muskie, who became Secretary of State in May after Vance resigned following the abortive attempt to rescue the American hostages in Tehran. On August 7, Muskie delivered an address in Los Angeles before the United Steelworkers of America, asserting: "The world is an unruly place. The headlines will always reflect new crises and new challenges. But I'm tired of hearing the fear merchants who overstate the dangers and undersell America for their own political profit. Let's listen to the facts and not their fears." (Department of State *Bulletin*, September 1980, pp. A–C) The address is also printed in *Foreign Relations, 1977–1980*, vol. I, Foundations of Foreign Policy, Document 153. At a news conference following his remarks, Muskie stated "that his job was nonpolitical, even though he had told the steelworkers, 'I am the first political Secretary of State in a long time, and I intend to play that job.'" (Bernard Gwertzman, "Muskie, in Departure From Practice, Assails Republican Criticism," *New York Times*, August 8, 1980, pp. A1, A16) Excerpts from Muskie's news conference are printed in Department of State *Bulletin*, September 1980, pp. D–F. While in Los Angeles on August 7, the Secretary also addressed the G.I. Forum. The text of the address is *ibid.*, pp. 14–16.

³ Muskie served in the Senate from January 3, 1959, until May 7, 1980, when he resigned his seat to serve as Secretary of State.

Clearly, world peace must be our number one priority. It is the first task of statecraft to preserve peace so that brave men need not die in battle. But it must not be peace at any price; it must not be a peace of humiliation and gradual surrender. Nor can it be the kind of peace imposed on Czechoslovakia by Soviet tanks just 12 years ago this month.⁴ And certainly it isn't the peace that came to Southeast Asia after the Paris Peace accords were signed.⁵

Peace must be such that freedom can flourish and justice prevail. Tens of thousands of boat people have shown us there is no freedom in the so-called peace in Vietnam. The hill people of Laos know poison gas, not justice, and in Cambodia there is only the peace of the grave for at least one-third of the population slaughtered by the Communists.

For too long, we have lived with the "Vietnam Syndrome." Much of that syndrome has been created by the North Vietnamese aggressors who now threaten the peaceful people of Thailand. Over and over they told us for nearly 10 years that we were the aggressors bent on imperialistic conquests. They had a plan. It was to win in the field of propaganda here in America what they could not win on the field of battle in Vietnam. As the years dragged on, we were told that peace would come if we would simply stop interfering and go home.

It is time we recognized that ours was, in truth, a noble cause. A small country newly free from colonial rule sought our help in establishing self-rule and the means of self-defense against a totalitarian neighbor bent on conquest. We dishonor the memory of 50,000 young Americans who died in that cause when we give way to feelings of guilt as if we were doing something shameful, and we have been shabby in our treatment of those who returned. They fought as well and as bravely as any Americans have ever fought in any war. They deserve our gratitude, our respect and our continuing concern.

There is a lesson for all of us in Vietnam. If we are forced to fight, we must have the means and the determination to prevail or we will not have what it takes to secure the peace. And while we are at it, let us tell those who fought in that war that we will never again ask young men to fight and possibly die in a war our government is afraid to let them win.

Shouldn't it be obvious to even the staunchest believer in unilateral disarmament as the sure road to peace that peace was never more

⁴ Soviet and other Warsaw Pact troops invaded Czechoslovakia the night of August 20–21, 1968. See *Foreign Relations, 1964–1968*, vol. XVII, Eastern Europe, Documents 80 and 81.

⁵ On January 27, 1973, in Paris, Secretary of State William Rogers signed the Agreement on Ending the War and Restoring Peace in Vietnam, commonly referred to as the Paris Peace Accords. The text and accompanying protocols are printed in Department of State *Bulletin*, February 12, 1973, pp. 169–188. For additional information, see *Foreign Relations, 1969–1976*, vol. IX, Vietnam, October 1972–January 1973, Document 340.

certain than in the years following W.W. II when we had a margin of safety in our military power which was so unmistakable that others would not dare to challenge us?

The Korean tragedy was really not an exception to what I am saying, but a clear example of it. North Korea's attack on South Korea followed an injudicious statement from Washington that our sphere of interest in the Pacific and that our defense perimeter did not include Korea.⁶ Unfortunately, Korea also became our first "no win war," a portent of much that has happened since. But reflect for a moment how in those days the U.S. led free nations in other parts of the world to join together in recovering from the ravages of war. Our will and our capacity to preserve the peace were unchallenged. There was no question about our credibility and our welcome throughout the world. Our erstwhile enemies became close friends and allies, and we protected the peace from Berlin to Cuba.

When John F. Kennedy demanded the withdrawal of Soviet missiles from Cuba and the tension mounted in 1962, it was Nikita Khrushchev who backed down, and there was no war.⁷ It was because our strategic superiority over the Soviets was so decisive, by about a margin of 8 to 1.

But, then, in the face of such evidence that the cause of peace is best served by strength not bluster, an odd thing happened. Those responsible for our defense policy ignored the fact that some evidence of aggressive intent on the part of the Soviets was surely indicated by the placement of missiles in Cuba. We failed to heed the Soviet declaration that they would make sure they never had to back down again. No one could possibly misinterpret that declaration. It was an announcement of the Soviet intention to begin a military buildup, one which continues to this day.

Our policymakers, however, decided the Soviet Union would not attempt to catch us and that, for some reason, they would permanently accept second place as their proper position. Sometime later, in 1965, Secretary of Defense McNamara stated unequivocally that the Soviets were not attempting to compete with the U.S. on strategic Forces and were resigned to inferiority.

⁶ On June 25, 1950, North Korean soldiers crossed the 38th parallel and attacked South Korean forces. Reagan's remark concerning the "injudicious statement" is presumably a reference to Acheson's January 12, 1950, address before the National Press Club in Washington, during which he sketched out the parameters of the U.S. "defense perimeter" in the Pacific. See Walter H. Waggoner, "Four Areas Listed 'Attaching' Manchuria, Inner, Outer Mongolia and Sinkiang Cited," *New York Times*, January 13, 1950, pp. 1–2. See also *Foreign Relations*, 1950, vol. VII, Korea, Document 3.

⁷ For documentation on the October 1962 crisis, see *Foreign Relations*, 1961–1963, vol. XI, Cuban Missile Crisis and Aftermath.

Fifteen years have passed since that exercise in self-delusion. At that time we led the Soviet Union in about 40 strategic military categories. Today, they lead us in all but 6 or 8 and may well surpass us in those if present trends continue.

Soviet leaders talk arrogantly of a so-called “correlation of forces” that has moved in their favor, opening up opportunities for them to extend their influence. The response from the administration in Washington has been one of weakness, inconsistency, vacillation and bluff. A Soviet combat brigade is discovered in Cuba; the Carter Administration declares its presence 90 miles off our shore as “unacceptable”.⁸ The brigade is still there. Soviet troops mass on the border of Afghanistan. The President issues a stern warning against any move by those troops to cross the border. They cross the border, execute the puppet President they themselves installed in 1978,⁹ and carry out a savage attack on the people of Afghanistan. Our credibility in the world slumps further. The President proclaims we’ll protect the Middle East by force of arms and 2 weeks later admits we don’t have the force.

Is it only Jimmy Carter’s lack of coherent policy that is the source of our difficulty? Is it his vacillation and his indecision? Or is there another, more frightening possibility—the possibility that this administration is being very consistent, that it is still guided by that same old doctrine that we have nothing to fear from the Soviets—if we just don’t provoke them.

Well, W.W. II came about without provocation. It came because nations were weak, not strong, in the face of aggression. Those same lessons of the past surely apply today. Firmness based on a strong defense capability is not provocative. But weakness can be provocative simply because it is tempting to a nation whose imperialist ambitions are virtually unlimited.

⁸ On August 31, 1979, the Department of State issued a statement that the United States had “recently confirmed the presence in Cuba of what appears to be a Soviet combat unit. This is the first time we have been able to confirm the presence of a Soviet ground forces unit on the island.” (Department of State *Bulletin*, October 1979, p. 63) On September 7, Carter spoke to reporters about the Soviet combat brigade, indicating: “The purpose of this combat unit is not yet clear. However, the Secretary of State spoke for me and for our Nation on Wednesday [September 5] when he said that we consider the presence of a Soviet combat brigade in Cuba to be a very serious matter and that this status quo is not acceptable.” (*Public Papers: Carter, 1979*, Book II, p. 1602) On October 1, Carter delivered an address to the nation concerning the troop presence. The text of the address is *ibid.*, pp. 1802–1806. It is also printed in *Foreign Relations, 1977–1980*, vol. I, Foundations of Foreign Policy, Document 129. For additional information regarding U.S.-Soviet discussions, including oral and written exchanges about the brigade, see *Foreign Relations, 1977–1980*, vol. VI, Soviet Union, Documents 219, 221–224, and 226–228.

⁹ It is unclear whether Reagan is referring to Nur Muhammad Taraki, who served as President of Afghanistan from April 30, 1978, until he was assassinated on September 14, 1979, or Hafizullah Amin, who served as President from September 14 until he was assassinated on December 27, following the Soviet invasion of Afghanistan (see footnote 3, Document 4).

We find ourselves increasingly in a position of dangerous isolation. Our allies are losing confidence in us, and our adversaries no longer respect us.

There is an alternative path for America which offers a more realistic hope for peace, one which takes us on the course of restoring that vital margin of safety. For thirty years since the end of World War II, our strategy has been to preserve peace through strength. It is steadiness and the vision of men like Dwight Eisenhower that we have to thank for policies that made America strong and credible.

The last Republican defense budget, proposed by President Ford, would have maintained the margin.¹⁰

But the Carter Administration came to power on a promise of slashing America's defenses. It has made good on its promise.

Our program to restore the margin of safety must be prudent and measured. We must take a stand against terrorism in the world and combat it with firmness, for it is a most cowardly and savage violation of peace. We must regain that margin of safety I spoke of both in conventional arms and the deployment of troops. And we must allow no weakness in our strategic deterrent.

We do not stand alone in the world. We have Allies who are with us, who look to America to provide leadership and to remain strong. But they are confused by the lack of a coherent, principled, policy from the Carter Administration. And they must be consulted, not excluded from, matters which directly affect their own interest and security.

When we ignore our friends, when we do not lead, we weaken the unity and strength that binds our alliances. We must now reverse this dangerous trend and restore the confidence and cohesion of the alliance system on which our security ultimately rests.

There is something else. We must remember our heritage, who we are and what we are, and how this nation, this island of freedom, came into being. And we must make it unmistakably plain to all the world that we have no intention of compromising our principles, our beliefs or our freedom. Our reward will be world peace; there is no other way to have it.

For more than a decade, we have sought a detente. The word means relaxation. We don't talk about a detente with our allies; there is no tension there that needs relaxing. We seek to relax tensions where there are tensions—with potential enemies. And if those potential enemies are

¹⁰ Reference is to the fiscal year 1977 defense budget. Ford submitted his overall budget, including the defense figures, to Congress on January 21, 1976. The text of the budget message, which is included in a report entitled, "The Budget of the United States Government, Fiscal Year 1977," is printed in *Public Papers: Ford, 1976–1977*, Book I, pp. 46–50.

well armed and have shown a willingness to use armed force to gain their ends (for ends that are different from ours) then relaxing tensions is a delicate and dangerous but necessary business.

Detente has meaning only if both sides take positive actions to relax the tension. When one side relaxes while the other carries out the greatest military buildup in the history of mankind, the cause of peace has not been advanced.

Arms control negotiation can often help to improve stability but not when the negotiations are one-sided. And they obviously have been one-sided and will continue to be so if we lack steadiness and determination in keeping up our defenses.

I think continued negotiation with the Soviet Union is essential. We need never be afraid to negotiate as long as we remain true to our goals—the preservation of peace and freedom—and don't seek agreement just for the sake of having an agreement. It is important, also, that the Soviets know we are going about the business of restoring our margin of safety pending an agreement by both sides to limit various kinds of weapons.

I have repeatedly stated that I would be willing to negotiate an honest, verifiable reduction in nuclear weapons by both our countries to the point that neither of us represented a threat to the other. I cannot, however, agree to any treaty, including the SALT II treaty, which, in effect, legitimizes the continuation of a one-sided nuclear arms buildup.¹¹

We have an example in recent history of our ability to negotiate properly by keeping our objective clearly in mind until an agreement is reached. Back in the mid '50's, at the very height of the "cold war", Allied and Soviet military forces were still occupying Austria in a situation that was virtually a confrontation. We negotiated the Austrian State Treaty calling for the removal of all the occupying forces, Allied and Soviet.¹² If we had negotiated in the manner we've seen these last few years, Austria would still be a divided country.

¹¹ Carter and Brezhnev signed the Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Limitation of Strategic Offensive Arms and the Protocol to the Treaty during meetings held in Vienna June 15–18, 1979. The memoranda of conversation from the Vienna summit are printed in *Foreign Relations, 1977–1980*, vol. VI, Soviet Union, Documents 199–201, 203, 204, 206, and 207. For the text of the treaty, see Department of State *Bulletin*, July 1979, pp. 23–47. The text of the treaty and protocol are also printed in *Foreign Relations, 1969–1976*, vol. XXXIII, SALT II, 1972–1980, Documents 241 and 242.

¹² On May 15, 1955, representatives of the governments of the Soviet Union, the United Kingdom, the United States, and France signed the Austrian State Treaty, which granted Austria independence and arranged for the withdrawal of all occupation forces. For information about the Vienna Ambassadorial Conference and the State Treaty, see *Foreign Relations, 1955–1957*, vol. V, Austrian State Treaty; Summit and Foreign Ministers Meetings, 1955, Documents 42–76.

The American people must be given a better understanding of the challenge to our security and of the need for effort and, yes, sacrifice to turn the situation around.

Our government must stop pretending that it has a choice between promoting the general welfare and providing for the common defense. Today they are one and the same.

Let our people be aware of the several objectives of Soviet strategy in this decade and the threat they represent to continued world peace. An attempt will be made to divide the NATO alliance and to separate, one at a time, our Allies and friends from the United States. Those efforts are clearly underway. Another objective I've already mentioned is an expansion of Soviet influence in the area of the Arabian Gulf and South Asia. Not much attention has been given to another move, and that is the attempt to encircle and neutralize the People's Republic of China. Much closer to home is Soviet-inspired trouble in the Caribbean. Subversion and Cuban-trained guerrilla bands are targeted on Jamaica, Honduras, El Salvador, and Guatemala. Leftist regimes have already taken over in Nicaragua and Grenada.¹³

A central concern of the Kremlin will always be the Soviet ability to handle a direct confrontation with our military forces. In a recent address, Paul Nitze said; "The Kremlin leaders do not want war; they want the world."¹⁴ For that reason, they have put much of their military effort into strategic nuclear programs. Here the balance has been moving against us and will continue to do so if we follow the course set by this administration.

The Soviets want peace and victory. We must understand this and what it means to us. They seek a superiority in military strength that, in the event of a confrontation, would leave us with an unacceptable choice between submission or conflict. Submission would give us peace alright—the peace of a Czechoslovakia or an Afghanistan. But if we have the will and the determination to restore the margin of safety which this Administration seems bent on losing, we can have real peace because we will never be faced with an ultimatum from anyone.

Indeed, the men in the Kremlin could in the face of such determination decide that true arms limitation makes sense.

¹³ References are to the July 1979 resignation of Nicaraguan President Anastasio Somoza Debayle and the March 1979 New Jewel Movement coup, which removed the Prime Minister of Grenada, Eric Gairy, and established a People's Revolutionary Government headed by Maurice Bishop, who became prime minister.

¹⁴ The address is not identified. However, Nitze included this statement in an article entitled "Strategy in the Decade of the 1980s." (*Foreign Affairs*, vol. 59, number 1, Fall 1980)

Our best hope of persuading them to live in peace is to convince them they cannot win at war.

For a nation such as ours, arms are important only to prevent others from conquering us or our allies. We are not a belligerent people. Our purpose is not to prepare for war or wish harm to others. When we had great strength in the years following W.W. II, we used that strength not for territorial gain but to defend others.

Our foreign policy should be to show by example the greatness of our system and the strength of American ideals. The truth is we would like nothing better than to see the Russian people living in freedom and dignity instead of being trapped in a backwash of history as they are. The greatest fallacy of the Lenin-Marxist philosophy is that it is the “wave of the future.” Everything about it is primitive: compulsion in place of free initiative; coercion in place of law; militarism in place of trade; and empire-building in place of self-determination; and luxury for a chosen few at the expense of the many. We have seen nothing like it since the Age of Feudalism.

When people have had a free choice, where have they chosen Communism? What other system in the world has to build walls to keep its people in“?

Recently academician Andrei Sakharov, one of Russia’s great scientists and presently under house arrest, smuggled a statement out of the Soviet Union. It turned up in the *New York Times Magazine* of June 8, where Sakharov wrote: “I consider the United States the historically determined leader of the movement toward a pluralist and free society, vital to mankind.”¹⁵

He is right. We have strayed off course many times and we have been careless with the machinery of freedom bequeathed to us by the Founding Fathers, but, somehow, it has managed to survive our frailties. One of those Founding Fathers spoke the truth when he said “God intended America to be free.”

We have been a refuge for the persecuted and down-trodden from every corner of the world for 200 years. Today some of us are concerned by the latest influx of refugees, the boat people from Southeast Asia and from Cuba—all fleeing from the inhumanity of Communism. We worry about our capacity to care for them. I believe we must make a concerted effort to help them, and that others in the world should share in the responsibility.

But let’s do a better job of exporting Americanism. Let’s meet our responsibility to keep the peace at the same time we maintain without

¹⁵ “Sakharov: A Letter From Exile,” *New York Times Magazine*, June 8, 1980, pp. 31–33, 72, 74, 76, 78, 50, 106–107, 109–111. The letter is dated May 4, 1980.

compromise our principles and ideals. Let's help the world eliminate the conditions which cause citizens to become refugees.

I believe it is our pre-ordained destiny to show all mankind that they, too, can be free without having to leave their native shore.

9. Statement by Ronald Reagan¹

Los Angeles, August 25, 1980

Ten days ago George Bush and I met with you here in Los Angeles on the occasion of his departure for Japan and China, a trip he undertook at my request.² As we stressed at the time, the purpose of the trip was to provide for a candid exchange of views with leaders in both countries on a wide range of international topics of mutual interest. Ambassador Bush returned last evening, and has reported his findings in detail.

We are both very pleased with the results of his extensive discussions. In a series of meetings with distinguished leaders in Japan, including Prime Minister Suzuki, Former Prime Ministers Fukuda, Kishi and Miki, Foreign Minister Itoh and Minister of International Trade and Industry Tanaka, he had the opportunity to hear their views and recommendations concerning the future of U.S.-Japanese relations.

Our Republican Party Platform stresses that Japan will remain a pillar of our policy for Asia, and a Reagan-Bush Administration will work hard to insure that U.S.-Japanese relations are maintained

¹ Source: Reagan Library, White House Office of Speechwriting, Research Office, 1980 Campaign File, Campaign and Pre-Presidential Speeches, 1979–1981, 08/25/1980 Statement on China/Taiwan. No classification marking. Reagan delivered the statement at a news conference held at the Los Angeles Airport Marriott Hotel, in which Bush, the Republican Vice Presidential nominee, also participated. (Howell Raines, "Reagan, Conceding Misstatements, Abandons Plan on Taiwan Office," *New York Times*, August 26, 1980, pp. A1, B7)

² See Howell Raines, "Reagan Denies Plan to Answer Carter: Says He Will Not Defend Himself Against 'Distorted Charges'," *New York Times*, pp. 1, 22, and Katharine Macdonald, "Reagan Acts to Reassure Peking on Ties," *Washington Post*, p. A4; both August 17, 1980. Documentation regarding the Carter administration's views concerning Bush's trip is printed in *Foreign Relations, 1977–1980*, vol. XIII, China, Documents 316–318. The memoranda of conversation from Bush's August 21 meeting and James Lilley's handwritten notes summarizing a second meeting are scheduled for publication in *Foreign Relations, 1981–1988*, vol. XXVIII, China, 1981–1983.

in excellent condition, based on close consultation and mutual understanding.

Japan's role in the process of insuring peace in Asia is a crucial one, and we must reinforce our ties with this close ally. Japan is our second most important trading partner, and we are her first. We have close ties in other fields, too. A most important example is the U.S.-Japan Mutual Security Treaty which recently marked its twentieth anniversary.³

Understanding the Japanese perspective is important for the success of American policy. As Ambassador Bush will tell you in detail, he found Japanese leaders unanimous in their view that the United States must be a strong, reliable, leading partner.

I appreciate receiving their views, and I am grateful to them for the courtesies extended to Ambassador Bush. I would also like to express my appreciation to, and regard for, U.S. Ambassador Mike Mansfield, who also extended many courtesies.

Of equal importance was Ambassador Bush's trip to China, where he held a series of high-level meetings. As I said on August 16, "we have an obvious interest in developing our relationship with China, an interest that goes beyond trade and cultural ties. It is an interest that is fundamental to a Reagan-Bush Administration."

The meetings in Beijing provided for extensive exchanges of views. George has reported to me in great detail the points of similarity and agreement, as well as those of dissimilarity and disagreement. Since the objective of the trip was to have just such an exchange without necessarily reaching agreement, I believe that the objective was reached.

We now have received an updated, first-hand of China's views, and the Chinese leaders have heard our point of view.

While in Beijing, Ambassador Bush and Richard Allen met at length with Vice Premier Deng Xiaoping, Foreign Minister Huang Hua, as well as with other top foreign policy experts and military leaders. I appreciate the courtesies which the Chinese leaders extended to our party, and I also wish to thank U.S. Ambassador Leonard Woodcock for his kind assistance.

We now maintain full and friendly diplomatic relations with China. This relationship began only a few years ago, and it is one which we should develop and strengthen in the years ahead. It is a delicate relationship, and the Reagan-Bush Administration will handle it with care

³ Reference is to the Treaty of Mutual Cooperation and Security between the United States and Japan, signed in Washington on January 19, 1960. The texts of a joint communiqué, the treaty and supporting documentation, and remarks made during Kishi's visit to participate in the signing ceremony are printed in Department of State *Bulletin*, February 8, 1960, pp. 179–201.

and respect, with due regard for our own vital interests in the world generally, and in the Pacific region specifically.

China and the United States have a common interest in maintaining peace so that our nations can grow and prosper. Our two-way trade has now reached approximately \$3.5 billion annually, and China's program of modernization depends in a major way on Western and U.S. technology.

Along with many other nations, we and China share a deep concern about the pace and scale of the Soviet military buildup. Chinese leaders agree with Japanese leaders that the United States must be a strong and vigorous defender of the peace, and they specifically favor us bolstering our defenses and our alliances.

It is quite clear that we do not see eye to eye on Taiwan. Thus, this is an appropriate time for me to state our position on this subject.

I'm sure that the Chinese leaders would place no value on our relations with them if they thought we would break commitments to them if a stronger power were to demand it. Based on my long-standing conviction that America can provide leadership and command respect only if it keeps its commitments to its friends, large and small, a Reagan-Bush Administration would observe these five principles in dealing with the China situation.

Guiding Principles for the Far East

First, U.S.-Chinese relations are important to American as well as Chinese interests. Our partnership should be global and strategic. In seeking improved relations with the People's Republic of China, I would extend the hand of friendship to all Chinese. In continuing our relations, which date from the historic opening created by President Nixon, I would continue the process of expanding trade, scientific and cultural ties.⁴

Second, I pledge to work for peace, stability and the economic growth of the Western Pacific area in cooperation with Japan, the People's Republic of China, the Republic of Korea and Taiwan.

Third, I will cooperate and consult with all countries of the area in a mutual effort to stand firm against aggression or search for hegemony which threaten the peace and stability of the area.

Fourth, I intend that United States relations with Taiwan will develop in accordance with the law of our land, the Taiwan Relations

⁴ Documentation on the "opening" to China and Nixon's February 1972 visit to Beijing is in *Foreign Relations, 1969–1976*, vol. XVII, China, 1969–1972, and *Foreign Relations, 1969–1976*, vol. E–13, Documents on China, 1969–1972.

Act.⁵ This legislation is the product of our democratic process, and is designed to remedy the defects of the totally inadequate legislation proposed by Jimmy Carter.

By accepting China's three conditions for "normalization,"⁶ Jimmy Carter made concessions that Presidents Nixon and Ford had steadfastly refused to make. I was and am critical of his decision because I believe he made concessions that were not necessary and not in our national interest. I felt that a condition of normalization—by itself a sound policy choice—should have been the retention of a liaison office on Taiwan of equivalent status to the one which we had earlier established in Beijing. With a persistent and principled negotiating position, I believe that normalization could ultimately have been achieved on this basis. But that is behind us now. My present concern is to safeguard the interests of the United States and to enforce the law of the land.

It was the timely action of the Congress, reflecting the strong support of the American people for Taiwan, that forced the changes in the inadequate bill which Mr. Carter proposed. Clearly, the Congress was unwilling to buy the Carter plan, which it believed would have jeopardized Taiwan's security.

This Act, designed by the Congress to provide adequate safeguards for Taiwan's security and well being, also provides the official basis for our relations with our long-time friend and ally. It declares our official policy to be one of maintaining peace and promoting extensive, close, and friendly relations between the United States and the seventeen million people on Taiwan as well as the one billion people on the China mainland. It specifies that our official policy considers any effort to determine the future of Taiwan by other than peaceful means a threat to peace and of "grave concern" to the United States.

⁵ The Taiwan Relations Act (H.R. 2479; P.L. 96–8), which Carter signed into law on April 10, 1979, authorized the establishment of the American Institute in Taiwan (AIT), which allowed the United States to continue to conduct relations with Taiwan. Taiwan would conduct its diplomacy with the United States under the auspices of the Coordination Council for North American Affairs. The Act also maintained various cultural and other links between the two nations. (*Congress and the Nation*, vol. V, 1977–1980, pp. 65–68) For Carter's remarks upon signing the bill into law, see *Public Papers: Carter, 1979*, Book I, pp. 640–641.

⁶ Reference is to the "normalization" of relations between the United States and the People's Republic of China. In a December 15, 1978, televised address, Carter read the text of a joint communiqué on the establishment of relations between the two nations. For the text of the address, see *Foreign Relations, 1977–1980*, vol. I, Foundations of Foreign Policy, Document 104.

And, most important, it spells out our policy of providing defensive weapons to Taiwan and mandates the United States to maintain the means to “resist any resort to force or other forms of coercion” which threaten the security or the social or economic system of Taiwan.

This Act further spells out, in great detail, how the President of the United States, our highest elected official, shall conduct relations with Taiwan, leaving to his discretion the specific methods of achieving policy objectives. The Act further details how our official personnel (including diplomats) are to administer United States relations with Taiwan through the American Institute in Taiwan. It specifies that for that purpose they are to resign for the term of their duty in Taiwan and then be reinstated to their former agencies of the U.S. government with no loss of status, seniority or pension rights.

The intent of the Congress is crystal clear. Our official relations with Taiwan will be funded by Congress with public monies, the expenditure of which will be audited by the Comptroller General of the United States; and Congressional oversight will be performed by two standing Committees of the Congress.

You might ask what I would do differently. I would not pretend, as Carter does, that the relationship we now have with Taiwan, enacted by our Congress, is not official.

I am satisfied that this Act provides an official and adequate basis for safeguarding our relationship with Taiwan, and I pledge to enforce it. But I will eliminate petty practices of the Carter Administration which are inappropriate and demeaning to our Chinese friends on Taiwan. For example, it is absurd and not required by the Act that our representatives are not permitted to meet with Taiwanese officials in their offices and ours. I will treat all Chinese officials with fairness and dignity.

I would not impose restrictions which are not required by the Taiwan Relations Act and which contravene its spirit and purpose. Here are other examples of how Carter has gone out of his way to humiliate our friends on Taiwan:

- Taiwanese officials are ignored at senior levels of the U.S. government.
- The Taiwan Relations Act specifically requires that the Taiwanese be permitted to keep the same number of offices in this country as they had before. Previously, Taiwan had 14 such offices. Today there are but nine.
- Taiwanese military officers are no longer permitted to train in the United States or to attend service academies.
- Recently the Carter Administration attempted to ban all imports from Taiwan labeled “Made in the Republic of China,” but

was forced to rescind the order after opposition began to mount in the Congress.

- The Carter Administration unilaterally imposed a one-year moratorium on arms supplies⁷ even though the Act specifies that Taiwan shall be provided with arms of a defense character.

- The Carter Administration abrogated the Civil Aviation Agreement with Taiwan, which had been in effect since 1947, in response to demands from the People's Republic of China.

I recognize that the People's Republic of China is not pleased with the Taiwan Relations Act which the United States Congress insisted on as the official basis for our relations with Taiwan. This was made abundantly clear to Mr. Bush, and, I'm told, is clear to the Carter Administration. But it *is* the law of our land.

Fifth, as President I will not accept the interference of any foreign power in the process of protecting American interests and carrying out the laws of our land. To do otherwise would be a dereliction of my duty as President.

It is my conclusion that the strict observance of these five principles will be in the best interests of the United States, the People's Republic of China and the people on Taiwan.

The specific implementation of these duties will have to await the results of the election in November, but in deciding what to do I will take into account the views of the People's Republic of China as well as Taiwan. It will be my firm intention to preserve the interests of the United States, and as President I will choose the methods by which this shall best be accomplished.

⁷ Documentation on the moratorium is printed in *Foreign Relations, 1977–1980*, vol. XIII, China, Documents 167, 169, and 285.

10. Address by George Bush¹

San Francisco, September 11, 1980

I welcome this opportunity to appear again before one of America's most distinguished public forums.

It was in a speech to the Commonwealth Club of San Francisco in 1932 that Franklin Roosevelt promised that if elected he'd balance the budget.²

Four years later, President Roosevelt was scheduled to make a campaign appearance here. Considering the fact that his administration's budget wasn't balanced, he asked his speechwriter, Sam Rosenman, how to deal with that little problem.

According to the story, Judge Rosenman told his boss that under the circumstances there was only one effective political response, which was: "Deny you ever made that speech."

For those who question whether that happens to be a partisan revisionist version of history, my source is Ed Costikyan, a prominent New York Democratic leader. And my purpose in telling the story is simply to make the point that the Commonwealth Club has a long tradition in helping to shape issues in American presidential campaigns.

When a candidate for national office says something here, it's likely to be noted—and remembered.

With that in mind, today I want to address the issue of preserving the peace in an era of unprecedented danger to our country and to the cause of freedom throughout the world.

As Governor Reagan's running mate, let me say that I'm not unaware of the fact that a week ago Vice President Mondale appeared at this podium to offer the administration's view of the scope of that danger and of our country's ability to meet it.³

¹ Source: Reagan Library, White House Office of Speechwriting, Research Office, 1980 Campaign File, Campaign and Pre-Presidential Speeches, 1979–1981, 09/11/1980 George Bush—Speech Commonwealth Club. No classification marking. The address is printed on Reagan & Bush letterhead and prepared by the Reagan-Bush Committee. Bush spoke at the St. Francis Hotel before members of the Commonwealth Club at noon PDT. For press reports on the address, see Philip Shabecoff, "Bush Strives to Draw Attention to Reagan's Policies, Not to Himself," *New York Times*, September 13, 1980, p. 10, and Felicity Barringer, "Bush Cheers the Gray, White and Gold," *Washington Post*, September 12, 1980, p. A4.

² Presumable reference to Roosevelt's September 23, 1932, address before the Commonwealth Club.

³ Reference is to Mondale's September 5 speech before the Commonwealth Club. See Richard D. Lyons, "Mondale Presses Party Unity Message in California: A Drive to Get Out the Vote," *New York Times*, September 6, 1980, p. 8.

However, my remarks today aren't intended as a response to the Vice President's presentation of the Carter administration's foreign policy *view*, but rather of its *record*.

Mr. Mondale's speech accurately reflected the administration's current campaign perspective regarding foreign policy. The administration's *record*, on the other hand—from 1977 to the present—is quite another matter.

In fact, on reading reports of the Vice President's address to the Commonwealth Club, I got the distinct impression that to some extent he was following Sam Rosenman's advice to FDR. That is, he was ignoring—if not denying—the unpleasant realities of America's weakened posture in the world after three-and-a-half years of the Carter Presidency.

I can understand that. After all, from time immemorial, the general rule in political campaigning has been: "If you're handed a lemon, make a lemonade."

What I can't understand, however—more specifically, what I find hard to condone—is the campaign being waged by high-level spokesmen for the Carter administration to cloud the foreign policy issue behind a smokescreen of rhetoric that misrepresents Ronald Reagan's commitment to peace.

Let me bluntly describe the aim of that campaign: It is apparent—indeed, it's been publicly stated by those handling the administration's re-election effort—that their objective is to portray Ronald Reagan as a man who, as President, might lead our country into war.

And now, having said that, let me answer this campaign charge in equally uncertain terms: It is a false and irresponsible distortion of Ronald Reagan's views, as well as his lifelong record as a citizen and public servant.

As Governor of your state for eight years, Ronald Reagan proved strong in his commitment to human betterment and sensitive to the people's interests and desires.

The American people, now as always, desire peace.

We want peace with freedom—peace with dignity—not only for ourselves but for men and women everywhere.

We want peace within a framework of international understanding that recognizes human rights.

And in that regard, let me again speak to the point by saying something that's been on my mind for quite a while:

The administration in power—regardless of what you might have heard from this podium last week—did *not* invent human rights. Jimmy Carter did not invent morality in foreign policy.

When the subject at hand is preserving the peace—when the subject is freedom with dignity—then *no* candidate and *no* political party has a monopoly on human compassion.

Moreover, a campaign that deals in personalities and innuendo is no substitute in a free society for full and fair debate on the issues.

Ronald Reagan welcomes such a debate—on his record and on those of his opponents.

Ronald Reagan is ready and willing to meet President Carter and Congressman Anderson⁴ in a full public discussion of the questions that concern the American people—including the overriding issue of preserving American freedom in a troubled world.

Let's hope that President Carter reverses his position and sees fit in the end to take part in such a debate.⁵ I know that Governor Reagan shares that hope, for a debate among the Presidential candidates this election year would clear the air—and dissolve the smokescreen—regarding their differences on how to achieve a stable, prosperous economy here at home and a lasting peace throughout the world.

In terms of our American foreign policy, what are the *real* differences between Ronald Reagan and his opponents in this race—the differences that might be aired if President Carter changes his mind, accepts the will of the people, and consents to a debate-on-the-record?

Let me offer a broad overview on one of the most important of these differences—what a Reagan Presidency would bring to America's foreign policy and our quest for peace.

First, with Ronald Reagan in the White House, it would mean that our country would continue to press forward in order to achieve a strategic arms limitation treaty with the Soviet Union—but he would not enter into an inequitable treaty; a treaty that locks in advantage for the Soviets; a treaty that cannot be properly verified.

Under a Reagan administration, we are *not* going to risk American security on the word of a nation that has time and again broken its international commitments.

⁴ John Anderson had competed in the 1980 Republican primaries and later entered the general election as an independent candidate for President. Patrick Lucey, the former Democratic Governor of Wisconsin and, at that time, Ambassador to Mexico, resigned to run as Anderson's Vice Presidential running mate.

⁵ The League of Women Voters, the sponsor of the Presidential and Vice Presidential debate series, proposed that Carter, Reagan, and Anderson take part in a series of debates scheduled for September and October. At the time of Bush's address, Carter did not want to take part in any debate that included Anderson. Reagan refused to participate without Anderson.

A true, not illusory, relaxation of tensions with the Soviets can only be based on mutual respect between the world's two super-powers and a realistic assessment on our part of Soviet intentions in light of their past record.

Which leads to my second point regarding the meaning of a Reagan Presidency to our country's foreign policy and quest for world peace.

In Ronald Reagan, America will have a President who understands—and has long understood—the *true* nature of Soviet intentions.

It didn't take the invasion of Afghanistan last year to teach Governor Reagan the facts of geopolitical life where Soviet leadership is concerned.⁶

As President, Ronald Reagan will negotiate with the Soviets not only from strength but from understanding—two qualities sadly, indeed tragically, lacking in our dealings with the Soviets and other nations of the world over the past three-and-a-half years.

Third, a Reagan Presidency will mean that we'll have a Commander-in-Chief in the White House who also understands that while rhetoric may be an effective instrument in domestic politics, it is no substitute for real, substantial strength in meeting our country's national security interests around the world.

The deterrent power of our Army, our Navy, our Air Force and our strategic arms has not kept pace with the expansion of Soviet military power over the past three-and-a-half years—Vice President Mondale's Pollyanna optimism notwithstanding. Even if the present administration were to succeed in fooling the American people in this regard—which I don't for a moment believe it will—the Soviets are not being fooled.

Our Defense Department may leak, then confirm, classified information about an "invisible" bomber.⁷

⁶ See footnote 3, Document 4.

⁷ Presumable reference to the "Stealth" bomber. In an August 14 article, *Washington Post* reporter George Wilson indicated that Carter planned to "commit himself to developing a new strategic bomber" that, as a result of technological innovations, would "foil Soviet defenses": "One key breakthrough is a top-secret way to make a long-range bomber virtually invisible to enemy radar used to detect invading aircraft and aim guns and missiles at them." (George C. Wilson, "Carter to Support New U.S. Bomber," *Washington Post*, August 14, 1980, p. A1) During an informal exchange with reporters in Perth Amboy, New Jersey, on September 9, Carter characterized allegations that his administration had improperly released information about the project as "absolutely irresponsible and false," and asserted that "the only thing that has been revealed about the Stealth development, which is a major technological evolutionary development for our country, is the existence of the program itself." He noted that the Stealth program's existence was unclassified as of January 1977 and that his administration had taken "an unclassified program under the previous Republican administration, classified it, and have been successful for 3 years in keeping the entire system secret." (*Public Papers: Carter, 1980–81*, Book II, pp. 1687–1688)

This administration may, by implication, claim credit for such a bomber.

But the “invisible” American bomber that the Soviets are most aware of is the B–1, which would have been operative had this administration followed President Ford’s lead in recommending its construction.⁸

A Reagan foreign policy will be one that returns to the proven principle that the only peace that can be lasting is one based on the strength to deter aggression.

Fourth, a Reagan foreign policy will be one of competence and consistency—not zig-zag diplomacy that leaves our foreign friends and allies and even our own State Department in disarray and confusion.

Too many times in the past three-and-a-half years we have witnessed the appalling spectacle of the leading nation of the Free World jolting its allies with sudden shifts in policy—such as occurred when the President reversed his position on the neutron bomb, leaving West German Chancellor Helmut Schmidt out on a policy limb.⁹

Along the same diplomatic policy line, a Reagan Presidency will find our State Department and our Ambassador at the United Nations not only *communicating* with each other, but in agreement on those votes which affect the security interests of our staunch ally, Israel.

Fifth, a Reagan foreign policy will restore our country’s economic strength overseas by stabilizing the value of the dollar here at home. That means curbing the skyrocketing inflation of recent years by holding down the growth of spending and by increasing productivity that has precipitously declined under Jimmy Carter.

We are going to make America work again by *letting* America work again.

It’s time we freed American business and industry from the fetters of excessive federal regulations.

Finally, let me conclude this brief overview of what a Reagan Presidency will mean for America’s quest for peace by alluding to the

⁸ Reference is to Carter’s decision to discontinue deployment of the B–1 bomber, which he announced at a June 30, 1977, news conference. For Carter’s remarks, see *Public Papers: Carter, 1977*, Book II, pp. 1197–1198. See also *Congress and the Nation*, vol. V, 1977–1980, pp. 131, 134–135. Documentation on the decision is in *Foreign Relations, 1977–1980*, vol. IV, National Security Policy, Document 23.

⁹ On April 7, 1978, Carter released a statement indicating that he had decided to “defer production of weapons with enhanced radiation effects.” The statement noted that the Carter administration would continue to consult with Western European allies. (*Public Papers: Carter, 1978*, Book I, p. 702) Documentation on enhanced radiation weapons is scheduled for publication in *Foreign Relations, 1977–1980*, vol. V, European Security, 1977–1983.

indispensable quality needed to make any American foreign policy successful—a quality dependent on but yet transcending military and economic strength, as well as diplomatic skill.

I mean the quality of respect.

With Ronald Reagan as President, the men and women who represent our country overseas will be secure in the knowledge that their country will protect them in American embassies.

Never again a Teheran!

With Ronald Reagan as President, America will once again be respected around the world—and we will earn that respect not only because we are true to our word but because we in turn respect the rights and customs of other freedom-loving nations and cultures.

That is the ultimate meaning of a Reagan Presidency—an America both compassionate and strong—an America that cares for its citizens—for its heritage—for the future, not only of our own society but of societies everywhere made up of men and women who cherish the cause of freedom and human dignity in a world at peace.

11. Editorial Note

On September 25, 1980, Republican Vice Presidential nominee George H.W. Bush delivered a statement before the World Affairs Council in Philadelphia. The Reagan-Bush Committee prepared a news release, containing the statement text, for release at noon that day. In his statement, Bush provided an overview of post-World War II U.S. policy in the Persian Gulf region, asserting that President Jimmy Carter's "vacillating, ineffective conduct of America's foreign relations" had undermined the bipartisan foreign policy of his predecessors. After criticizing Carter's approach to the Soviet Union and American hostages in Iran, Bush asserted that Republican Presidential nominee Ronald Reagan would undertake significant change, adding that the change would be "not military but moral.

"The Carter Administration has said a great deal in recent years about international morality. Yet this President has by word and action overlooked the most fundamental tenet of a moral foreign policy—keeping your word.

“Under a Reagan foreign policy, America will once again be recognized throughout the world—by ally, neutral and adversary alike—as *a nation that keeps its word*.

“Our friends must be able to depend on us. Our adversaries must know that when America speaks in foreign affairs, it means what it says in terms of what is ‘acceptable’ and ‘unacceptable’ to our national interest.

“A Reagan foreign policy *will also* operate on a single standard of morality in its dealings with other countries. To condemn violations of human rights in non-communist countries but remain silent in the face of crimes against humanity in Communist-dominated countries like Cambodia, Cuba and more recently, Nicaragua, is a form of diplomatic hypocrisy that may meet President Carter’s foreign policy standards, but will not meet President Reagan’s.

“Keeping our word as a nation—that’s the first step toward re-establishing respect for America overseas. And by respect, I don’t mean fear of military might. I mean the belief on the part of people throughout the world, and their leaders, that the United States is true to its ideals—the ideals of universal peace, freedom and justice that would form the cornerstone of President Reagan’s foreign policy.

“Advancing those ideals in the world as it is—not as we wish it to be—would be beyond the power of the best-intentioned President, however, if that President were forced to deal with the Soviets and other adversaries from a position of weakness.

“That is the self-created trap that President Carter now finds himself in whenever he tries to deter the Soviets from expansionist ventures—whether in Cuba or Afghanistan.

“The lesson is clear: an American President, regardless of his good intentions, can’t deter aggression by empty threats—as this President has tried to do.”

Bush then explained how a Reagan administration would restore America’s deterrent power before underscoring the objectives for doing so: “Our aim in this will not be to engage the Soviets in an arms race. Rather, it will be to discourage the Soviets from endangering the peace through reckless actions brought on by the Russians’ perception of the United States as a nation too weak, both morally and materially, to defend its interests.

“Once the Soviets understand that this is a misconception—once the leaders in the Kremlin come to see and hear the actions and words of an American President, Ronald Reagan, dedicated to restoring our nation’s moral and material strength—then and only then can we look to a day when a real, not an illusory, disarmament treaty

can be reached—when substantial negotiations can be entered into with the Soviets, based on a mutual interest in peaceful solutions to outstanding differences between our countries—when the threat of war recedes from the horizon of great power relations—and when the age-old dream of a world of peace, freedom and justice can be realized.

“That is the new beginning in foreign policy we can look for in a Reagan Presidency. It is the road to peace and the preservation not only of our country’s interests but our highest ideals as we move into the decade of the Eighties and beyond.” (Reagan Library, White House Office of Speechwriting, Research Office, 1980 Campaign File, Campaign and Pre-Presidential Speeches, 1979–1981, 09/25/1980 George Bush—World Affairs Council)

For additional information about the speech, see “Bush Faults Carter on Foreign Policy: Asserts That Iraqi-Iranian Fighting Reflects Declining Influence of U.S. in Persian Gulf,” *New York Times*, September 26, 1980, page A19.

12. Editorial Note

On September 30, 1980, Republican Presidential candidate Ronald Reagan took part in an Associated Press (AP) interview in New York. Reagan answered questions about both foreign and domestic politics, including questions related to the second Strategic Arms Limitation Treaty (SALT II), signed by President Jimmy Carter and Soviet leader Leonid Brezhnev on June 18, 1979.

The interviewer asked: “If you were elected, would you withdraw the SALT II treaty from Senate consideration?”

Reagan responded: “Yes. But, at the same time I did, I would make it plain that I was prepared to sit down with the Russians for as long as it might take to negotiate a legitimate arms limitation agreement. My objection to SALT II is it is not arms limitation. It legitimizes [the] arms race. It begins by letting the Soviet Union build 3,000 more warheads, then we can build some to catch up on, only we can’t catch up until 1990. I think it is a fatally flawed treaty, and it isn’t arms limitation. If we’re really going to try to remove the danger to the world today, let’s sit down with the intention voiced and the agreement of the other side that we’re going to find a way to fairly reduce the strategic weapons so that neither one of us can threaten the other.”

The interviewer continued, "To parity, to equality?"

Reagan answered: "To whatever is necessary that we cannot be a threat to each other."

Reagan also answered a broader follow-up question concerning arms talks with the Soviet Union: "Would you want to begin arms talks with the Soviet Union at the present military strength, or would you want to wait until the United States was able to build up its strength to a point where you thought there was military parity with the Soviet Union?"

He replied, "I'd have to look to see whether it would be sufficient just for us to start, but I don't think that we should sit at the table the way we have in the past. This is one of the things that's been wrong. We have been unilaterally disarming at the same time we're negotiating supposedly arms limitation with the other fellow, where all he has to do is sit there and not give up anything and his superiority increases. He will be far more inclined to negotiate in good faith if he knows that the United States is engaged in building up its military."

The interviewer responded, "So you wouldn't wait to start new negotiations?"

Reagan commented, "No, I think that if you start, they know our industrial strength. They know our capacity. The one card that's been missing in these negotiations has been the possibility of an arms race. Now the Soviets have been racing, but with no competition. No one else is racing. Now they know the difference between their industrial power and ours. And so I think that we'd get a lot farther at the table if they know that as they continue, they're faced with our industrial capacity and all that we can do."

The interviewer then asked: "Would an absolute reduction in the existing levels of arms in the United States and Soviet Union be a requirement for a treaty?"

Reagan answered: "It's either that or a buildup on our side to the point that once again the possibility of a preemptive strike has been eliminated."

The interviewer continued: "The theory behind the treaty that the President submitted was that you put a lid somewhere, even on the increase. But you seem to be saying that you want an absolute reduction."

Reagan responded: "The only choice between that then would be parity by our matching what we know them to have. And it would, I think, make a lot more sense for both our countries to reduce it down."

The interviewer asked: "It would have to be a Soviet reduction to our level," to which Reagan stated: "Yes."

The interviewer then asked: “Given the hard line that you’ve taken with the Soviet Union and the political realities in the Kremlin, how long do you think it would take to convince the Soviet Union to come to the bargaining table?”

Reagan responded: “Well, I don’t know, the Soviet Union wouldn’t be confused about where I stood, and I think sometimes they’d feel better if they know what the game is and who the players are.” (“Excerpts From Reagan Interview on Policies He Would Follow,” *New York Times*, October 2, 1980, page B13)

13. Editorial Note

Republican Presidential candidate Ronald Reagan called for a renewed emphasis on “the fundamental principles” of U.S. human rights policy in a statement released on October 17, 1980. Noting that representatives of 35 countries were in Madrid to prepare for a follow-up meeting of the Conference on Security and Cooperation in Europe (CSCE), Reagan acknowledged the importance of “the protection and enhancement of freedom and human rights for all,” yet asserted that “the United States will not succeed in its human rights policy unless we keep in mind that its guiding ideas must be uniquely American. These principles, of political and economic freedom, justice, equal protection, and fairness, which have inspired so many people, are rooted deep in our history.

“Indeed, it was these principles that helped guide our founding fathers as they led an infant country through revolution and to independence. It was these principles that are now embodied in our great freedom documents: the Declaration of Independence and the Constitution. And it is these principles that have become, in my opinion, America’s greatest contribution to political thought and action throughout the world.”

The Jimmy Carter administration, Reagan asserted, had “never successfully used America’s invaluable philosophical resources,” and had failed to live up to its promise to prioritize human rights in a number of instances. After noting several such failures in the cases of the Soviet Union, Poland, Cambodia, and Iran, Reagan stated: “This is not a human rights policy. This is not in the tradition of America’s

great freedom principles. Instead, this is gross hypocrisy—boasting of human rights at home while being intimidated by violators of human rights abroad.”

“To effectively fulfill the Helsinki Accords,” concluded by the CSCE in 1975, Reagan continued, “we need a vigorous and consistent human rights policy. Yet at the last review conference in 1977, the Carter administration, though speaking boldly to the public, spoke timidly to the Soviets. The signal must have been clear to the Soviet leaders: Carter’s human rights policy toward the Soviet empire and its captive nations was meant only for domestic political consumption.

“Perhaps the most important way to promote the cause of human rights is to spread the American message of freedom and hope abroad. We must break through the news blackout surrounding the oppressed peoples of the world, to tell them the truth about the American freedom values.

“Unfortunately, the Carter administration does not understand the power of this message. Its support for our cultural and informational programs has declined over the last four years, while the misinformation and propaganda programs of our adversaries have grown. Nor has it focused world attention on the flagrant violations of the Helsinki Accords by the Soviet Union, such as when the Soviet Union resumed jamming Voice of America radio broadcasts to prevent the peoples under its control from hearing of the courageous Polish workers and their struggle. America in effect ratified this blatant act of hypocrisy.

“We must continue to uphold the historical traditions of freedom and justice to which free people everywhere might look. The American human rights legacy should remain unconditional and consistent. The world expects—and deserves—no less.” (News release, October 17; Reagan Library, White House Office of Speechwriting, Research Office, 1980 Campaign File, Campaign and Pre-Presidential Speeches, 1979–1981, 10/17/1980 Statements on Human Rights and Helsinki Accords)

14. Address by Ronald Reagan¹

Arlington, Virginia, October 19, 1980

A STRATEGY OF PEACE FOR THE '80S

Good evening.

Three months ago, in accepting the nomination of my party to be its presidential candidate, I said: "Of all the objectives we seek, first and foremost is the establishment of lasting world peace."²

Since I spoke those words, I have had the chance to visit with Americans like you, all across the nation. I have brought that same message of peace as our primary goal.

But it hasn't all been one-sided. I have had the chance not only to talk with you but also to listen to you about the course you believe our country should take. We have, in a way, been holding a national conversation together on the future of our country.

Tonight, I want to continue my part of that ongoing conversation, and offer what I believe are ways in which peace can be assured for every American family and for the world.

But before I do, I'd like to speak to you for a few moments now, not as a candidate for the presidency, but as a citizen, a parent—in fact, a grandparent—who shares with you the deep and abiding hope for peace.

I revere, as I know you do, the American tradition of free and reasoned discussion of our complex issues. That is why I have participated in six debates since I became a candidate for President.³ And that is

¹ Source: Reagan Library, White House Office of Speechwriting, Research Office, 1980 Campaign File, Campaign and Pre-Presidential Speeches, 1979–1981, 10/19/1980 TV Speech Strategy of Peace for the 80s. No classification marking. The CBS television network broadcast the half-hour address. (Douglas Kneeland, "Reagan Calls Peace His First Objective in Address to Nation: Counters Carter's Charges, Talk Outlines a Bipartisan Foreign Policy—Pledges Arms Talks Based on U.S. Strength," *New York Times*, pp. A1, D10, and Lou Cannon, "Reagan: SALT III 'My Goal': Candidate Seeks To Clarify Position on A-Arms Control," *Washington Post*, pp. A1, A9; both October 20, 1980) The *New York Times* printed excerpts from the address; see "Excerpts From Reagan's Televised Speech Rebutting Carter on Foreign Policy," *New York Times*, October 20, 1980, p. B10.

² See Document 7.

³ Presumable reference to the primary season Republican debates on February 20 (Manchester, New Hampshire), February 23 (Nashua, New Hampshire), February 28 (Columbia, South Carolina), March 13 (Chicago), and April 23 (Houston), and Reagan's debate with Anderson in Baltimore on September 21.

why I have stated my willingness to engage President Carter in his first debate.⁴

The great tradition of reasoned exchange of views has not exactly characterized all the rhetoric of this campaign. My own views have been distorted in what I can only conclude is an effort to scare people through innuendoes and misstatements of my positions.

Possibly Mr. Carter is gambling that his long litany of fear will somehow influence enough voters to save him from the inevitable consequences of the policies of his administration which have brought so much human misery.

I am confident he will lose that gamble. I think the American people know—to paraphrase Franklin Roosevelt—that the only thing the cause of peace has to fear is fear itself.⁵

Let us base our decisions about peace and security on the facts, on what we need to know and not on what we are told we must fear.

There can be no doubt about what is the major issue in this campaign concerning the question of peace.

It is whether you believe Mr. Carter's words and deeds have brought the United States closer to or further away from the goal of peace based on confidence in the strength of our nation.

As a presidential candidate four years ago, he said: “. . . it is imperative that the world know that we will meet obligations and commitments to our allies and that we will keep our nation strong.”⁶

Did he keep his promise? That's the real peace issue in 1980. And that's an issue for you to decide. Has he kept our nation strong? Are you willing to risk four more years of what we have now? Has the registration and the possible draft of your sons and daughters contributed to your peace of mind? Is the world safer for you and your family?

Whatever else history may say about my candidacy, I hope it will be recorded that I appealed to our best hopes, not our worst fears, to our confidence rather than our doubts, to the facts, and not to fantasies.

⁴ Reagan ultimately agreed to debate Carter without Anderson present. The League of Women Voters then extended an invitation for Carter and Reagan to participate in a televised debate scheduled to take place in Cleveland on October 28. (Hedrick Smith, “Reagan, in a Shift, Agrees to a Debate With Carter Alone; League Invitation for Oct. 28; Details Are Not Firm on a Meeting—Strauss Says President is Ready to Face His Rival,” *New York Times*, October 18, 1980, pp. 1, 8) For the transcript of the debate, moderated by Howard K. Smith, see *Public Papers: Carter, 1980–81*, Book III, pp. 2476–2502.

⁵ Reference is to Roosevelt's March 4, 1933, inaugural address.

⁶ Reference is to Carter's August 24, 1976, address before the American Legion Convention in Seattle. Carter stated, “I would never again see our country become militarily involved in the internal affairs of another country unless our own security was directly threatened. But it is imperative that the world know that we will meet obligations and commitments to our allies and that we will keep our nation strong.” (*The Presidential Campaign 1976*, vol. 1, part I: *Jimmy Carter*, p. 512)

And these three—hope, confidence, and facts—are at the heart of my vision of peace.

We have heard the phrase “peace through strength” so often, its meaning has become blurred through overuse.

The time has come for America to recall once more the basic truths behind the familiar words.

Peace is *made* by the fact of strength—economic, military, and strategic.

Peace is *lost* when such strength disappears or—just as bad—is seen by an adversary as disappearing.

We must build peace upon strength. There is no other way. And the cold, hard fact of the matter is that our economic, military, and strategic strength under President Carter is eroding.

Only if *we* are strong will peace be strong.

Throughout Scripture, we see reference to peace-makers—those who through their actions—not just their words—take the material of this imperfect world and, with hard work and God’s help, fashion from that material peace for the world.

In recent weeks you’ve been hearing from a lot of other people as to what they say I believe about peace. Well, tonight let me tell you what I believe.

Understanding of how peace is obtained—through competence, and hard work, confidence, and patience—must guide and inspire this nation in the years ahead.

And at the center of such peace-making is the need to restore our historic American tradition of bipartisanship.

The cause of peace knows no party. The cause of peace transcends personal ambition. The cause of peace demands appeals for unity, not appeals to divisiveness.

These are truisms—which Mr. Carter has forgotten—or chosen to ignore.

Senator Ted Kennedy said earlier this year, in reference to him, that “no president should be reelected because he happened to be standing there when his foreign policy collapsed around him.”⁷

I cannot believe this administration’s defense policies reflect the thinking of millions of rank-and-file Democrat party members.

⁷ Reference is to Democratic Presidential hopeful Edward Kennedy’s February 12 speech at Harvard University’s Kennedy School of Government. The speech in Cambridge inaugurated Kennedy’s campaign tour through Massachusetts and New Hampshire prior to the Democratic primaries on March 4 and February 26, respectively. (Leslie Bennetts, “Kennedy Lashes Out at President, Charging Passivity and Pessimism,” *New York Times*, February 13, 1980, p. A18)

The Carter administration, dominated as it is by the McGovernite wing of the party, has broken sharply with the views and policies of Harry Truman, John Kennedy, and many contemporary Democratic leaders.

A great American tradition of bipartisanship—where domestic political differences end at the water’s edge—has been lost at a time when we are faced with growing instability and crisis abroad. I believe the bipartisan tradition is too deep and sound to be destroyed by one man in the space of four years, but still, damage has been done and it will take a determined effort to repair it.

I pledge, if elected President, to take every step necessary to restore the bipartisan tradition in American national security and foreign policy; to work with congressional leaders of both parties to design and conduct a truly bipartisan tradition in American national security and foreign policy. And, I intend to have this bipartisan spirit reflected during my presidency in key foreign and defense policy appointive positions. As in the past, our domestic differences will end at the water’s edge.

In the next few minutes, I would like to outline for you nine specific steps that I will take to put America on a sound, secure footing in the international arena. Working closely with the Congress, I propose to accomplish these steps with the support of an informed American public. Here are the steps:

1. An improved policy-making structure;
2. A clear approach to East-West relations;
3. A realistic policy toward our own Hemisphere;
4. A plan to assist African and Third World development;
5. A plan to send our message abroad;
6. A realistic strategic arms reduction policy;
7. A determined effort to strengthen the quality of our armed services;
8. Combatting international terrorism;
9. Restoration of a margin of safety in our defense planning.

Reorganizing the Policy-Making Structure

The present administration has been unable to speak with one voice in foreign policy. This must change. My administration will restore leadership to U.S. foreign policy by organizing it in a more coherent way.

An early priority will be to make structural changes in the foreign policy-making machinery so that the Secretary of State will be the President’s principal spokesman and adviser.

The National Security Council will once again be the coordinator of the policy process. Its mission will be to assure that the President

receives an orderly, balanced flow of information and analysis. The National Security Adviser will work closely in teamwork with the Secretary of State and the other members of the Council.

My goal also will be to build and utilize a diplomatic corps with language proficiency, and organizational and professional skills, and to insure the safety of our representatives on duty overseas. We can restore pride and effectiveness in our foreign policy establishment by putting an end to the kidnapping and murder of our public servants in service abroad.

Relations with Friends and Adversaries

With effective machinery in place, we must first address the conduct of our relations with our allies, with the Soviet Union, and with the People's Republic of China.

Confidence and trust in the United States has fallen to an all-time low. This must be reversed. The United States has an important leadership role, and this role can be effective only if our alliances are cemented by unity of purpose and mutual respect.

Worldwide, our allies are stronger, most are robust and healthy. But the challenge of the 1980s is to assemble that strength in a manner which allows us to pursue the objective of peace together. If our alliances are divided, only our adversaries benefit.

With our allies, we can conduct a realistic and balanced policy toward the Soviet Union. I am convinced that the careful management of our relationship with the Soviet Union depends on a principled, consistent American foreign policy. We seek neither confrontation nor conflict, but to avoid both, we must remain strong and determined to protect our interests.

Our relationship with the People's Republic of China is in its beginning stages. It is one that can and will grow, and I repeat my intention to assist its rapid growth. There is an historic bond of friendship between the American and Chinese peoples, and I will work to amplify it wherever possible. Expanded trade, cultural contact and other arrangements will all serve the cause of preserving and extending the ties between our two countries.

A Realistic Policy for the Western Hemisphere

No area of the world should have a higher priority than the place where we live, the Western Hemisphere. My administration will forge a new, more realistic policy toward our own Hemisphere as an integral part of my program for peace.

In four years, Mr. Carter's administration has managed to alienate our friends in the Hemisphere, to encourage the destabilization of governments, and to permit Cuban and Soviet influence to grow.

We must take steps to change the Carter administration's sorry record of vacillation, alienation, and neglect in the region.

Our relations must be solidly based on shared economic and security interests, not upon mutual recrimination and insult.

We will initiate a program of intensive economic development with cooperating countries in the Caribbean. Many of these countries were given their independence and then promptly forgotten. In their natural resentment, some have turned to extremist models—fertile ground for Cuban meddling. Our programs will assist them both financially and technically to make the best use of their resources in agriculture, industry, and tourism.

Closer to home, I have spoken before of my belief that we should work toward a North American Accord⁸ with our immediate neighbors, Mexico and Canada. This would take the form of broadened, more open lines of communication between us to seek ways in which we can strengthen our traditional friendship. If Canada and Mexico are stronger, our entire Hemisphere benefits.

A Policy to Assist African and Third World Development

Our relationship with what has often been called the "Third World" must form an important part of any program for peace. A strong American economy and the spirit of our free enterprise system have a great deal to offer the poorer, less developed nations of the world. Africans, for example, look to us and our industrial allies for the dominant share of their export markets, for their investment capital, for official aid, and for technical know-how.

Yet, the flow of American investment to Africa continues at only a trickle, and our export promotion has been neglected.

My administration will recognize that investment from the private sector—know-how, technology, and marketing assistance—is the key to African development. Government will help promote this, not intervene to make it more difficult.

Sending the American Message

Proclaiming the American message is a vital step in the program for peace.

I will strengthen the United States International Communication Agency, including the Voice of America. We will also strengthen Radio Free Europe and Radio Liberty. Compared with other costs of our national security, the dollar amounts involved in this are small. What is needed most is a sense of conviction, the conviction that by

⁸ See Document 3.

carrying the American message abroad we strengthen the foundation of peace.

The current administration has permitted these vital efforts to decline.

For instance, the United States has been unable to broadcast to a majority of the Afghan people during these critical years, yet all the while Soviet-sponsored broadcasts were stirring up hatred toward America throughout the Islamic world.

For our long-term strategy, the communication of our ideals must become part of our strategy for peace.

We have a story to tell about the differences between the two systems now competing for the hearts and minds of mankind. There is the poverty and despair in the emerging nations who adopt Marxist totalitarianism and, by contrast, the freedom and prosperity of free market countries like Taiwan, South Korea, and Singapore.

A Realistic Strategic Arms Reduction Policy

As the next requirement for a program for peace, I would assign a high priority to strategic arms reduction. I have repeatedly said in this campaign that I will sit down with the Soviet Union for as long as it takes to negotiate a balanced and equitable arms limitation agreement, designed to improve the prospects for peace. To succeed at arms control, however, we must first be honest with ourselves so that we can be convincing with the Soviets.

We must honestly face the facts of the arms competition in which we are caught. And, we must have a view of the world that is consistent with these facts and that does not change to suit different audiences. The Carter administration told Congress that the Soviet Union has long been investing about three times as much as we have in strategic arms and is expected to continue doing so, with or without SALT II—the Strategic Arms Limitation Treaty.

The Senate Foreign Relations Committee, controlled by a Democratic majority, in a narrow vote came out for the Treaty, but only after more than 20 changes had been made.⁹ Then, on December 20, 1979, the Senate

⁹ On November 9, 1979, the Senate Foreign Relations Committee voted 9 to 6 to move the SALT II treaty to the full Senate. Church, Pell, McGovern, Biden, Sarbanes, Muskie, Javits, Percy, and Zorinsky voted in favor; Stone, Glenn, Howard Baker, Helms, Hayakawa, and Lugar voted against. (Charles Mohr, "Senate Committee Supports Arms Pact By a Vote of 9 to 6: Margin Disappoints Aide to Carter and Raises Fresh Doubts on Passage by Full Chamber," *New York Times*, November 10, 1979, pp. 1, 4) On January 3, 1980, Carter sent a letter to Byrd requesting that the Senate delay consideration of the treaty, following the Soviet invasion of Afghanistan. For the text of the letter, see *Public Papers: Carter, 1980–81*, Book I, p. 12.

Armed Services Committee, also controlled by a Democratic majority, voted 10-0 with seven abstentions to adopt a report which concluded—and I urge you to listen closely to these words: “that the SALT II Treaty as it now stands, is not in the national security interests of the United States of America.”¹⁰ Finally, Mr. Carter could not even muster the necessary votes to pass his SALT Treaty in the United States Senate—yes, controlled by a Democratic majority—even before the Soviet Union invaded Afghanistan.

It would appear that members of his own party are trying to tell Mr. Carter something is flawed in his approach to arms limitation.

Please listen to the following statement:

“I must admit that I am not at all pleased that those of us expressing reservations and concern regarding the Treaty are characterized by some as warmongers.”¹¹

Ladies and gentlemen, that statement was made by a Democratic Senator, a Marine veteran, a former astronaut, and a man who, in 1976, Jimmy Carter considered for his vice-presidential running mate—John Glenn of Ohio.

I think it's time that you, the American people, heard some straight talk about Mr. Carter's SALT II Treaty. The real truth about that Treaty is that Mr. Carter himself doomed its fate from the moment it was negotiated. It has been effectively blocked, not by Ronald Reagan, but by the United States Senate—your elected representatives from all over the nation, fulfilling their constitutional obligation to advise and consent on treaties. It has been critically denounced by dozens of the most eminent scholars and knowledgeable analysts, Democrat as well as Republican.

¹⁰The ten senators who signed the report were Jackson, Tower, Cohen, Goldwater, Gordon Humphrey, Jepsen, Thurmond, Warner, Cannon, and Byrd. The seven senators who abstained were Stennis, Hart, Nunn, Culver, Morgan, Exon, and Levin. (Richard Burt, “Senate Panel Votes Antitreaty Report: Armed Services Committee Says Pact Limiting Strategic Arms Is Not in Interest of U.S.,” *New York Times*, December 21, 1979, p. A10) The text of the report is printed as Senate Report 96-1054, *Military Implications of the Proposed SALT II Treaty Relating to the National Defense: Report of the Hearings on the Military Aspects and Implications of the Proposed SALT II Treaty (Executive Y, 96-1), Based Upon Hearings Held Before the Committee in Accordance With its Responsibilities Under Rule XXV (c) of the Standing Rules of the Senate together with Additional Views*, 96th Cong., 2d sess., December 4, 1980 (Washington: Government Printing Office, 1980).

¹¹On October 20, Glenn expressed his displeasure that Reagan cited him as an opponent of SALT II. According to the *Washington Post*: “‘Gov. Reagan took my statement out of context,’ Glenn said. ‘I’m not opposed to the SALT treaty. There are just some details about verification I’m concerned about. I resent Gov. Reagan using my name in that regard.’” (“Glenn Objects to Reference That He Opposes SALT II,” *Washington Post*, October 21, 1980, p. A4)

As President, I will make immediate preparation for negotiations on a SALT III Treaty. My goal is to begin arms *reductions*. My energies will be directed at reducing destructive nuclear weaponry in the world—and doing it in such a way as to protect fully the critical security requirements of our nation.

The way to avoid an arms race is not simply to let the Soviets race ahead. We need to remove their incentive to race ahead by making it clear to them that we can and will compete if need be, at the same time we tell them that we prefer to halt this competition and reduce the nuclear arsenals by patient negotiation.

Restoring the Quality of our Armed Forces

Restoring a sense of pride in their careers for the men and women in our armed services is another important element of my program for peace. We must direct our attention to the urgent manpower needs of our services. In defense matters, we hear much about hardware, not enough about people. The most important part of our military strength is the people involved—their quality, their training, and their welfare. We must do all in our power to make sure they are well-trained and well-equipped, that they feel proud and secure in their jobs and that their economic sacrifice is not out of proportion to what we ask of them. The economic policies of the Carter administration have made life especially difficult for our men and women in uniform and for their families.

We can reverse this situation. We can implement a program of compensation and benefits for military personnel that is comparable to what is available in the private sector. I will ask Congress to reinstate the G.I. Bill,¹² a program which was directly responsible for the most rapid advance ever in the educational level of our population. Our country must provide our service personnel and their families with the security, the incentives, and the quality of life to compensate for the sacrifices they make on our behalf.

Combatting International Terrorism

Let us turn now to the need for the United States to assume a leadership role in curbing the spread of international terrorism. In sharing the outrage against terrorism, I will direct the resources of my administration against this scourge of civilization and toward expansion of our cooperation with other nations in combatting terrorism in its many forms.

¹² Reference is to the Servicemen's Readjustment Act of 1944, colloquially known as the G.I. Bill of Rights, which Roosevelt signed into law on June 22, 1944.

Terrorists seek to undermine, paralyze and, finally, destroy democratic governments. Israel has long been the victim of the most wanton acts of terrorism. Our allies in Europe and elsewhere have experienced terrorism with increasing frequency.

Terrorist organizations have enjoyed the support—covert and open—of the Soviet Union. In Iran, terrorism has been elevated to the level of national policy in the assault on the U.S. Embassy and the year-long captivity of our fellow-citizens. The tactics and philosophy of the Palestine Liberation Organization are also based on terrorism.

We must restore the ability of the C.I.A. and other intelligence agencies to keep us informed and forewarned about terrorist activities and we must take the lead in forging an international consensus that firmness and refusal to concede or to pay ransom are ultimately the only effective deterrents to terrorism.

Restoring Our Margin of Safety for Peace

An important step—perhaps the most important of all—in a systematic program for peace is to restore the margin of safety for peace in our defense program by working closely with the Congress on a long-term program designed to meet our needs throughout this critical decade.

We must ask ourselves, is America more secure? Are we more confident of peace in the world than we were just four years ago? You know the answer to those questions: it is “no.”

President Ford left a long-range defense program designed to keep America strong throughout the 80s. He recognized that, after years of negotiation, the Soviet Union was still bent upon surpassing the United States in overall strategic strength.

Wisely, he did not give up on arms control negotiations, but sought to provide us with an “insurance policy” in the form of a balanced program to keep us from falling behind.

But, the Carter administration, in its haste to make good on a reckless campaign promise to cut defense spending by billions of dollars, insisted on a policy of systematic concessions in defense and in arms control negotiations.

Now I’ve criticized the President, I will admit, for not having kept his campaign promises. But in this case, I’m sorry to say, he did keep his promise. He has weakened our defense capability and wiped out our margin of safety.

My task as President will be to strengthen our defenses and to lead our allies in a sustained and prudent effort to keep us, and the entire world, secure from confrontation. The preservation of peace will require the best resources we can marshal in this precarious

decade. We can marshal them by reaffirming our national purpose, by reasserting our will and determination, and by regaining our economic vitality.

But each of these approaches to establishing a real peace must rest on the firm underpinning of a strong American economy.

Tragically, the weakened state of America's economy has significantly affected our ability to have the strongest possible foreign and defense policies. Maintaining our strength requires having our people in productive jobs, not in unemployment lines. It requires having our citizens confident that their future will not continue to be eroded away by incredibly high inflation and interest rates. It demands a strong dollar that encourages other nations to trust us.

Our inflation has especially undermined the dollar and has upset world markets. Our trading partners now question our reliability. And when they question our economic reliability, they begin to question our reliability as a strong ally.

Our failed energy policies have caused many of our allies to blame the United States for the world's energy problem as much as OPEC. Neglect of energy realities diminishes our diplomatic strength. But worse, our dependence on imported oil also weakens our strategic position.

We can indeed make peace. We can have the peace we want for ourselves and for our children. We are going to have to work hard and think hard and act with competence and with confidence—but it can be done.

And, as we work, we will have to be inspired by the vision of what our country means to us and to the world.

In recent weeks, I have had that vision of our nation's meaning brought to my attention in a very personal way.

The home in which Nancy and I are temporarily living in the Virginia countryside during this campaign¹³ is only a relatively short distance away from the home of a great American President, Thomas Jefferson.

In his first Inaugural Address, Jefferson spoke of "the preservation of the general government in its whole constitutional vigor, as the sheet-anchor of our peace at home and our safety abroad." He knew that peace in the world depended on the strength of our nation in its "whole constitutional vigor."

¹³ Reference is to Wexford, the estate that John and Jacqueline Kennedy had built near Middleburg, Virginia. The Reagans rented the property so that the former Governor could prepare for his debate with Carter.

Jefferson loved America and the cause of peace too—too much ever to give in or appeal to fear and doubt.

I have known four wars in my lifetime—I don't want to see a fifth. I pray that never again will we bleed a generation of young Americans into the sands of island beachheads, the mud of European battlefields, or the rice paddies or jungles of Asia.

Whether we like it or not, it is our responsibility to preserve world peace because no one else can do it. We cannot continue letting events and crises get out of control, we must—through sound management and planning—be in control so as to prevent being confronted by a crisis. This requires a sound economy, a strong national defense, and the will and determination to preserve peace and freedom.

Recently, I was on the campaign trail in the state where I was born and raised, Illinois.¹⁴

Nancy and I travelled down through the central and southern part of the state by bus and car in a motorcade, stopping at lovely towns; we visited a coal mine typical of our industrial capacity; saw for the first time the tomb of Abraham Lincoln in Springfield. We toured a productive family farm and saw again the amazing gift for technology that the American farmer has and how much he contributes to eliminating hunger in the world. At the end of the day we stood on the banks of the Mississippi beneath that great silver arch there in St. Louis, Missouri.

It was a beautiful, crisp autumn day. Thousands of families had come out to see us at every stop. It was a moving experience, but I was most moved, as I always am, by the young people, the youngsters—from the little ones perched on their fathers shoulders to the teenagers. You get a rebirth of optimism about our nation's future when you see their young faces.

They are what this campaign is all about. Renewing our spirit, securing their future in a world at peace is the legacy I would like to leave for them.

You know, one of the signers of the Declaration of Independence said it isn't important that we leave wealth to our children, it is important that we leave them freedom. And we can only have that freedom if we continue to have peace throughout the world.

Thank you and good evening.

¹⁴ Reference is to the "seven-bus caravan" touted as the "Victory '80 Bus Tour," which began its journey at Eureka College, Reagan's alma mater, on October 17. (Douglas E. Kneeland, "Reagan Tour Rolls Through Illinois," *New York Times*, October 19, 1980, p. 42)

15. Editorial Note

In a November 3, 1980, televised address, Republican Presidential candidate Ronald Reagan reiterated his vision for the United States on the eve of the 1980 election. Reagan noted that the decisions voters made on November 4 would impact the United States “through what promises to be one of the most perilous decades in our history.” After outlining various domestic reform initiatives, Reagan asserted that he wanted to talk “not about campaign issues—but America, about us, you and me.” He continued: “Not so long ago, we emerged from a world war. Turning homeward at last, we built a grand prosperity and hoped—from our own success and plenty—to help others less fortunate.

“Our peace was a tense and bitter one, but in those days the center seemed to hold.

“Then came the hard years: riots and assassinations, domestic strife over the Vietnam War and in the last four years, drift and disaster in Washington.

“It all seems a long way from a time when politics was a national passion and sometimes even fun.

“A popular novel of the ‘60s ended prophetically with its description of a ‘kindly, pleasant, greening land about to learn whether history still has a place for a nation so strangely composed of great ideals and uneasy compromise as she.’

“That is really the question before us tonight: for the first time in our memory many Americans are asking: does history still have a place for America, for her people, for her great ideals? There are some who answer ‘no;’ that our energy is spent, our days of greatness at an end, that a great national malaise is upon us. They say we must cut our expectations, conserve and withdraw, that we must tell our children . . . not to dream as we once dreamed.”

Reagan then discussed heroism, using religious faith and patriotism, before returning to the issue of malaise. Noting that he had spent the year canvassing the United States and meeting a cross-section of citizens, Reagan asserted: “I find no national malaise, I find nothing wrong with the American people. Oh, they are frustrated, even angry at what has been done to this blessed land. But more than anything they are sturdy and robust as they have always been.”

Reagan cautioned any country that discerned “softness in our prosperity or disunity” to understand that Americans would “put aside in a moment” prosperity and disagreement “if the cause is a safe and peaceful future for our children.”

He continued: “Let it always be clear that we have no dreams of empire, that we seek no manifest destiny, that we understand the limitations of any one nation’s power.

“But let it also be clear that we do not shirk history’s call; that America is not turned inward but outward—toward others. Let it be clear that we have not lessened our commitment to peace or to the hope that someday all of the people of the world will enjoy lives of decency, lives with a degree of freedom, with a measure of dignity.

“Together, tonight, let us say what so many long to hear: that America is still united, still strong, still compassionate, still clinging fast to the dream of peace and freedom, still willing to stand by those who are persecuted or alone.

“For those who seek the right to self-determination without interference from foreign powers, tonight let us speak for them.

“For those who suffer for social or religious discrimination,

“For those who are victims of police states or government induced torture or terror,

“For those who are persecuted,

“For all the countries and people of the world who seek only to live in harmony with each other, tonight let us speak for them.

“And to our allies—who regard us with such constant puzzlement and profound affection—we must also speak tonight.

“To our Canadian neighbors who so recently rescued Americans in Teheran, to the people of Great Britain to whom ties of blood, language and culture bind so closely, to the people of France who midwived our birth as a nation, to the people of Germany and Japan with whom we bound up the wounds of war, to the people of Ireland and Italy and all the ethnic communities whose national heritages have enriched this nation and become our own, to the people of Israel with whom we enjoy the closest of friendships, to the people of Latin America, Australia, the Philippines, Taiwan, Korea—to all our allies great and small, we say tonight: at last the sleeping giant stirs and is filled with a resolve—a resolve that we will win together our struggle for world peace—our struggle for the human spirit.

“And to the people of Africa, we say that we seek a lasting, just and close relationship.

“To the people of China, with whom we have begun the first important steps to friendship—let it be known to them that we mean for that friendship to bring our peoples closer together.

“To the people of Russia—if only we could speak to them without their government intervening, they would know our willingness to

build an enduring peace.” Reagan concluded his remarks with a series of questions that he suggested voters might ask themselves the next day at the polls and an exhortation that Americans “resolve tonight that young Americans will always see those Potomac lights; that they will always find there a city of hope in a country that is free. And let us resolve they will say of our day and of our generation that we did keep faith with our God, that we did act ‘worthy of ourselves;’ that we did protect and pass on lovingly that shining city on a hill.” (Undated Reagan-Bush Committee News Release; Reagan Library, White House Office of Speechwriting, Research Office, 1980 Campaign File, Campaign and Pre-Presidential Speeches, 1979–1981, 11/03/1980 Reagan TV Address—A Vision for America)

16. Paper Prepared by the Interim Foreign Policy Advisory Board¹

Washington, undated

THE PHILOSOPHY AND BASIC PRINCIPLES OF PRESIDENT REAGAN’S FOREIGN POLICY

Ronald Reagan conveyed his views on foreign and defense policy during the election campaign through many speeches and statements. The voters who elected him to be President were aware, in general terms, of what he stands for on national security and foreign policy.²

¹ Source: Reagan Library, 1980 Transition Papers, Foreign Policy (Richard Allen), [Foreign Policy Advisory Board—Meeting, 11/21/1980—Participant Binders—Allen]. No classification marking. Eyes Only. The paper printed here is Tab I of Allen’s binder, prepared in advance of the Board’s first meeting on November 21. An agenda, a press release, and Tabs II and III, consisting of undated papers outlining issues requiring a position prior to the inauguration and policy initiatives requiring reorganization, are attached but not printed. Tab IV, a report for President-elect Reagan, is not attached. No minutes of the meeting have been found. An October 25 news release issued by the Reagan-Bush Committee announced that Reagan had appointed an interim foreign policy advisory committee designed to “monitor and assess international developments through the inauguration on January 20.” The board members were: Allen, Howard Baker, Casey, Clements, Ford, Haig, Kirkpatrick, Kissinger, McCloy, Eugene Rostow, Rumsfeld, Shultz, Tower, and Weinberger. (Reagan Library, White House Office of Speechwriting, Research Office, 1980 Campaign File, Campaign and Pre-Presidential Speeches, 1979–1981, 10/25/1980 Interim Foreign Policy Advisory Committee)

² An unknown hand crossed out the word “as” and wrote “on” above it.

President-elect Reagan, in his press conference on November 6,³ reiterated that he stood by the policies for which he campaigned—including the Republican Platform.

Hence, the overall philosophy and basic principles of President Reagan's foreign policy have already been articulated. The main task before us now is to apply these principles to specific issues that must be decided, particularly those that are time urgent.

In addition, we should consider whether a reaffirmation of President Reagan's foreign policy will be needed early on, and if so, how the principles of his policy should be elaborated. Several options are available for such a reaffirmation or elaboration:

- a foreign policy section in the Inaugural Address
- a State of the World Message to Congress to be delivered a few weeks after Inauguration
- Shorter Presidential messages combined with statements by the Secretary of State
- Messages to Soviets, PRC, key allies, etc.

[The second page of the paper is missing in the original.] tolerable basis, this is only possible if we first restore deterrence and containment. Then and only then, can some genuine cooperation be achieved in U.S.-Soviet relations.

"America is still number one"

The President-elect has felt it his duty to explain to the American people the facts of the present military weakness of the United States. His Administration will pay close attention to the realities of the balance of power and will keep the American public fully informed of these realities, in order to sustain its expressed determination to remedy the severe shortcomings of our military posture.

"North-South" relations and the "New International Economic Order"

The President-elect refuses to see the world through false symmetries. There is no uniform "south", or "third world" but rather a whole

³ Reagan and Bush took part in the November 6 press conference, held in the ballroom at the Century Plaza Hotel in Los Angeles. See Douglas E. Kneeland, "Triumphant Reagan Starting Transition to the White House, Executive Team is Appointed, But Victor Says He Won't Intrude in Hostage Talks, Stressing Carter Is Still President," *New York Times*, pp. A1, A14, and Don Oberdorfer, "Reagan Plans More Assertive Soviet Policy," *Washington Post*, p. A13; both November 7, 1980. The transcript of the press conference is printed in the *New York Times*; see "Transcript of Reagan News Conference With Bush on Plans for the Administration," *New York Times*, November 7, 1980, p. A15.

variety of countries, some very rich and others very poor; their individuality cannot be submerged under misleading slogans.

A Reagan Administration will do nothing to give further currency to the myth of a North-South division, and will see no need to formulate a broad policy towards the mythical entity called the “south” or the “third world”.

Instead there will be bilateral policies, country by country, conducted in full recognition of their individuality and our own interests, moral as well as material. The key to good relations with the countries now lumped together [as] the third world is to have good relations which [*with*] each, on the basis of mutual respect and reciprocal good will.

As for the “New International Economic Order” and the claims made upon us on the basis of that slogan, again the Reagan Administration will repudiate the false concept while striving to achieve substantive results on a bilateral basis.⁴ The United States has done much to help the poor countries and we will do more. But we should flatly reject the notion that the less productive have some sort of claim on those more productive, based on the myth of past exploitation. The Reagan Administration will not hesitate to note that the countries which made the best economic progress are those that encouraged free market economies and capitalist principles.

Additional ideas and principles on foreign policy can be found in Governor Reagan’s principal⁵ foreign policy speeches. (Enclosed below)⁶

⁴ At the Sixth Special Session of the United Nations General Assembly, April 9–May 2, 1974, the General Assembly approved two resolutions: UN Resolution 3201 (A/RES/S-6/3201), Declaration on the Establishment of a New International Economic Order and UN Resolution 3202 (A/RES/S-6/3202), Programme of Action on the Establishment of a New International Economic Order. (*Yearbook of the United Nations*, 1974, pp. 324–332) For information concerning the planning of the special session and the U.S. response to the UN resolutions, see *Foreign Relations, 1969–1976*, vol. XXXI, Foreign Economic Policy, 1973–1976, Document 257.

⁵ An unknown hand crossed out the word “principle” and wrote “principal” above it.

⁶ Enclosed but not printed are copies of Reagan’s March 17 address to the Chicago Council on Foreign Relations; August 20 address at the American Legion national convention in Boston; August 25 statement on China made in Los Angeles (see Document 9); September 3 address at the B’nai B’rith Forum in Washington; and October 19 television address (see Document 14).

17. Report Prepared by the Department of State Transition Team¹

Washington, December 22, 1980

TEAM DIRECTOR'S OVERVIEW AND SUMMARY

Introduction:

Like all bureaucracies the Department of State can be elusive. This is not necessarily intentional on the part of the permanent officialdom but lies in a certain mind-set of the Foreign Service, to wit, that (1) foreign policy is a secret art understandable only to the anointed and (2) that the art of diplomacy requires a constant search after areas of agreement, i.e., consensus and compromise.

Yet, it is an indubitable fact that foreign policy is made by the President, by the Secretary of State, and also at other levels of the U.S. Government structure, including the Congress, and that the President and the Secretary of State have to be in a position to resist the professional tendency toward compromise when, in their opinion, overriding policy and strategic concerns warrant it. At the same time the Executive has to be apprised by the foreign affairs machinery of the probable cost of various courses of action and inaction.

There is no question that a highly skilled, professional Foreign Service is the principal instrument for the execution of foreign policy. The loyalty of the Foreign Service will *not* be a problem. On the contrary, a very large number of Foreign Service officers has long been discouraged, even disgusted by the incompetence of the Carter administration, and there is reason to believe that a larger number of Foreign Service officers supported the present change in administration than at any time in the Department's history.

¹ Source: Reagan Library, 1980 Transition Papers, Deputy Director for Executive Branch Management (William Timmons), Issues Clusters, National Security (D. Abshire), National Security Group (Abshire)—Department of State—Final Report 12/22/80 Vol. I (1/6). No classification marking. Volume I of the report includes the Team Director's Overview and Summary and Tabs A–G. Volume II includes Tabs M–S and is in the Reagan Library, 1980 Transition Papers, Deputy Director for Executive Branch Management (William Timmons), Issues Clusters, National Security (D. Abshire), National Security Group (Abshire)—Department of State—Final Report 12/22/80 Vol. II. All tabs are attached but not printed. Before the inauguration, the Reagan transition team established an Office of Executive Branch Management headed by Timmons. Robert Neumann served as the team leader for the Department of State Transition Team and reported to Abshire, the team leader for national security affairs. In addition to Neumann, the members of the State Transition Team were Adelman, Brower, Codevilla, Crocker, Drischler, Hackett, McFarlane, Pipes, Rashish, Sanjuan, Stern, Tiller, Weiss, Winsor, and Zapanta.

But if loyalty is not likely to be a problem, control is, because of the ability of all bureaucracies to delay, obfuscate or iron out internal differences by producing mush (thus depriving the Secretary of an opportunity to receive hard-hitting recommendations).

Gaining Control of the Department: First Steps

How then, can the Secretary of State get hold of the Department quickly, be assured that he receives the best recommendations and analyses, and see to it that the Department is managed in such a way as to inspire and motivate its staff?

The key office assisting the Secretary in his daily work is the Executive Secretariat (S/S), whose functions are: (a) information management, (b) coordination of action documents, and (c) formal liaison with the NSC.

The key staff officer for this purpose is the Executive Secretary, and the Secretary should choose his own man for this job as soon as possible. He should have the following characteristics: (1) a personality which fits well with that of the Secretary, (2) good judgment as to priorities, (3) management ability, (4) a thorough knowledge of the Department, and (5) incredible stamina. He is the Secretary's eyes and ears, buffer, coordinator, briefer, expeditor. He must have an issues *background* but should *not* be an issues man. If he becomes fascinated with policy and involves himself in it, he adds a layer and becomes a bottleneck. Several Executive Secretaries of the past committed this error and had to be removed.

Also central to the Secretary's exercise of control are the offices of the Deputy Secretary, the Under Secretary of Political Affairs, the other Under Secretaries (especially for Management), the Director General, the Inspector General, the Policy Planning Staff, etc. These functions are treated under Tab A. However, the post of the Executive Secretary is so important, that it has been highlighted in this Overview and Summary.

Principal Foreign Policy Issues:

To put our policy and diplomacy in nautical terms, we must have a compass to chart our course, but we must also watch the rocks along the shore, lest the ship founder.

The compass represents the overall conception of our foreign policy, particularly the attention which has to be accorded East-West relations, as the Soviet Union represents our largest and most dangerous adversary worldwide.

But we cannot overlook the rocks, i.e., regional conflicts and priorities. Thus it is a fact that while much of the world shares *some* of our preoccupation with the USSR and East-West relations, most of

those regions give regional issues a place of priority. Since we cannot easily force our priorities on other people, our diplomacy faces the difficult task of blending our and their priorities into a reasonable whole, enabling our diplomacy to proceed with maximum support from other countries.

Europe:

The members of the Working Party underscore Europe's need for a firm and confident American leadership, as well as evidence that we are making serious efforts to bring our defense and economic house in order. Aside from certain vocal but limited political groups, most Europeans—and not only in the West—would welcome a strong, consistent, and predictable America.

In its approach to U.S.-Europe relations, the Working Group has focussed largely on the East-West optic. This, to be sure, is a very important aspect though not the only one through which to view U.S.-European relations. There is also the tactical question whether this emphasis is best designed to gain for us maximum European cooperation.

In view of the vital as well as difficult nature of European-American economic relations, one needs to examine the question whether the subordination of those relations to strategic and ideological considerations will be best suited to obtain vital Western cooperation on economic, financial and energy matters which are of top priority to European leaders. We need to counter European economic dependence on the USSR, but we will not be effective if we hector them as Carter and Mondale did at the beginning of their terms.

The Working Group rightly diagnoses weaknesses or "soft spots" in European policy and attitudes toward the Soviet Union, but assumes that Western Europe will be ready to follow our leadership if we are firm with them. However, our European allies perceive many divergent interests which can be solved only through a pattern of very close consultations. We will be aided in this by the strong confidence of European leaders in Secretary-designate Haig. This would be endangered if the Europeans felt that they saw a pattern of American unilateralism.

Because of the Working Group's focus on East-West relations, it makes a strong pitch to split the Bureau of European Affairs into one for Western and one for Eastern Europe. It also makes a recommendation for the appointment of a high official in the Department charged with the supervision of East-West relations. The argument has some weight because the Bureau's present focus on the multiplicity of U.S.-West European relations sometimes results in some neglect of the East European agenda. This is not a new proposal and has been debated in the past. It was rejected then and is rejected by some other members

of the Transition Team, including the Team Leader, on the ground that East-West relations are not specifically European but worldwide and should be supervised by the officer with worldwide responsibility, normally, the Secretary of State. Also, the creation of a separate bureaucracy would tend to create an adversary relationship between that new bureaucracy and existing bureaus, especially that for Western Europe. Many issues that are now handled within the Bureau of European Affairs would have to be arbitrated on the Seventh Floor, if at all, and would either add to the already awesome burden of decision-making at that level, or fall between the cracks.

Middle East: The Middle East is a pressure area for the most delicate and difficult balancing of worldwide (East-West) and regional interests and priorities. Our diplomacy cannot be effective unless we recognize the existence of different priorities and succeed in creating a balance between the two.

As far as the long-standing Arab-Israeli conflict is concerned, we must recognize one central point: it is only one of several conflicts, but it overshadows all others insofar as it places limits on the degree to which we can get closer to the moderate and economically essential Arab states.

Furthermore, this conflict is now passing through a transitional period of great delicacy. The Working Group points out correctly that the (Camp David) peace process² is going nowhere despite the terminal optimism of Ambassador Sol Linowitz. The report also highlights the extreme unlikelihood of any positive results occurring during the remaining life of the Begin Government. And when Begin goes, the Labor government, which by all indications will succeed Begin, has already focussed on a different and diplomatically more hopeful approach.

Yet both the Israelis and Egyptians are committed to the Camp David process and Sadat, in particular, is anxious lest he be blindsided by a different initiative (European plan, Jordanian option, etc.) which would bypass and dangerously isolate him.

² Carter, Begin, and Sadat met at Camp David in September 1978, where Begin and Sadat agreed to documents that would provide a framework for peace in the Middle East. For the texts of the Framework for Peace in the Middle East and the Framework for the Conclusion of a Peace Treaty Between Egypt and Israel, see *Public Papers: Carter, 1978*, Book II, pp. 1523–1528. On March 26, 1979, Sadat and Begin signed the Egyptian-Israeli Peace Treaty. For the text of the treaty, see Department of State *Bulletin*, May 1979, pp. 3–15. The complete English language version, including annexes, minutes, and letters, is printed in *Public Papers: Carter, 1979*, Book I, pp. 495–517. See also *Foreign Relations, 1977–1980*, vol. IX, Arab-Israeli Dispute, August 1978–December 1980, Second, Revised Edition, Document 239.

The immediate diplomatic task for the United States is therefore to keep all options open and, frankly, tread water, until Begin has left office. But we must not be too obvious about this lest we arouse strong reactions from Begin, or create the illusion among the Arabs that if they were to do nothing we would get their chestnuts out of the fire.

For the near term, we should therefore keep the Peace Process going, but in a less dramatic fashion than in the past. Therefore, the position of the Peace Negotiator (now encumbered by Linowitz) should *not* be officially abolished but be *temporarily* kept vacant. While opposing Linowitz's agitation for the immediate appointment of a highly visible successor, we see merit in keeping his regional office in the Middle East (now under Ambassador Leonard) intact.³ Eventually, a successor might be appointed if the new diplomatic circumstances make it desirable. It is interesting that this is also the opinion of former Under Secretary Joseph Sisco.⁴

Once the Peace Process can be resumed, it will require the blending of several formulas (including possibly a "Jordanian option"). Here again, we regard as unhelpful, Linowitz's current public statements that the Camp David process, as it is presently undertaken, constitutes the *only* path to peace.⁵

Attention also needs to be focussed on several other areas which are more extensively treated in the paper of the Working Group. While there are many issues of importance, the following will need priority attention soon after January 20:

1. Should we give some additional, limited (clandestine) support to the Afghan freedom fighters opposing the Soviet invasion? If so, our relationship to Pakistan has to be considerably reevaluated, as indicated in the report of the Working Group.

2. Saudi Arabia has made its request for additional military equipment the litmus test of its relations with the U.S. If we do not negotiate this one most carefully and, in particular, if we were to take unilateral action without adequate, in-depth consultation with the Saudis, we

³James Leonard served as Linowitz's deputy, beginning in May 1979.

⁴Sisco served as Under Secretary of State for Political Affairs from February 19, 1974, until June 30, 1976.

⁵Presumable reference to Linowitz's December 19 news conference in London, following his meeting with Lord Carrington. At the news conference, Linowitz outlined five areas of Egyptian-Israeli disagreement. He also "described the Camp David formula for the autonomy talks, in which the United States is playing the role of mediator, as the only way of bringing a peaceful settlement acceptable to Israel and satisfactory to the Palestinians." (Youssef Ibrahim, "Linowitz, Summing Up Mission, Sees 5 'Crucial' Palestinian Issues," *New York Times*, December 20, 1980, p. 2)

would, in terms of the Middle Eastern mentality, make Saudi retaliation virtually inevitable. This would be most likely to take the form of a reduction of Saudi oil production, which would hurt us and the West just when the shortfall created by the Iran-Iraq war would hurt the market. The consequences could be explosive.

3. The Jordanian arms request, while less extensive than the Saudi one, is also delicate if we want to retain the possibility of a “Jordanian option.” The need for a decision will come very early in the Reagan Administration.

4. In the strategic North African region, Morocco and Tunisia are loyal friends but the Carter administration has consistently short-changed both relationships. We need to evolve a comprehensive concept of our relationships with Morocco and Algeria which supports our friends while also acknowledging significant American interests in Algeria. We also need to make some hard choices about Libya, and support Tunisia (while Bourguiba still lives) in a manner and on a scale which that country’s consistent pro-Western stance has earned.

East Asia: Many significant issues will confront the new Administration in this area, but most of them are somewhat more manageable, or at least less urgent, than the blistering array of interlocking policy conundrums we face in the Middle East. The most *urgent* problem is the Kim Dae Jung affair in Korea;⁶ the most *important* issues are the balancing of our PRC interests with our Taiwan connection and the overriding need to give more priority to our relations with Japan (and be seen by the Japanese to be so doing). On all of these issues, there is no significant dissent within our Transition Team to either the analysis or the recommendations set forth by the Working Group in Tab D.

On the Kim Dae Jung affair, the recent signal from the President-elect probably constitutes all that can productively be done on our own side, until January 20 at least—and hopefully if he survives until then, the worst of the crisis will be over.

As to the PRC and Taiwan, we should move with caution and deliberation, resisting pressures from either side to provide those elements of either symbolic or substantive support that will needlessly interfere with our interests vis-a-vis the other party. This is probably one of those issues that we can afford to put on the back burner for a while, despite its importance, because it suits our interests to do so.

⁶ In September, opposition leader Kim was sentenced to death following a military tribunal. Documentation is scheduled for publication in *Foreign Relations, 1977–1980*, vol. XIV, Japan; Korea.

The Working Group's recommendations on Japan make up an interesting and persuasive package. We want to flag here the notion that the successor to Mike Mansfield be selected with great care and that Mansfield be left in place for some time to come to provide time for the best possible choice.

Finally, attention is invited to the fact that this Working Group, along with several others on our team, has noted with concern the absence of any visible relationship between decisions on allocations of foreign aid and our national foreign policy concerns. We shall comment in more detail on this phenomenon later in this report.

Africa: The Working Group on Africa's submission for this final report built on rather than replicating the material in its excellent submission for our interim report and we are therefore including both submissions under Tab E.

The most *urgent* country and regional issues in Africa south of the Sahara relate to the Southern African region and to the Horn of Africa. The talks on *Namibia* are at a sensitive stage right now. We will need to have a position on aid to *Zimbabwe* by March. These and related issues need to be weighed in the context of decisions on our stance and objectives toward *South Africa*. In the Horn, the need is for a coherent approach reconciling our conflicting objectives of reducing Soviet presence and access in the area, especially in Ethiopia, while consolidating our own access to a badly needed military facility in Somalia.

The most, *important* (as opposed to urgent) relationship we have in Black Africa is with Nigeria. The Working Group suggests that the new Administration can find ways to keep Nigeria on board, without ". . . apologizing (Carter-fashion) for having national interests and Western leadership responsibilities."

Both the interim and final reports make a strong case for moving energetically to make U.S. aid instruments responsive to national policy, and provide a number of specific proposals for doing this.

Latin America: The Working Group that has covered ARA in the Department submitted what was essentially its final report two weeks ago, for inclusion in the Team's interim report. That text is included at Tab F, together with the following additional material which has been submitted within the last several days:

- (a) A report on U.S.-Mexican relations.
- (b) A report on Central America.
- (c) A report on potential use of the U.S. Coast Guard to enhance U.S. security and the stability of the Caribbean.

(d) Three short studies prepared by the Caribbean Council for the Working Group at the latter's request:

- (i) "The U.S. and the Caribbean."
- (ii) "U.S. Development Assistance Policy in the Caribbean Island Nations and Dependencies."
- (iii) "The U.S. and Latin America."

(e) A report on "Immigration and National Security" prepared by the Heritage Foundation at the Working Group's request.

There is general agreement within the team that the Carter Administration's policies toward Latin America were overly influenced by professional notions of social change, to the extent that they became somewhat estranged from the service of direct and important U.S. national interests. The Working Group has analyzed at some length, for example the tendency of some U.S. Ambassadors ". . . to function in the capacity of surrogate political activists and advocates of new theories of social change with latitude to experiment within the countries to which they are accredited . . ." Extensive recommendations to correct this situation are made, in terms of policies and, particularly, bureaucratic structures.

The separate paper on Mexico recommends the creation of a new regional bureau within the Department for Canada and Mexico. While it is undoubtedly true that there has been a tendency in recent years to downplay our relations with each of these important neighbors, the Team Leader and some other members regard the proposal to create a new bureau as draconian and cannot support it, for much the same reasons as those that temper our enthusiasm for a new bureau for communist affairs, or Soviet/East European affairs. Basically, good management principles require that the level at which most decisions are taken be pushed *down* in the hierarchy, not up. Much of the Carter administration's inability to persuade the electorate that it knew what it was doing was caused by its predilection at the very top to agonize over essentially secondary issues, with the result that it was unable to see the forest for the trees. This tendency was also visible on the Department's Seventh Floor. We must not allow ourselves to fall into the same trap.

To end on a more positive note, attention is drawn to the short piece buried in the middle of Tab F on the potential use of the U.S. Coast Guard to advance U.S. interests in the Caribbean. This is an excellent example of the kind of sensible, practical and do-able initiative that the working levels of the State Department can be expected to conceive and implement if the new Administration (a) gives them broad, coherent, and consistent policy guidelines, (b) gets off their backs as far as day-to-day operations are concerned, and (c) gives them some reasonable voice in decisions on the allocation of required resources.

Department of State Leadership in Foreign Affairs:

The Department of State must gain and maintain management control over U.S. foreign policy. This is a common, consistent theme which has run through all the Team's studies. From regional policy issues—where under the Carter administration the NSC has frequently circumvented the Department, e.g., in Latin American Affairs (see Mr. Sanjuan's ARA paper at Tab F)—to the use of specific policy instruments (FMS, AID, IDCA resources), the Department has not been in a position either to coordinate or to control U.S. foreign policy. This will have to change.

According to a very broad consensus within our Team, the Secretary of State must from the outset of the new Administration be seen by *all*—the President, the Cabinet, other Government entities, the Congress and the public—to be the President's spokesman on foreign affairs. The role of the coordinator can follow from that of spokesman. But to gain effective management control of foreign policy implementation, the Secretary must manage the resources used in its implementation. Therefore, the Secretary must, as quickly as possible, be given authority to direct the allocation and use of all resources, including those of AID, IDCA, Peace Corps, FMS, and PL-480 programming,⁷ to ensure they are meeting the foreign policy needs of U.S. national interests. This will require early development of a *foreign affairs budget* from which effective resource allocation decisions can be made, as touched on in Tab G (p. 2) and Tab H (p. 12). Section III.A. of the African paper (Tab E) describes one specific approach toward meeting this need: establishment of a new unit, directly responsible to the Secretary, for foreign assistance management, analysis, and priority setting.

Only the Department of State is in a position to provide continuity *and* leadership across the increasingly complex range of international issues and problems with their built-in constituencies and domestic links. The Department's role, in this respect, is the weakest in the crucial international economics area, a fact which must be changed if coherent international economic policies are to be achieved and maintained over time and made consistent with domestic economic policy requirements. Tab G on "The Economic Functions of the Department of State" treats this area in depth, and the author's recommendations and conclusions deserve full support. In sum, institutional or structural changes in the bureaucracy are not going to be nearly as relevant to

⁷ The Agricultural Trade Development and Assistance Act (PL-480), signed into law by President Dwight D. Eisenhower on July 10, 1954, established the Food for Peace program. Under the provisions of the law, the United States could make concessional sales of surplus grains to friendly nations, earmark commodities for domestic and foreign disaster relief, and barter surplus for strategic materials.

solving this problem as the personal element: The new Under Secretary for Economic Affairs must be an individual of recognized stature with a strong sense of mission who fully enjoys the strong and continuing support of the Secretary of State.

[Omitted here are the sections “Personnel and Budget: Getting the Tools to Do the Job,” “Proposed Structural Changes in the Department,” and “Refugee Affairs.”]

The items listed above represent policy issues and management problems on which, in the opinion of the Transition Team, the Secretary of State-designate should focus priority attention. Obviously he will make his own decisions regarding both priority order and the manner in which he will vest responsibility in other officers. Not mentioned in this Executive Summary is the regrettable possibility that the Reagan Administration may inherit the hostage problem in Iran. Separate papers and ideas have been gathered by the Team Leader and other members but have not been included in this Final Report because conditions between now and January 20 may change sufficiently to affect the nature of the problem and the available options.

It should be stated, however, that those members of the Transition Team who are familiar with the Middle East in general and Iran in particular, are extremely critical of the manner in which the Carter administration has handled the problem. Should the Reagan Administration have to shoulder this burden, just doing more of the same (which has failed) will not be sufficient. The Transition Team, in cooperation with other experts, stands ready to submit suggestions and scenarios if so tasked.

Finally, many other foreign policy issues and organizational matters that were not mentioned in this Executive Summary, have been treated as mentioned in the several reports attached hereto—and there are surely some which could not be treated by a relatively small team working for only five weeks.

We hope and believe, however, that the above list will give the Secretary of State-designate an opportunity to grasp quickly the slippery reins of the Department of State and to assist the incoming Administration in creating a foreign policy style and determination which is strong, consistent and predictable—something which has long been lacking. The new Secretary of State surely has the Transition Team’s best wishes and sincere hopes for good luck. He will need it!

Robert G. Neumann⁸
Transition Team Director

⁸Neumann signed “RG Neumann” above his typed signature.

Foundations of Foreign Policy, 1981

18. Editorial Note

Following his electoral victory on November 4, 1980, President-elect Ronald Reagan asked Alexander M. Haig, Jr., to serve as his Secretary of State. Haig had served in various capacities during the Richard Nixon, Gerald Ford, and Jimmy Carter administrations, including as Military Assistant to the President's Assistant for National Security Affairs and President's Deputy Assistant for National Security Affairs, Army Vice Chief of Staff, Assistant to the President and White House Chief of Staff, and Commander-in-Chief, European Command and Supreme Allied Commander, Europe. Following his retirement from the U.S. Army in June 1979, Haig moved to Philadelphia to become director of the Foreign Policy Research Institute. In late 1979, he became President and Chief Operating Officer of United Technologies Corporation (UTC).

In his memoir of his tenure as Secretary of State, Haig noted that Reagan's primary foreign policy advisor Richard Allen had telephoned him after the November 1980 election to indicate that Haig was a candidate for a cabinet post. Reagan subsequently telephoned Haig on December 11, 1980, to ask him "to join my team." Haig wrote, "I accepted. I accepted with a certain sense of loss, to go back to an old life that I knew was filled with difficulty and misunderstanding and implacable (and often unjust) judgment of character and performance. I had served near to six Presidents. I had seen one of them fall in dreadful disgrace, but I had seen Presidents, including Richard Nixon, rise in triumph also. I had seen war as it was made in high places and as it was fought on the battlefield. I did not want to see any more of it. It seemed a good thing to do what one could to prevent more wars from being made. Therefore, I accepted the post Reagan had offered me with a glad and hopeful spirit." (Haig, *Caveat*, pages 12, 13–14)

On January 9, 1981, Haig testified before the Senate Foreign Relations Committee, which was holding a hearing in order to consider Haig's nomination. Senator Charles Percy (R-Illinois) chaired the hearing and began by welcoming Haig and summarizing his professional career. Following discussion regarding the participation of Senators who were not members of the committee and a request that the committee subpoena additional documentation, Percy directed Haig to offer his opening statement. After asserting that "there could

be no more critical time at which to assume the post of Secretary of State," Haig acknowledged that the American "record in this century is not perfect" but "should be a source of great pride." He continued: "Our ideals must be reconciled with the reality we face. The United States must pursue its vision of justice in an imperfect and constantly changing world—full of peril, but also full of opportunity. The world does not stand still for our elections, important as they are. Complex issues already crowd our foreign policy agenda. The earlier the Reagan administration articulates its approach to these issues, the better served the nations of the world and the people of our own Nation will be.

"It would be premature here to set forth definitive policies or offer detailed programs. Both tasks require analysis and thoughtful consideration by the President-elect and his advisors. But President-elect Reagan and I firmly believe that American foreign policy should have some permanent bedrock. The United States has been most effective in the world arena when the solid foundations of its foreign policy have been recognized and understood—by our own people and by the nations with which we must deal."

After summarizing his prior government service and explaining how he viewed the Watergate scandal during the time he served as Nixon's Chief of Staff, Haig described the international environment in which the incoming Reagan administration would pursue its policies. He suggested that the coming years would prove "unusually dangerous," adding that the evidence "is everywhere." Yet these dangers were only symptomatic "of a more fundamental world problem." Haig explained: "These fundamental problems—the diffusion of power, the interdependence of the allied community, and the failure to recognize the variety among the so-called Third World nations—are made the more intractable by what is perhaps the central strategic phenomenon of the post-World War II era: The transformation of Soviet military power from a continental and largely defensive land army to a global offensive army, navy, and air force, fully capable of supporting an imperial foreign policy.

"Considered in conjunction with the episodic nature of the West's military response, this tremendous accumulation of armed might has produced perhaps the most complete reversal of global power relationships ever seen in a period of relative peace. Today, the threat of Soviet military intervention colors attempts to achieve international civility. Unchecked, the growth of Soviet military power must eventually paralyze Western policy altogether.

"These, then, are the fundamental problems which challenge American foreign policy and the future of democracies generally.

"To say that is not to diminish the importance of other Western goals: The eradication of hunger, poverty, and disease; the expansion of the free flow of people, goods, and ideas; the spread of social justice; and

through these and similar efforts, the improvement of the human condition. It is simply to recognize that these desirable and critical objectives are impossible to achieve in an international environment dominated by violence, terrorism, and threat.

"The United States has a very clear choice. We can continue, if we wish, to react to events as they occur—serially, unselectively, and increasingly in the final analysis, unilaterally. One lesson of Afghanistan is certainly that few symptomatic crises are capable of effectively rallying the collective energies of the free world. We may wish it were otherwise, but wishing will not make it so.

"Alternately, we can confront the fundamental issues I have discussed. We can seek actively to shape events and, in the process, attempt to forge a consensus among like-minded peoples.

"Such a consensus will enable us to deal with the more fundamental tasks I have outlined: The management of Soviet power; the reestablishment of an orderly international economic climate; the economic and political maturation of developing nations to the benefit of their peoples; and the achievement of a reasonable standard of international civility. Acting alone, each of these tasks is beyond even our power; acting together, all are within the capacity of free nations.

"I do not mean to belittle the difficulties. They are formidable. But our collective capacity to meet them is also formidable. The challenge of American foreign policy in the eighties is to marshal that capacity."

Continuing, Haig stated that success required consistent actions, reliable behavior, and a demonstrated balance in foreign policy approaches and orchestration. The task before the United States, he stated, was the reestablishment of "an effective foreign policy consensus." After describing the contours of this policy, Haig concluded his remarks by enumerating the resources that the United States continued to enjoy: "Although we have economic problems, we still possess the largest and strongest economy on Earth. It is within our power to revitalize our productive base; maintain and expand our agricultural strength; regain commercial competitiveness; and reduce our dependency on foreign sources of energy and other raw materials. No American foreign policy can succeed from a base of economic weakness.

"Our alliances enable us to draw on the strengths and the wisdom of some of the world's greatest nations. Yet, our alliances must be tended, and adapted to new problems not visualized by their creators. In the process, we must bear in mind that the essence of any alliance is the core of shared commitment and shared endeavor. In the 1980's we should not let ourselves become preoccupied with debates over who is doing more; the challenges we face will require more from all of us.

"We possess a full range of the instruments of effective statecraft: a diplomatic corps second to none; economic and military assistance

programs; a variety of sophisticated cultural and informational resources; and, of course, a military power which no potential adversary can afford to ignore.

“These instruments provide the United States with the unrivaled capacity to influence the course of international events. Their maintenance or neglect will declare American intentions far more clearly than any rhetoric you or I dispense today.” (*Nomination of Alexander M. Haig, Jr., Hearings Before the Committee on Foreign Relations, United States Senate, Ninety-Seventh Congress, First Session, on the Nomination of Alexander M. Haig, Jr., to be Secretary of State, January 9, 10, 12, 13, 14, 15, 1981, pages 12, 14–18*)

Excerpts of Haig’s statement are also printed in Department of State *Bulletin*, February 1981, pages C–F. For Haig’s recollection of the hearings, see *Caveat*, pages 37–52. On January 15, the Senate Foreign Relations Committee voted 15–2 to approve Haig as Secretary of State. The full Senate voted 93–6 to approve the nomination on January 21. Haig was sworn in as Secretary on January 22.

19. Telegram From the Department of State to the Embassy in Yugoslavia¹

Washington, January 17, 1981, 2135Z

13038. For the Ambassador from Bridges. Subject: Official-Informal.

1. Open Forum: “Reflections on the Transition.” Following strictly FYI is a report from EE’s Tom Longo of strictly off-the-record Open Forum comments January 16 by State Department Transition Team head, Amb. Robert Neumann.² The theme was a personal retrospective by Neumann on the transition.

2. Neumann outlined conceptually three aspects to transition: physical replacement of outs with ins; evolution from vague and blunt campaign statements geared to play well in Peoria to accommodation with hard reality; and “transition from the transition,” i.e.,

¹ Source: Department of State, Central Foreign Policy File, Electronic Telegrams, D810025–1157. Limited Official Use; Priority. Drafted by Longo (EUR/EE/HU) and approved by Bridges (EUR/EE).

² Rusk established the Open Forum in 1967 in order to facilitate the free exchange of ideas within the Department of State.

from interregnum recommendations to early policy decisions of the new team.

He explained that the 100-plus Reagan Transition Teams throughout the government had operated under the same mandate from Reagan central: (A) to review personnel and identify who could, might, or should be replaced; (B) to review operating structures and make recommendations on structural changes, and (C) to make policy recommendations for questions which the new team would face in the near term.

3. Neumann emphasized that he had not selected the State Transition Team.³ The Reagan people had, and the selection had been avowedly "political" in that it had aimed to get representatives from the Hill, from the campaign, and from the interested private sector together to interact with each other and get a sense of governance and reality. The idea was to merge a large number of persons, including younger ones, coming from the exuberance and hype of the political campaign, with the career services and with real-world problems. Representatives from the Hill were explicitly included in order to make Congress a full partner in the transition. This input, said Neumann, was "absolutely vital," given the need for any President in the present day to "negotiate" with Congress. Neumann acknowledged that transition interactions of persons with different bents had been "corrosive, abrasive, and brutal" at times, but the real political world lacked diplomatic niceties. Neumann said that even the more strident individuals from outside State had come away with a high regard for the career people.

4. In a lengthy, strictly personal aside, Neumann said he believes strongly that the American people opted strongly on November 4 for more than just the ouster of the Carter administration. Venting themselves against "the flag burners and the Jane Fondas" of the Vietnam days, the voters were reacting to what had been a type of assault on basic patriotic values. Some of this feeling, said Neumann, had come out during the Panama Canal Treaty debate, and was not really directed against the Panama Canal Treaty itself.⁴ This resentment or "rage" fed

³ For a listing of Transition Team members, see footnote 1, Document 17.

⁴ At a September 7, 1977, ceremony held at Organization of American States headquarters in Washington, Carter and Panamanian General Omar Torrijos signed the Panama Canal Treaty and the Treaty Concerning the Permanent Neutrality and Operation of the Panama Canal. For documentation regarding Torrijos's visit to Washington, see *Foreign Relations, 1977-1980*, vol. XXIX, Panama, Documents 94 and 95. On March 16, 1978, the Senate approved the Treaty Concerning the Permanent Neutrality and Operation of the Panama Canal by a vote of 68-32. (*Congress and the Nation*, vol. V, 1977-1980, p. 55) On April 18, the Senate voted to ratify the basic treaty by the same vote. (Adam Clymer, "Senate Votes to Give up Panama Canal; Carter Foresees 'Beginning of a New Era,'" *New York Times*, April 19, 1978, pp. A1, A16; *Congress and the Nation*, vol. V, 1977-1980, p. 56)

into other things, but essentially antedated the Carter administration and the Carter “non-government.” In the sense of a mandate, the people voted for more than a “mild course correction.”

5. If this is true, continued Neumann, then there must be major change, and persons identified with the old order of things must be removed, lest the electorate get a sense of betrayed promises. (Neumann emphasized that this did not presage a return to McCarthy like persecution of the career service.) Professional diplomats execute the policies of the political leadership, but in human terms the enthusiasm with which they do so varies.

6. In this regard, Neumann emphasized that the wide publicity given early in the transition to a Reagan hit list of diplomats was in fact a highly selective leak of only a part of the first and most tentative of three transition documents mandated by Reagan central.⁵ Motivation for the leak was “not necessarily advocacy of the public interest.”

7. Concluding his prepared remarks, Neumann reminded listeners that the end product of the Transition Team was only recommendations and not policy, and conceded that some of the recommendations might reflect the excited views of some persons still flushed from the campaign. Drawing on a German saying, he quipped that “You don’t eat it as hot as you cook it.” He invited listeners to adopt a wait-and-see attitude rather than “indulge in the depth of paranoia.”

8. Selected excerpts from the ensuing question-and-answer session follow:

Q. May one infer that in view of the utility Neumann cited of moving gradually from campaign hyperbole to objective reality, he would not wish to see the constitutional transition period shortened?

A. Ideally, perhaps a month would be appropriate. Anything less would “compress the errors.” But in view of the difficulty in amending the Constitution, it would not be worth trying to change the present schedule.

⁵ References are to the two interim reports and the final report (see Document 17) prepared by the Department of State Transition Team. In a December 3, 1980, article, Richard Burt indicated that both the ACDA and Department of State transition teams had sent reports to Reagan transition headquarters on December 2, noting that the Department team’s report “says that the department is a ‘bureaucratic jumble’ and that it is proposing a plan to give the White House greater control over the selection of career Foreign Service officers for top jobs.” (“Reagan Team Says Arms Agency Neglects Its Surveillance Function,” *New York Times*, p. A10) On December 10, the *New York Times* reported on Ambassador to El Salvador Robert White’s criticism of one of the interim reports and its impact on the conduct of foreign policy. The article stated, “In another report prepared by the transition team, Mr. White was on a list of ambassadors to be replaced because of their outspoken positions on human rights and social change.” (“U.S. Envoy in Salvador Charges Reagan Team Is Undercutting Him,” pp. A1, A6)

Q. What is the truth behind the press reports that General Haig dismissed the Transition Team abruptly?⁶

A. The Transition Team submitted three reports, one on November 24, the second on December 8, the last on December 22. The “hit list” leak was from the first report; there have not been leaks from the others. It was envisioned that after submission of the third report the Transition Team would disband except perhaps for a few individuals. Hence, there was no abrupt “dismissal” by Haig, although some people did misunderstand or take offense and resorted to their “Dissent Channel” leaks. Something abrupt did take place in regard to the Defense Department Transition Team, but not at State.

Q. Could Neumann give an idea of the Transition Team’s recommendations?

A. “Nice try,” but no dice. Neumann said he neither could nor would describe the recommendations.

Q. Could Neumann give an idea of the Reagan administration’s policy orientation, for example, as between military security and third world development concerns?

A. The administration would have a “nationalistic” view, not in an isolationist sense, but in regard to what was conceived to be in the national interest. For example, American national interest would be the yardstick on decisions made in regard to a hypothetical country where there was contention between a neolithic right, a communist-infiltrated left, and a “Kerensky-like” middle. The campaign did stress military security, and there was reason to do so given the previous administration’s “appalling” neglect of the military. The Reagan administration’s thinking embraced the political use of military force.

Muskie

⁶ See “Two Transition Teams End Operations Early,” *New York Times*, p. A12 and Michael Getler, “Haig Dismisses State Transition Team,” *Washington Post*, pp. A1, A3; both December 24, 1980. In his memoir, Haig recounted: “When, on my second day as Secretary of State-designate, I dismissed Neumann’s transition team, I had no ulterior motive whatsoever. The team’s final report was due on Monday. It was delivered to me on that day. I read it, noted its many excellences, including a provocative essay by Myer Rashish on economic policy, and called the team together on Tuesday to thank them and bid them Godspeed. A transition team is designed to get you from one point to the next; it is not by definition an enduring institution.” Haig noted that he had asked six of the team members—Burt, Crocker, Neumann, McFarlane, Wolfowitz, and Rashish—to stay on in the Department. He asserted that “by informing Neumann’s team that its mission had been accomplished, I became a sort of culture hero. Headlines proclaimed that I had ‘dismissed’ Neumann and his people and, by implication, had saved the State Department from ideological thuggery.” (Haig, *Caveat*, pp. 71–72)

20. Editorial Note

President Ronald Reagan presaged an American renewal and a strengthened global leadership role in his inaugural address, delivered on January 20, 1981: “On the eve of our struggle for independence a man who might have been one of the greatest among the Founding Fathers, Dr. Joseph Warren, president of the Massachusetts Congress, said to his fellow Americans, ‘Our country is in danger, but not to be despaired of . . . On you depend the fortunes of America. You are to decide the important questions upon which rests the happiness and the liberty of millions yet unborn. Act worthy of yourselves.’

“Well, I believe we, the Americans of today, are ready to act worthy of ourselves, ready to do what must be done to ensure happiness and liberty for ourselves, our children, and our children’s children. And as we renew ourselves here in our own land, we will be seen as having greater strength throughout the world. We will again be the exemplar of freedom and a beacon of hope for those who do not now have freedom.

“To those neighbors and allies who share our freedom, we will strengthen our historic ties and assure them of our support and firm commitment. We will match loyalty with loyalty. We will strive for mutually beneficial relations. We will not use our friendship to impose on their sovereignty, for our own sovereignty is not for sale.

“As for the enemies of freedom, those who are potential adversaries, they will be reminded that peace is the highest aspiration of the American people. We will negotiate for it, sacrifice for it; we will not surrender for it, now or ever.

“Our forbearance should never be misunderstood. Our reluctance for conflict should not be misjudged as a failure of will. When action is required to preserve our national security, we will act. We will maintain sufficient strength to prevail if need be, knowing that if we do so we have the best chance of never having to use that strength.

“Above all, we must realize that no arsenal or no weapon in the arsenals of the world is so formidable as the will and moral courage of free men and women. It is a weapon our adversaries in today’s world do not have. It is a weapon that we as Americans do have. Let that be understood by those who practice terrorism and prey upon their neighbors.” (*Public Papers: Reagan, 1981*, page 3) The complete text of Reagan’s address is *ibid.*, pages 1–4.

President Reagan spoke at noon from the West Front of the Capitol. Immediately preceding the address Chief Justice of the United States Warren E. Burger administered the oath of office. Reagan’s address was broadcast live on nationwide radio and television networks. In

his personal diary entry for January 20, the President characterized the day: "The Inaugural (Jan. 20) was an emotional experience but then the very next day it was 'down to work.' The first few days were long and hard—daily Cabinet meetings interspersed with sessions with Congressional leaders regarding our ec. plan." (Brinkley, ed., *The Reagan Diaries*, volume I, January 1981–October 1985, page 15)

21. Memorandum From the President's Assistant for National Security Affairs (Allen) to the Counselor to the President (Meese) and the White House Press Secretary (Brady)¹

Washington, January 22, 1981

SUBJECT

Presidential Telephone Call to Heads of Allied Governments

On January 21, the President completed calls to six Allied Heads of State: Prime Minister Pierre Elliott Trudeau of Canada, Prime Minister Arnaldo Forlani of Italy, Prime Minister Margaret Thatcher of the United Kingdom, President Valéry Giscard d'Estaing of France, Chancellor Helmut Schmidt of the Federal Republic of Germany and Prime Minister Zenko Suzuki of Japan.

The calls lasted uniformly less than five minutes, and during the course of the conversation the President indicated that he looked forward to working with the Allied leaders on problems of mutual concern to the United States and the respective countries. Highlights of the calls are:

Canada—Our countries share an historic friendship. The President attached great importance to close relations between the United States and Canada, with cooperation between the two countries a priority for the Administration. The President looks forward to meeting with Prime Minister Trudeau at an early date.

¹Source: Reagan Library, Executive Secretariat, NSC Subject File, Memorandums of Conversation President Reagan [Phone Calls:] (01/20/1981–03/30/1981) (1). Confidential. The President's Daily Diary does not contain an entry for January 21; there is no indication as to when precisely the telephone calls took place. (Reagan Library, President's Daily Diary) The memorandum is also scheduled for publication in *Foreign Relations*, 1981–1988, vol. VII, Western Europe, 1981–1984.

Italy—The Administration intends to consult closely and regularly with friends such as Italy. The common heritage and shared values of the people of the United States and Italy are very close, and it is the responsibility of leaders to see that the relationship remains close and cordial.²

United Kingdom—Emphasizing the special importance that is attached to the relationship between our countries, the President thanked Mrs. Thatcher for her message of congratulations.³ It is necessary to work closely on mutual problems, and the President said that he and Mrs. Reagan are especially looking forward to welcoming the Prime Minister to Washington next month (February 25–28).⁴ The President also asked the Prime Minister to thank the Queen for the message in connection with the release of the hostages.⁵

France—The relationship between France and the United States is vital for the two countries, and a close and cooperative relationship is of central importance to our security. It is hoped that an early meeting will take place, but in the meantime, “We can use the telephone for any conversation.” The President indicated he looks forward to the opportunity to meet with Prime Minister Barre and Foreign Minister Francois-Poncet, who will be paying an official visit to Washington on February 21–23 to meet with Secretary Haig.⁶

Germany—The President conveyed to Chancellor Schmidt that the Senate had confirmed Secretary Haig 93–6, noting that Secretary Haig is a close friend of the Chancellor. He expressed his intention to work closely with Chancellor Schmidt, to build on the close ties between our governments and peoples. He indicated that Secretary Haig had told of Foreign Minister Genscher’s plans for a visit in March, recalled meeting with him in November, said he would look forward to seeing him when

²In telegram 1590 from Rome, January 22, 1700Z, the Embassy transmitted a synopsis of the President’s January 21 evening telephone conversation with Forlani. (Department of State, Central Foreign Policy File, Electronic Telegrams, D810033–0339)

³The text of Thatcher’s message to the President is included in telegram 41253 to London, February 18. (Department of State, Central Foreign Policy File, Electronic Telegrams, D810077–0395)

⁴See Document 30.

⁵The Queen’s message has not been found. On Inauguration Day, the 52 remaining hostages in Tehran were released. Speaking at the beginning of the January 21 Cabinet meeting, the President stated: “But in case no one has given you an update, President Carter and Mondale, Muskie, and the others he took with him are due to land in Germany within the hour to greet our returning POW’s. All last night I got out of the habit of calling them hostages. I called them prisoners of war.” (*Weekly Compilation of Presidential Documents*, January 26, 1981, vol. 17, no. 4, p. 30)

⁶In telegram 51076 to Paris, February 27, the Department transmitted a synopsis of Haig’s February 23 meeting with Francois-Poncet. (Department of State, Central Foreign Policy File, Electronic Telegrams, [no N number])

he was here.⁷ There was brief mention of the forthcoming Economic Summit Conference in Ottawa (July).⁸

Japan—The President's five minute discussion with Prime Minister Suzuki stressed the close alliance between Japan and the United States. The President indicated he looks forward to working with and seeing Prime Minister Suzuki.⁹

These highlights are for your background, and it would seem appropriate for you to characterize the calls in general terms without reference to the specifics mentioned here.

⁷ Haig met with Genscher on March 9. In telegram 63158 to Bonn, March 12, the Department transmitted a summary of the meeting, stating that it "focussed as expected on questions of East-West relations, with particular emphasis on arms control issues." (Department of State, Central Foreign Policy File, Electronic Telegrams, D810118-0560)

⁸ Reference is to the G-7 Economic Summit meeting scheduled to take place in Montebello and Ottawa July 19-21; see Document 57.

⁹ In telegram 1127 from Tokyo, January 22, 1028Z, the Embassy reported: "Following President's 5-minute phone conversation with Prime Minister Suzuki this morning, chief Cabinet Secretary Miyazawa briefed media on its contents, highlighting President's wish to continue cooperating and consulting with the U.S. key ally and Prime Minister's belief that new U.S. administration would further promote mutual confidence and understanding between two nations as well as peace and security in Asia. Miyazawa said Prime Minister told President he would like to visit U.S. for talks at earliest mutually convenient time and President replied he hoped to see Suzuki as soon as possible in order to discuss many issues of common interest." (Department of State, Central Foreign Policy File, Electronic Telegrams, D810032-0934)

22. Memorandum for the Files¹

Washington, January 23, 1981

SUBJECT

Secretary's Meeting with Chairman Zablocki and Ranking Member Broomfield,
January 23, 1981, 2:30 p.m., Secretary's Office

Secretary Haig met today with the leaders of the House Foreign Relations Committee—Chairman Zablocki and Congressman Broomfield.

¹ Source: Library of Congress, Manuscript Division, Alexander Haig Papers, Department of State, Day File, Box CL 25, Jan 23, 1981. Limited Official Use. Drafted by Fairbanks.

Also present at the meeting were Richard Fairbanks (H), Bill Clark (D), Mike Rashish (E).

The meeting began with the Secretary expressing his appreciation for past support that he had received from Chairman Zablocki on matters such as the Greece/Turkey situation. Both Congressmen stated that they had worked together for many years in a bipartisan manner on their Committee and that they were both prepared, indeed eager, to work with the new Administration.

The Secretary observed that he wished his confirmation hearing could have been split between the Senate and the House Committees.² Zablocki responded that, despite the good relations among the three principals, there would be many tough times in his Committee because both he and Broomfield were out of step with the philosophy of the majority of the members. As an example, he cited the criticism he had taken from many members for his support of arms for El Salvador.

The Secretary told the leaders of his deep concern about the situation in Poland.³ He said he thought it was important to show the Soviets that the U.S. Government, despite the distractions of a change in Administration and the return of the prisoners, is not unaware of opposition moves nor incapable of response. He said that he considered Poland “the number one potential trouble spot in the world.”

Broomfield observed that meetings with the House leadership had been an effective tool for Secretaries Vance and Muskie and hoped that Secretary Haig would continue them on a regular basis. The Secretary promised that he would and underlined his view that continuing their open communications is key to a good relationship between the two branches of government.

Chairman Zablocki invited the Secretary to meet with the members of the House Committee on February 10 for coffee on Capitol Hill. H is to arrange this with the Committee Staff Director, Jack Brady.

Both leaders stressed that the House calendar puts them under some pressure to schedule budget hearings in that they must inform the Budget Committee of their targets by March 15. The Chairman has made it his practice to have his Committee be the first to complete its authorization bill so as to insulate foreign aid from log-rolling political considerations.⁴ The Secretary and the leaders

² See Document 18.

³ Presumable reference to Poland’s continued economic crisis and labor unrest, in addition to the buildup of Soviet forces along the Polish border.

⁴ The House Committee on Foreign Affairs hearings on the administration’s foreign assistance request for fiscal year 1982 began on March 13. For additional information, see *Foreign Assistance Legislation for Fiscal Year 1982 (Part 1): Hearings Before the Committee on Foreign Affairs, House of Representatives, Ninety-Seventh Congress, First Session, March 13, 18, 19, and 23, 1981* (Washington: Government Printing Office, 1981).

jointly agreed that we are facing a tough federal budget situation and that we must work together to preserve effective aid spending, particularly because it is an easy target due to lack of a domestic political constituency.

Chairman Zablocki pleaded for a continuation of his “baby”—IDCA—because the “poor child is only a year old and hasn’t yet begun to shave.”⁵ The Secretary stated that the transition team’s reorganizations were being studied but no decision had been made and recommended that the leaders talk to Jim Buckley.

The Secretary said that the IDA replenishment⁶ will be very tough to get through OMB. It has not yet been addressed at the Cabinet level and he has asked the Director of OMB to slow down budget decisions on programs that have foreign policy implications. Director Stockman has agreed to do so.

Zablocki said that the State/NSC relationship is critical, that it undercut the effectiveness of the Carter foreign policy and that he was glad to see the Secretary of State established as the primary spokesman.

Broomfield said that a new balance on human rights as a component of our foreign policy was needed and he and the Secretary agreed that the concern of international terrorism would rise in importance and human rights would recede soon. With regard to the organization of human rights within the State Department, the Secretary asked for the Congressmen’s assistance in getting rid of a separate office for that problem and returning it to the various bureaus.⁷ Zablocki said

⁵ Senator Humphrey had originally proposed the establishment of a single foreign aid agency charged with administering bilateral and multilateral aid programs. Following Humphrey’s death in January 1978, Case and Sparkman introduced Humphrey’s International Development Cooperation bill in Congress. Carter issued Executive Order 12163—Administration of Foreign Assistance and Related Functions—on September 29, 1979, formally establishing the International Development Cooperation Agency, which began operations that October. (*Public Papers: Carter, 1979*, Book II, pp. 1792–1800)

⁶ Reference is to the sixth round of International Development Association (IDA) replenishment negotiations, permitting the IDA to meet with its membership in order to secure additional funds to be used for loan assistance to developing nations, which were completed in December 1979. Donors, including the United States, approved a replenishment of \$12 billion, with the United States contributing \$3.24 billion in three installments. The outlay period for IDA–VI was 1981–1983. (*Congress and the Nation*, vol. VI, 1981–1984, p. 132) Documentation on the completion of the negotiations is in *Foreign Relations, 1977–1980*, vol. III, Foreign Economic Policy. Ultimately, the U.S. appropriations for IDA–VI were contained within the Omnibus Budget Reconciliation Act of 1981 (H.R. 3982; P.L. 97–35; 95 Stat.357), which the President signed into law on August 13.

⁷ The Bureau of Human Rights and Humanitarian Affairs was established in the fall of 1977. Prior to this, the position of Coordinator for Human Rights and Humanitarian Affairs was located within an office in the Deputy Secretary of State’s office. With the elevation of the office to bureau status, the Department upgraded the coordinator position to Assistant Secretary of State for Human Rights and Humanitarian Affairs. Patricia “Patt” Murphy Derian served as the first Assistant Secretary from 1977 until 1981.

that he was sympathetic but that he had already lost an earlier attempt to do away with a subcommittee targeted to that concern in his own committee.⁸

Broomfield stated that congressional liaison was a cardinaly important function and that the members of the House were delighted with the selection of Max Friedersdorf in the White House. He looked askance at Richard Fairbanks and said that he hoped that he would be able to say the same thing about State. Fairbanks spoke of his desire to increase the seniority and visibility of liaison officers who were “forward deployed” in both the House and the Senate. The Secretary stressed his personal commitment to good congressional relations and said it was his view that everything in the policy area unravels without it. He also said that if you have foreign policy successes, in a crisis you will get the quick and bipartisan backing that you need.

Subsequent to the meeting, the two leaders requested that copies of the photographs that were taken at the start of the meeting be autographed by the Secretary before they are sent to them.

⁸ Presumable reference to the House Subcommittee on Human Rights and International Organizations.

23. Memorandum From Secretary of State Haig to President Reagan¹

Washington, January 28, 1981

[Omitted here is information unrelated to the press conference and Clark’s confirmation.]

2. *Press Conference*: My first formal press conference took place this afternoon and it went well. The questions covered the horizon, a good number of them on relations with the Soviet Union, with our principal allies, and our policy towards the Middle East.

I took the opportunity to make a couple of points:

¹ Source: Reagan Library, Executive Secretariat, NSC Agency File, Secretary Haig’s Evening Report (01/22/1981–02/03/1981). Confidential. The complete transcript of the press conference is printed in Department of State *Bulletin*, February 1981, pp. G–K.

—Your Administration is not prepared to consider providing arms of any kind, under any circumstances, to the present Government of Iran;

—Our commitment to Israel's security is absolute, but we will be looking for ways to move the peace process forward in the Middle East;

—We will not deal with the PLO in any way as long as they continue their support for terrorism, do not accept Israel's right to a peaceful existence, and refuse to recognize the appropriate UN resolutions as the basis for peace talks;

—Finally, I stressed that we mean business in dealing with terrorism; we're very concerned about human rights and basic issues of human dignity, but international terrorism is the number one problem right now.

It's interesting to note that 30 minutes after the end of the press conference, TASS (the Soviet news agency) called with a question about terrorism, indicating that at least one customer picked up the message. (LOU)

3. *Confirmation of Bill Clark*: Bill has nearly completed his rounds of courtesy calls with members of the Senate Foreign Relations Committee. His hearing is scheduled to begin next Monday, February 2 at 10:00 a.m.² The opposition appears to be diminishing, with the possible exception of liberal Senators Biden and Kennedy. Bill is meeting with Biden tomorrow afternoon. Cranston has agreed to join Hayakawa in presenting Bill to the Committee, which is a real plus. Unfortunately, Cranston will not be in town Monday to do it personally, but Justice Stanley Mosk of the California Supreme Court—a noted liberal who is highly respected among the Democrats—will be in town to speak on his behalf at the hearing. (U)

² The Senate Foreign Relations Committee held hearings on Clark's nomination February 2–3. For the transcript of the hearings, see *Nomination of Justice William Patrick Clark: Hearings Before the Committee on Foreign Relations, United States Senate, Ninety-Seventh Congress, First Session, on Nomination of Justice William Patrick Clark of California, to be Deputy Secretary of State, February 2 and 3, 1981* (Washington: Government Printing Office, 1981). The Senate voted 70 to 24 on February 24 to confirm Clark. ("William Clark is Confirmed," *New York Times*, February 25, 1981, p. A10)

24. Editorial Note

On January 28, 1981, Secretary of Defense Caspar Weinberger testified before the Senate Armed Services Committee, meeting in open session, on the fiscal year (FY) 1982 defense authorization request (S. 815). Following opening remarks made by Committee Chair Senator John Tower (R–Texas), Weinberger underscored what he described as a “growing imbalance in our strategic forces,” asserting that “for quite too long a period we have not had, I think, sufficient resources assigned to defense.” After noting the Soviet military buildup that had taken place, while previous administrations had pursued other priorities, he continued: “I think my predecessor summed it up well when Secretary Brown said ‘When we build they build. When we stop they build.’ As long as I am Secretary of Defense I want to assure you starting from the first day in office we will build enough and I hope in time to redress the inferior position that we now occupy. It seems to me that our commitment to build and our actual undertaking of the task is the best way to get the Soviets to stop. What we must do now, I think, is to get on with the job of adding to our military strength as quickly and as efficiently as we can.

“As I mentioned before, I have two highest priorities in rearming America—you might say three. One is to improve the readiness of the forces in being. The second is to redress the imbalances that have developed in our strategic and theater nuclear forces and the third is to make sure that those forces that are ready are indeed modernized and able to be used most effectively. The primary purpose of the military force, of course, is to be able to conduct successfully the missions assigned to it. I am afraid that few, if any, of our potential adversaries will ever be deterred if our ships can’t get underway, or our planes cannot fly, or our front line combat divisions have equipment problems, or if we do not have the lift to move our forces and so on.”

Asserting that the main reason for the nation’s “readiness difficulties” was the “lack of skilled people,” Weinberger argued the need for better military compensation. He continued: “I think readiness can be increased by providing more funds for spare parts, training and consumables. These are not very glamorous items, not very strong constituencies behind them, but they are enormously important and they will receive a lot of emphasis from our administration. With respect to the highest priority, increasing the level of investment in the strategic area, I think that it is essential to begin and begin now because the rest of the world, our allies as well as non-aligned countries and potential adversaries, count on and look first of all to the United States to maintain that strategic nuclear balance and, in the case of adversaries, look constantly to see whether we are continuing to do so. If these nations

detect any weakening in the United States resolve to maintain that strategic umbrella, they either accommodate themselves to the dominant strategic power or the dominant strategic power will receive too much encouragement from our failure to maintain the balance.

“It becomes also very difficult, if not impossible, for us to employ or risk using our conventional forces—or to conduct diplomacy successfully—if we do not have any kind of satisfactory and correctly perceived satisfactory nuclear strategic balance. An enhanced nuclear posture also offers our best hope of negotiating a meaningful arms control agreement with the Soviet Union. We must negotiate with the Soviets from a position of strength and I am confident that as we improve our strategic posture we can simultaneously enhance the prospect for a new SALT agreement.”

Weinberger then discussed the administration’s specific spending priorities, his managerial philosophy, his department’s role in the policy making process, and the staffing of his department. He concluded his remarks by asserting: “Working together with you, Mr. Chairman, and your committee, I am confident we can rebuild our defenses with strength and firmness of purpose that cannot be misunderstood by anyone.” (*Department of Defense Authorization for Appropriations for Fiscal Year 1982: Hearings Before the Committee on Armed Services, United States Senate, Ninety-Seventh Congress, First Session, on S. 815, Part I, Posture Statement, Secretary of Defense Caspar Weinberger, General David C. Jones, Chairman, Joint Chiefs of Staff, Budget Amendments, January 28, March 4, 1981, pages 10–14*)

25. Editorial Note

At his first press conference, held in Room 450 of the Old Executive Office Building on January 29, 1981, at 4 p.m., and broadcast live on nationwide radio and television networks, President Ronald Reagan discussed the goals and intentions of the Soviet Union, in response to a question posed by American Broadcasting Company (ABC) News correspondent Sam Donaldson: “Mr. President, what do you see as the long-range intentions of the Soviet Union? Do you think, for instance, the Kremlin is bent on world domination that might lead to a continuation of the cold war, or do you think that under other circumstances détente is possible?”

Reagan replied: “Well, so far détente’s been a one-way street that the Soviet Union has used to pursue its own aims. I don’t have to think of an answer as to what I think their intentions are; they have repeated it. I know of no leader of the Soviet Union since the revolution, and including the present leadership, that has not more than once repeated in the various Communist congresses they hold their determination that their goal must be the promotion of world revolution and a one-world Socialist or Communist state, whichever word you want to use.

“Now, as long as they do that and as long as they, at the same time, have openly and publicly declared that the only morality they recognize is what will further their cause, meaning they reserve unto themselves the right to commit any crime, to lie, to cheat, in order to attain that, and that is moral, not immoral, and we operate on a different set of standards, I think when you do business with them, even at a détente, you keep that in mind.” (*Public Papers: Reagan, 1981*, page 57) The complete text of the news conference is *ibid.*, pages 55–62.

26. Briefing Memorandum From the Director of the Bureau of Politico-Military Affairs (Burt) and the Director-Designate of the Policy Planning Staff (Wolfowitz) to Secretary of State Haig¹

Washington, January 29, 1981

SUBJECT

Relations with Soviet Ambassador Dobrynin

Your 1730 meeting today with Ambassador Dobrynin raises the more general point of how this Administration will conduct relations with the Soviet Union.² We would like to share some brief thoughts with you:

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence From the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, PW 1/21–31/81. Confidential; Sensitive. Drafted by Haass. Also printed in *Foreign Relations, 1981–1988*, vol. III, Soviet Union, January 1981–January 1983, Document 8.

² For Haig’s summary of the meeting, see *ibid.*, Document 9.

—As you know, their man in Washington has become a, if not *the*, key conduit for our communications with Moscow.

—Not only does it tend to undermine the position of our embassy and officials stationed in Moscow, but it allows the USSR to control the circuit.

—This tends as well to give them more access to us than vice-versa, a pattern which only exacerbates an imbalance already there owing to the fact that our society is so much more open than theirs.

Given this background, we would suggest that you make it clear from the outset that *under your tenure US-Soviet relations will be conducted on the basis of strict reciprocity in form as well as substance*. The Soviets should be made to understand not only that Dobrynin will no longer enjoy special status, but also that whatever status he does enjoy will depend upon equal treatment for his opposite number in Moscow. Such a point could be underlined by your declining any future meetings with Dobrynin until our Ambassador has had his first session of comparable duration and seriousness.³

There is another consideration as well. We question whether, over the long-term, it is wise to have Dobrynin remain in Washington. His position as dean of the diplomatic corps affords him a status which is unfortunate from our perspective. His contacts are all too broad and well-established.

In short, it is difficult to see how we benefit from having this often devious and always dangerous diplomat accredited to Washington. Getting him replaced in the next year or two should be a serious goal for us. By demonstrating to his masters that he no longer will enjoy special treatment or status, we may be taking an important first step to bring about his removal.

³NOTE: It should be made clear to Dobrynin that we do not expect reciprocity until we have an Ambassador of our own in Moscow. The caveat on future meetings with Dobrynin might therefore not arise for a little while. But *this* is the right occasion to make the point. [Footnote is in the original.]

27. **Memorandum From the President's Assistant for National Security Affairs (Allen) to President Reagan**¹

Washington, February 5, 1981

SUBJECT

Talking Points for National Security Council Meeting Friday, February 6, 1981
from 1:30 to 2:20 p.m.²

The purpose of this session is to inaugurate the meetings of the National Security Council. It is anticipated that these meetings will occur as required but I estimate they will be every week or ten days. In addition to the statutory members of the National Security Council—the Vice President, the Secretary of State and the Secretary of Defense—Ed Meese and Jim Baker will also be members. In addition, the Director of Central Intelligence and the Chairman of the Joint Chiefs of Staff are statutory advisors to the National Security Council.

The meeting will be *informational* in nature, and the hour devoted to it will cover three topics:

- U.S. Policy toward the Caribbean Basin
- U.S. Policy toward Poland
- Future Topics for NSC Meetings

You may wish to include the following points in your opening remarks:

Talking Points

- The interagency working group procedures for the National Security Council are not yet complete, but I understand that these are being worked on and anticipate that these matters will be decided within the near future.

¹ Source: Reagan Library, Executive Secretariat, NSC Agency File, National Security Council (01/23/1981–07/29/1981). Secret. Sent for action. Printed from an uninitialed copy. A stamped notation in the top right-hand corner of the memorandum indicates the President saw it. The first NSC meeting of the Reagan administration took place in the Cabinet Room at the White House on February 6 from 1:30 until 2:40 p.m. (Reagan Library, President's Daily Diary) A portion of the meeting minutes are printed in *Foreign Relations, 1981–1988*, vol. III, Soviet Union, January 1981–January 1983, Document 15.

² An unknown hand crossed out "January" and wrote "February" below it to indicate that the meeting took place on February 6.

- I intend to have the National Security Council meet frequently. The National Security Council is a valuable institution, and I intend to make good use of it.

- I want members of the National Security Council and those directly associated with the NSC's work to function as a team. A team effort is important if we are to realize successful and sound policies for this Administration. To that end, I urge cooperation at all levels, and I ask that no one stand on bureaucratic ceremony, since there is so much that needs to be done.

- During the campaign I pledged to formulate and implement a new foreign policy for the United States. I consider our foreign policy to be a key ingredient of our national security, and I will look to this forum to advise me in that regard.

— Of equal importance is our defense policy. The smooth integration of these two key areas, along with considerations bearing on intelligence, international economic issues, trade issues and energy issues, will guarantee the success of our policy.

- The intelligence community is a vital component of our national security, and I am dedicated to the task of restoring the vigor and effectiveness of the intelligence community. That is one reason why I am so pleased to have Bill Casey as Director of Central Intelligence.³ He is a team player, and I know he shares the urgency of this mission.

- During the campaign I frequently spoke of the need to “restore the margin of safety.” That means providing this nation with the best military establishment in the world.

— I am intent upon implementing those pledges, and I particularly welcome the opportunity to work with General David Jones, the Chairman of the Joint Chiefs of Staff, for the purpose of achieving that objective. We will be seeing a great deal of General Jones, and I welcome his cooperation with the members of the NSC and with our staff.

- Once I have made a decision, I will expect the departments and agencies to implement it smoothly and without hesitation. I know I can count on your close cooperation in this regard.

³ Casey testified in support of his nomination before the Senate Select Committee on Intelligence on January 13. For the transcript of the hearing, see *Nomination of William J. Casey, Hearing Before the Select Committee on Intelligence of the United States Senate, Ninety-Seventh Congress, First Session, on Nomination of William J. Casey, to be Director of Central Intelligence, Tuesday, January 13, 1981* (Washington: Government Printing Office, 1981). On January 27, the Senate voted 95 to 0 to confirm Casey as Director of Central Intelligence. (Lee Lescaze, “Reagan Nominates Key Officials for Interior, HUD and Budget Agency,” *Washington Post*, January 28, 1981, p. A2)

— We will work through Ed Meese, Counselor to the President, and we will establish “tracking mechanisms” to ensure that our teamwork produces the desired results.

- Among the specific pledges made during my campaign, none could be more important than the *communication* of our policy in clear, concise and understandable language. I believe that we have a great *communications opportunity*, not only within the United States but also for the rest of the world.

— In order to build the consensus we need, the American message must be told effectively and repeatedly. In that connection, I will shortly be making appointments in those agencies concerned with communicating our policy.⁴

- Beyond the formal members of the National Security Council, we will frequently be calling other members of the Cabinet and sub-Cabinet to assist us in our endeavors.

— While the National Security Council will not become another Cabinet exercise, it is imperative that we take account of the needs of many agencies to participate in our work, if only because they are affected by the decisions that will emerge from the National Security Council framework.

- The decisions will be mine, but your advice and close cooperation will be the basis for good decisions.

— While I recognize that there will be disagreements, and while I will insist upon hearing all points of view, once the decisions are made we should all pull together to implement them.

- The National Security Council staff will function as an integral part of the White House and will be available to assist in the coordination of the matters that come before this body. Since all of you know and have worked with Dick Allen, you also know that he places high value on the smooth management of these affairs. Dick is working closely with Ed Meese and Jim Baker and he will have the task of seeing that these meetings accomplish the objectives which we set for them.

- Now, I would like to call on Dick to give us an overview of today’s agenda.

⁴On March 6, the President indicated that he planned to nominate Wick to head the International Communication Agency. (“Reagan Friend Named to Post,” *New York Times*, March 7, 1981, p. 10)

28. Paper Prepared in the Department of State¹

Washington, undated

PUTTING THE MIDDLE EAST PEACE PROCESS
IN A BROADER CONTEXT

We have important reasons for putting the peace process in the broader context of the threats we face in the area and our strategy for countering these threats. Perhaps, our most important reason is that Soviet threats to the region of both a direct and indirect nature are increasing. The size and increased readiness of Soviet forces along their Southern frontier, the erosion of "Northern Tier" barriers to Soviet expansion into the area, the growth in Soviet power projection capabilities, the development of Soviet military presence in and around the periphery of the region (in Ethiopia, PDRY, and Afghanistan), the potential significance of this presence,² and the multiplicity of coercive instruments at the Soviet disposal, are building Soviet leverage within the region—something that can only increase the likelihood of local and allied accommodation to Soviet interests in the Middle East and elsewhere. While we have taken some important first steps, we need to do much more if we are to counter Soviet threats, reassure local countries against Soviet or Soviet-inspired coercion, and restore regional confidence in us.

What needs to be done can not wait the resolution of Palestinian grievances or the final disposition of Jerusalem. Indeed, rather than thinking that progress on these issues must precede forward movement on a regional strategy, we need to think about how fostering a sense of urgency about the Soviet threat, and projecting a sense of seriousness about countering it, can facilitate the peace process and also protect our vital interests in the area.

Herein, we need to recognize that putting the Middle East peace process in the proper perspective, linking it to our broader concerns

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons PW 2/1-10/81. No classification marking. An unknown hand wrote in the top right-hand corner of the paper: "2/10/81 from: D. Ross to P. Wolfowitz."

² If the Soviets build air bases in southwest Afghanistan, they will be in a good position to establish air superiority over the approaches to the Strait of Hormuz. Aside from sending a signal about their potential capability to cut off Western access to the Gulf, Soviet airbases in southwest Afghanistan would permit them to provide air cover for airborne or ground forces that might be deployed into Iran and to the Strait of Hormuz. Given the short ranges of many Soviet combat aircraft, this is something the Soviets are currently unable to do. [Footnote is in the original.]

and objectives in the area, and taking steps that demonstrate our seriousness about securing our regional interests can do much to:

1. *Facilitate the willingness of the Arabs and Israelis to make concessions and take risks for peace.* In tactical terms, it is easier for the U.S. to ask for concessions—and, indeed, for local countries to make them—if the concessions are presented as preconditions for an anti-Soviet effort and are clearly tied to *serious* efforts to improve regional security. For the Israelis, in particular, pressing for concessions because the Arabs require them or because they are “right,” will count for very little—and indeed, may even be counterproductive. However, pressing for concessions within the context of a regional strategy to counter the one threat the Israelis can’t handle on their own, i.e., the Soviet one, is likely to count for much more—especially if it is clear that the Israelis will play a major role in this strategy and that we recognize the importance of Israeli military strength in making this strategy work. From the Israeli standpoint, not making concessions in these circumstances may actually jeopardize their overall security position and, in any case, may be politically costly to resist.

In more strategic terms, focusing on the threats and actively working to restore the military balance in the area will make it easier for the countries that are disposed toward making peace to do so. So long as the Soviets or their friends (including at this point the PLO) can engage in coercion or blackmail and the U.S. or others can do little about it, there is little prospect that the Saudis, Jordanians, or Israelis will feel able to run the necessary risks for peace. In effect, if we want the locals to make concessions, we must first create a secure environment which makes it safe for them to do so.³

Creating a secure environment is also especially important for the Saudis. The Saudis feel threatened from within and without, are sensitive to the political costs of association with us, and are not convinced that we won’t desert them in their hour of need. Until and unless they have confidence in us and believe that we or others can protect them from internal as well as external threats, they are unlikely to support any peace agreements that potentially put them in an exposed position—regardless of the progress that may have been made on Palestinian rights in these agreements.

2. *Overcome the myth that if we resolve the Palestinian problem, we will resolve our basic problems in the area.* This is a myth that both the Europeans and a number of Arab states have found convenient to

³ Creating a secure environment will also make U.S. guarantees more credible—something that will be critical to finalizing any Arab-Israeli peace agreement. [Footnote is in the original.]

promote. In the European case, promoting this notion⁴ seemed useful for winning favor with the Arabs and also for minimizing the need for a greatly increased Western defense effort and presence in the region. The latter is held to be true because it is assumed that the Arabs are basically anti-Soviet, and their anti-Soviet tendencies—if not clouded by the Palestinian problem—will naturally induce them to come together and create a bulwark against Soviet expansion in the area. In effect, such a bulwark would keep the Soviets out, preserve our interests in the region, and allow us all to solve our problems in the Gulf on the cheap.

Apart from the obvious anti-Western sentiment that remains in much of the Islamic world, this assumption fails on several grounds; it ignores the significance of Soviet power and the new “facts” or “realities” it can create; the respect local leaders have traditionally had for power and those who wield it; the willingness of locals to accommodate themselves to the powerful; and the ideological and personal rivalries and conflicts in the area which are sure to render any broad anti-Soviet Moslem coalition illusory at best.

Reminding the Europeans of the new realities in the Middle East that have changed the political-military calculus in the area and made us all far more vulnerable (i.e., an Iran that is a questionable buffer, a Soviet presence in Afghanistan, on the Iran-Iraq war,⁵ the siege at Mecca,⁶ etc.) is essential. These new realities haven’t been caused by the Palestinians and they won’t be ameliorated by a resolution of the Palestinian problem—even if one were readily available. The point is not to convince the Europeans that we need not address the Palestinian issue; rather the point is to persuade them that their old “truths” for dealing with the area need revision and that the Palestinian question and the peace process as a whole must be put in perspective. More than anything else, this means embedding the peace process in the context of the urgent threats we face in the area and recognizing that Arab-Israeli peace must be an important part of our strategy, but it can and must not be a *substitute* for it.

It is, of course, easier to make these points than it is to convince the Europeans and the local states of them. Even if,⁷ they believe them to be true, they are not about to expose themselves to the risks that may accompany their acceptance—unless, of course, we are able to convince them of our sense of purpose, our willingness to expose ourselves to

⁴ An unknown hand inserted “has” following the word “notion.”

⁵ An unknown hand crossed out the preposition “on” preceding “the Iran-Iraq war.”

⁶ Reference is to the November-December 1979 Grand Mosque (Masjid al-Haram) seizure.

⁷ An unknown hand struck through the comma here.

the kind of risk we are asking others to run, and our capability to carry through on the commitments we make.

Aside from taking unilateral steps to improve our military capabilities, one way to communicate our seriousness on these issues may be to engage the relevant European countries and local Middle Eastern states in bilateral strategic dialogues. We could use these dialogues to explain our view of the new threat realities in the region and what we are doing to cope with them; we could also use the dialogues to explore with our allies how they think we, collectively, should respond to the pressing threats in the area and how they perceive their own and others' roles.

At a minimum, these discussions should help to embed the peace process in a broader strategic context. Beyond this, these discussions—though varying in scope and character with the different countries—could build our credibility and provide the foundation on which a regional security framework for the Middle East can be built.⁸ Indeed, what may start out as a series of bilateral discussions and resulting arrangements could over time turn into overlapping or multilateral discussions and arrangements. At any rate, that should probably be one of our long-term goals.⁹

To sum up, our current strategic position in the Middle East requires that we emphasize and take steps to confront the growing Soviet threat in the area. Making the Soviet threat our primary concern (and placing the Middle East peace process in this context) is necessary from the standpoint of protecting our vital interests in the region. By providing us a useful fulcrum on which to justify mutual concessions, it may also prove useful in resolving Arab-Israeli differences.

⁸ Given Saudi sensitivities, we may find it mutually convenient—at least initially—to avoid certain subjects with the Saudis—e.g., Israel's role in Gulf contingencies. Alternatively this may be a subject that we agree to disagree on. Here the point would be that we are not going to force them to cooperate with the Israelis, but by the same token they can not prevent us from doing so if we deem that the military realities in the area dictate such cooperation. [Footnote is in the original.]

⁹ Initially, the political realities in the region and among our European allies rule out any but bilateral approaches. The cleavages and rivalries among our Middle Eastern friends, together with the continuing nationalistic sensitivities that foiled earlier alliance attempts (i.e., the MEDO, Baghdad Pact, CENTO), doom any multilateral efforts to failure. Similarly, an attempt to get NATO as an alliance to contribute to a Middle Eastern defense strategy is a non-starter. The members of NATO see the alliance as being applicable only to Europe. If Britain, France, Germany, and Turkey are to play significant roles in an anti-Soviet strategy in the Middle East this will have to be worked out outside of a NATO context and on a strictly bilateral basis. [Footnote is in the original.]

29. Editorial Note

In telegram 35565 to Paris, February 11, 1981, the Department of State indicated that Secretary of State Alexander Haig would appear on a French television program during French Foreign Minister Jean Francois-Poncet's visit to Washington on February 23. The Department continued, "Program will be special edition of 'Cartes sur Tables' to be broadcast evening of Feb 23 on Antenne 2. It will consist of replies by Francois-Poncet and the Secretary to questions posed by Alain Duhamel and Jean-Pierre Elkabach. Two interviews will be recorded separately and melded for broadcast." (Department of State, Central Foreign Policy File, Electronic Telegrams, D810066-0546)

During the February 23 interview, which took place at the Department of State, Haig addressed developments in U.S.-Soviet relations since President Ronald Reagan's Inauguration, noting President Reagan's desire for consistency in the conduct of foreign affairs. The interviewers asked: "Do you have the impression that the fact of having spoken loudly, strongly since the new Administration started has had a positive effect on the Soviet Union?"

Haig responded: "I think it's much too early to tell, but clearly this Administration—President Reagan—has felt that it is vitally important that the United States enter into a period of greater consistency in the conduct of our affairs abroad with both our friends and allies, members of the nonaligned states, as well as those of the Soviet bloc.

"He also feels that the United States must project an image of relevancy. There has been at least the appearance of what I've referred to as the 'Vietnam syndrome' where many of our friends have been confused, befuddled, and fearful that we have, in that post-Vietnam experience, tended to withdraw from the world. And we've also talked about balance. By balance I mean a clear recognition of the great number of contradictions that involve solutions to any particular problem area—the need to integrate political, economic, and security aspects of these problems."

After Haig responded to questions on a variety of topics, including the possibility of a U.S.-Soviet summit, Poland, Latin America, Afghanistan, arms control, the U.S.-Soviet nuclear balance, and the state of U.S.-French relations, the interviewers posed one final question regarding the ideological underpinnings of U.S. foreign policy: "Should the United States have, as an idea in its foreign policy—in other words, since a general is at the head of the State Department, are you going to have a 'big stick' type of policy? This is at least the image of U.S. foreign policy now that many people in Europe seem to have."

Haig replied: "I understand that one of my background might bring forth those perceptions, but I think also that one who has participated

personally in two wars in my lifetime recognizes the great sacrifices that anguishing human consequences of conflict bring to the mix of statecraft a heightened concern and a very sensitive feel for the need for peacekeeping efforts and international stability, but they also bring forth a sharp sensitivity to the consequences of unpreparedness and weakness, vacillation and inconsistency. If that is 'big stick,' I'm afraid the arsenal is out."

The interviewers responded: "So you're not a hawk?"

Haig answered: "I think these labels are sometimes misleading. I have no doubt that whether you be a hawk or a dove, you both seek the same thing—peace. The problem is how best to achieve it. And I believe that our strength is the most important guarantee of our ability to maintain international peace and stability." (*Department of State Bulletin*, April 1981, pages 13–17)

30. Memorandum of Conversation¹

Washington, February 26, 1981, noon–12:45 p.m.

SUBJECT

Summary of President's Meeting with Prime Minister Margaret Thatcher of the United Kingdom

PARTICIPANTS

President Ronald Reagan
Vice President George Bush
Secretary of State Alexander M. Haig, Jr.
Counselor to the President Edwin Meese III
Chief of Staff to the President, James A. Baker
Deputy Chief of Staff to the President, Michael K. Deaver
Assistant to the President for National Security Affairs, Richard V. Allen
Under Secretary of State for Political Affairs, Walter J. Stoessel, Jr.
Ambassador Lawrence S. Eagleburger
Charge d'Affaires, US Embassy London, Edward Streator, Jr.
Press Secretary James Brady

¹Source: Reagan Library, James Rentschler Files, Subject File, United Kingdom 1981 (02/18/1981–06/15/1981); NLR-473-1-39-1-2. Confidential. The meeting took place in the Cabinet Room at the White House. No drafting information appears on the memorandum; it was presumably drafted by Rentschler. The memorandum is also scheduled for publication in full in *Foreign Relations, 1981–1988*, vol. VII, Western Europe, 1981–1984. Thatcher visited the United States February 25–28.

Senior NSC Staff Member, Charles Tyson
Senior NSC Staff Member, James M. Rentschler

Prime Minister Margaret Thatcher
Secretary of State for Foreign & Commonwealth Affairs, Lord Peter Carrington
Ambassador to the United States, Sir Nicholas Henderson
Secretary of the Cabinet, Sir Robert Armstrong
Permanent Under Secretary of State and Head of the Diplomatic Service, Foreign
and Commonwealth, Sir Michael Palliser
Permanent Under Secretary of State, Ministry of Defense, Sir Frank Cooper
Deputy Under Secretary, Foreign and Commonwealth Office, Mr. Julian Bullard
Principal Private Secretary to the Prime Minister, Mr. Clyde Whitmore
Chief Press Secretary in the Prime Minister's Office, Mr. Bernard Ingham
Private Secretary to the Prime Minister, Mr. Michael Alexander
Private Secretary to the Secretary of State for Foreign and Commonwealth Affairs,
Mr. George Walden
Head of New Foreign Office, Nicholas Fenn
Minister, Embassy Washington, Mr. John Fretwell

The President reiterated the pleasure he felt in receiving Mrs. Thatcher. Alluding to the restricted meeting which they had just concluded,² the President emphasized that there would be no surprises in our conduct of foreign policy and that the excellent relationship which we have had with Great Britain for many years would be further strengthened through close consultation. The President said that he and the Prime Minister had touched on a number of trouble spots during their earlier meeting, including the Middle East and Central America. (U)

Prime Minister Thatcher noted that there were three main subjects that she and the President had scarcely dealt with. The first of these was connected with the main issue of East-West relations, including the tactics of handling those relations in light of Brezhnev's speech,³ the question of Poland, where the UK felt that the danger had not yet passed and where the Communist system was confronted with a situation it could not tolerate. A second subject concerned events in Central America and South America where the United States had

² The record of the earlier meeting is scheduled for publication in *Foreign Relations, 1981-1988*, vol. VII, Western Europe, 1981-1984.

³ Reference is to Brezhnev's February 23 address before the opening session of the Twenty Sixth Congress of the Communist Party of the Soviet Union, held at the Kremlin. In his remarks, Brezhnev proposed a meeting with Reagan. For the text of the address, see *Current Digest of the Soviet Press*, March 25, 1981, pp. 3-12, and April 1, 1981, pp. 4-15. See also R.W. Apple, Jr., "Brezhnev Proposes Talks With Reagan to Mend Relations: Keynote Speech to Party Congress Avoids Confrontation—Haig Displays 'Interest' in Plan," *New York Times*, pp. A1, A6, and Kevin Klose, "Brezhnev Suggests Summit With Reagan to Improve Ties," *Washington Post*, pp. A1, A8; both February 24, 1981. For Haig's assessment of the address, contained in a February 25 memorandum to the President, see *Foreign Relations, 1981-1988*, vol. III, Soviet Union, January 1981-January 1983, Document 22.

specialized information; the Prime Minister stated that she and her associates would profit from any views the President might wish to share with them on that subject. She noted that the non-aligned nations were against Cuba; they resent the fact that Cuba did not condemn the Soviet Union for their actions in Afghanistan and it is important that the West continue to benefit from that important development. A third important subject concerned the world recession. In that connection, the Prime Minister noted that she and the President would be going to Ottawa in July and will confront the problem of monopoly fixing of oil and judgments about what kind of relationships we can have with the countries responsible for that monopoly. The Prime Minister went on to say there was a fourth subject which occurred to her; and that concerned the possibility of a Mexican Summit. The Prime Minister said she felt that too many things were coming at once on the international agenda and it might be well to postpone a Mexico Summit. The British would prefer to go to Ottawa first, then have the other summit later. The Prime Minister said that it would be helpful if the United States could support such a postponement. The Prime Minister added that she knew how important Central America and South America were to us and how much we are exercised by developments there. (C)

The President replied that so far as Central America was concerned, he felt that it was part of the whole international problem we face today. The villain there is the same villain we face in so many other places: the export of subversion. The United States with the best of intentions over the past years has tried a variety of programs with our neighbors to the South. But too many of these programs were undertaken without enough sensitivity for the feelings of the people living there, so many of whom felt intimidated by the Colossus of the North. Our intentions were good, but the plans were ours, and people felt that the plans were being imposed on them. The United States wants to try a new approach. We want to bind these two continents together in a love of freedom. Our approach will not be imposing ideas from the outside. The President referred to his meeting with Mexican President Lopez Portillo, and explained that his approach to that meeting was to listen to the Mexican President's ideas.⁴ The meeting was very warm and it broke through a number of barriers. The President said he did not realize to what extent the barriers had been broken until he received as a personal gift from the Mexican President a horse. The Mexican President's awareness that riding was very important to the President resulted in a symbolic gesture of great significance.

⁴ While President-elect, Reagan met with Lopez Portillo in Ciudad Juarez on January 5. In telegram 291 from Mexico City, January 10, Ambassador Julian Nava provided a summary of the meeting, characterizing it as "highly successful." (Department of State, Central Foreign Policy File, Electronic Telegrams, D810013–0323)

The President knows something about Lopez Portillo's interests and attitudes, and if there is a movement to postpone a Mexican Summit because of a crowded schedule, the President would rather that such an effort come from somewhere else. We have established a beach-head in Mexico. We have overcome a good deal of suspicion which begins at the level of school children. We have made many gains in our relationship with the Mexicans. (C)

Prime Minister Thatcher responded that the actual timing for a Mexican Summit will be determined by the President's availability. From what the President had just told her, she could see that having placed the US relationship with Mexico on a new basis, he would not wish to jeopardize that new relationship. It seemed clear that the President had made up his mind to go to a Mexican Summit, a view that she could quite understand. It is currently scheduled for June 11–13, and will be something of a global discussion, quite unstructured.⁵ (C)

Secretary Haig emphasized that Summit tactics will be awfully important. It is essential that the West be together, that it present a solid, coherent, unified front. Castro will be there. If there were any possibility of delaying the Mexican Summit, it would be a good idea to do so. (C)

The Prime Minister noted that since aid to the Third World will be on the Ottawa Summit agenda, it would make sense for Ottawa to be a precursor to Mexico. If expectations are built up in the Third World over prospective accomplishments in Mexico and then nothing comes of them, this would be a bad thing for the West. (C)

Lord Carrington interjected that having talked to both Parr and Kreisky he had the strong impression that they would be very happy to postpone such a summit provided the United States in principle planned to attend. (C)

The President suggested that we should be in communication immediately with Lopez Portillo to determine if he could see his way clear to hosting a summit in the fall rather than in June. (C)

The Prime Minister added that the meeting would be very interesting. Some members of the Group of 77 will be there, oil-rich countries who are better off than the United Kingdom. A sponsors meeting will be held in Vienna in mid-March and some indication of participants and timing will be sought at that meeting.⁶ (C)

⁵ The summit did not take place in June but in October; see Documents 65 and 68.

⁶ Reference is to the foreign ministers' preparatory meeting, scheduled to take place in Vienna March 13. In telegram 3214 from Vienna, March 13, the Embassy transmitted the text of a press release issued at the conclusion of the second Vienna consultations of foreign ministers on the question of convening an international meeting on cooperation and development. (Department of State, Central Foreign Policy File, Electronic Telegrams, D810120–0586)

The President turned to Secretary Haig and told him that we should communicate to Lopez Portillo our intention to attend the Mexico Summit and to determine if it can be held in the fall. The President said he had another border meeting with Lopez Portillo scheduled for late April,⁷ but we would need to communicate with him about a Mexican Summit before then. (C)

Prime Minister Thatcher asked the President if he had considered what kind of fundamental response to be given to Brezhnev's proposal for a meeting. The Prime Minister said that she can anticipate being close-questioned on this subject every Tuesday and Thursday in the House of Commons. It is recognized, of course, that one simply cannot say "no, we will never talk". In the back of every one's mind there is the idea of "yes, of course, we must talk", but we cannot talk until every problem, every possible pitfall is carefully examined. The Soviets are skilled negotiators. We can expect them to play on the peace-loving sympathies of people. She was struck, for example, by the reference to a moratorium on Theatre Nuclear Forces.⁸ The Prime Minister said that her attitude is that when you sup with the devil you must have a long spoon. In fact you had better have a whole lot of long spoons. (C)

The President emphasized that we will be giving the proposal careful study and that we would not simply sit down at a table to discuss a single issue such as disarmament. We will want to discuss a whole lot of other things too, for example, Soviet backing of Cuban subversion. (C)

Prime Minister Thatcher agreed that enormous preparation would be required before such a meeting could take place. The answer should be "yes, in due course". (C)

The President replied that this is the position we've taken; not a no, not a yes—we are considering it very carefully. (C)

The Vice President asked the Prime Minister for clarification concerning the kinds of questions she was getting in Parliament, including the extent to which Afghanistan figures in them. (C)

The Prime Minister identified three parts of the Brezhnev speech which she found noteworthy. The first was the call for a meeting, and in that connection the West should certainly prepare a careful position

⁷ The President and Lopez Portillo were scheduled to meet in Tijuana and in San Diego at the end of April. However, due to the March 30 assassination attempt on President Reagan, the meeting was postponed until June 8–9. ("Reagan to Meet Lopez Portillo Early in June," *Washington Post*, April 30, 1981, p. A6)

⁸ In Haig's February 25 memorandum to the President (see footnote 3, above), he reported that Brezhnev had called for a moratorium on long-range TNF in Europe, a proposal that would benefit the Soviet Union. Haig wrote, "On TNF, we will continue to reaffirm our commitment to the two-track NATO approach to modernization of NATO LRTNF and negotiations for limiting LRTNF deployments."

on the question of Soviet troops in Afghanistan and the necessity of having them removed. The Prime Minister also noted the proposal for a moratorium on Theatre Nuclear Forces, a proposal which did not surprise the British considering the imbalance which is now in the Soviets' favor. They currently have 200 missiles targeted on Central Europe and they are adding a new one every five days. Thirdly, the Prime Minister noted, there was mention of confidence-building measures, which is Giscard's great thing. The British position is if there are to be confidence-building measures, these must go back to the Urals. The Soviets are saying that if they go back to the Urals we must go back further too; however, we cannot go back any further—we would be in the sea! (laughter) (C)

The President said that in these circumstances it was well to remember the story about Kipling's Bear—he seemed so nice *but!* (U)

[Omitted here is discussion concerning Belize and El Salvador.]

Mr. Meese suggested that Secretary Haig might want to put our overall policy in Central America in perspective, underscoring the stand we are taking against outside interference in the affairs of other nations. (C)

Secretary Haig agreed and said that it was important that we not let El Salvador become a repeat of history where social issues are the core; rather we wish to focus attention on the external aspects of the problem, which is why we say it is necessary to take the problem to the source. We do not wish to become entangled in the bloody internal affairs of a Third World country. We are trying to prevent that. We are very conscious of European sensibilities, but governments under attack are in no position to effect reform if they are being besieged by armed force, no more than the Shan of Iran was able to make social progress in the midst of a revolution. We do have to help them shore up their institutions and cut off external involvement. Without such external involvement, we are reasonably confident that the government will both survive and prosper. Marxism is not an attractive alternative to the people of El Salvador. (C)

The President stated that proof that Marxist propaganda is false resides in the fact that the people have not risen up to support the guerrillas. (C)

Prime Minister Thatcher stated that additional facts about the subversion would be helpful—quantities of arms etc. (C)

Lord Carrington said that even the churches are in the propaganda battle now. (C)

Secretary Haig noted that we had some help recently from a Nicaraguan defector. He had been situated directly inside the

Nicaraguan regime and has provided powerful confirmation of the Cuban-supported subversion of El Salvador. (C)

Prime Minister Thatcher expressed the plea that we do everything possible to exploit such inside information. (C)

The President noted that Prime Minister Seaga's victory in Jamaica was an encouraging thing.⁹ He pointed to an interesting bit of information which had recently developed there. There were signs of terrorism in Jamaica, and some of the weapons captured bore the same serial marks as those we left behind in Vietnam! There is obviously a central distribution point. The President expressed appreciation for British economic support to Jamaica and noted that David Rockefeller has agreed to lead a high-level mission to see what can be done to restore the Jamaican economy.¹⁰ The President concluded the meeting by inviting his British guests to help themselves to the jar of jellybeans on the Cabinet Room table. The President explained the presence of the jellybeans grew out of a period long before he thought he would ever be in public light. Jellybeans helped him give up smoking, and as a joke his wife had put a huge jar of them in the Cabinet table in Sacramento when he was Governor. They then caught on as kind of a trademark. The city of Los Angeles had presented the President with a large jar on the table before them now. It contains thirty-five different flavors, and were very useful for fueling Cabinet meetings. The company which produced the jellybeans had benefitted so much from the publicity that it regularly provided refills—proof that the President was truly conservative. He added that among the thirty-five flavors there was even a peanut butter flavor; he said if it were not so difficult sorting through the whole pile, he would of course remove that particular flavor (laughter). (C)

⁹ Presumable reference to Seaga's October 30, 1980, electoral victory. Seaga paid an official visit to Washington, January 27–29. Documentation on the visit is scheduled for publication in *Foreign Relations, 1981–1988*, vol. XVII, Part 2, Eastern Caribbean.

¹⁰ Rockefeller chaired the U.S. Business Committee on Jamaica. He was scheduled to visit Kingston in early March. In telegram 1970 from Kingston, March 10, the Embassy reported on the March 6 meeting between U.S. Business Committee representatives and representatives from the Prime Minister's Committee on Foreign Investment and Employment. (Department of State, Central Foreign Policy File, Electronic Telegrams, D810113–0391)

31. Editorial Note

On February 27, 1981, Secretary of State Alexander Haig offered remarks, concerning the Ronald Reagan administration's foreign assistance program, to reporters assembled at the Old Executive Office Building. After characterizing foreign assistance as a "very minor" but "vitally important" item within the larger federal budget, Haig noted that while the Department of State, cognizant of the need for overall budget reductions, had agreed to cut foreign aid, the United States would, nevertheless, "honor all of the commitments" it had made. He continued: "We are going to be able, we are confident, to preserve the humanitarian and developmental objectives of our overall aid program. And most importantly of all, we consider that we'll be able to meet the strategic objectives of the United States for which the aid program is itself conducted, on behalf of which.

"We anticipate that this is going to require the reductions that I've talked about—improved management of our foreign assistance programs, the elimination of a number of 'nice to have' but nonessential items, and in some instances the stretching out of obligatory payments within overall commitments that we found existed at the time we assumed responsibility.

"With respect to the last point—stretching out—I want to emphasize that we are in an evolutionary way tending toward greater emphasis on bilateral rather than multilateral assistance. Now we hope to do that, I emphasize again, in an evolutionary not a revolutionary way. That doesn't mean we're turning our backs on multilateral lending institutions and assistance institutions, hardly at all.

"But it's been our experience that we achieve greater precision and greater value to the American taxpayers if we emphasize bilateral assistance.

"This happens also to be very consistent with the Republican Party platform adopted and voted for by the American people. Why have we accepted this reduced burden, recognizing that foreign assistance has been the focal point of reductions for the previous administration, recognizing that in a post-Vietnam America there has been great reluctance to indulge in the kind of hyperactivity assistance programs that we had witnessed since the end of the Second World War?

"We're doing this first and foremost because it's our conviction in the Department of State that the overall effectiveness of the American foreign policy is intimately related to this nation's ability to manage its internal domestic economic affairs with discipline and with effectiveness. As one who sat abroad for 5 years and watched the growing malaise in our economy begin to influence the effectiveness of our international leadership—and I'm talking about such issues as runaway

double-digit inflation, declining productivity, declining competitiveness of American goods abroad, and what was perceived to be by our foreign friends an inability to manage effectively our energy program. All had a severe impact on America's ability to influence vital national interests abroad, certainly were a contributory to the declining value of the U.S. dollar, and, in some instances, foreign nations perceived for one reason or another that we were literally managing some of these problems to result in placing the burden in energy and inflation on their shoulders.

"And so I consider that the American program and President Reagan's program to get our economy back on the track once again is not only of vital interest to domestic American interests, but it has a profound impact on America's effectiveness abroad." (Department of State *Bulletin*, April 1981, page 21)

Following his statement, Haig responded to questions posed by the assembled reporters. The complete text of Haig's remarks are *ibid.*, pages 21–23.

32. Memorandum From Secretary of State Haig to President Reagan¹

Washington, February 28, 1981

SUBJECT

Former President Gerald Ford's World Trip, March 5–31, 1981

You have agreed to meet with former President Gerald Ford prior to his departure on his world trip.² He will be accompanied on the trip by Brent Scowcroft and Leonard Firestone, as well as the Chairman of the Board and President of Charter Oil Company. Although the trip is

¹ Source: Reagan Library, Political Affairs Directorate, NSC Records, Chron 02/27/1981–02/28/1981; NLR-920-1-2-2-4. Confidential. Printed from an unsigned and uninitialed copy.

² On March 3, the President met with Ford in the Oval Office from 4 until 4:30 p.m. At 4:30 p.m. Haig and Scowcroft joined the meeting. From 5:10 until 5:15, the President and First Lady Nancy Reagan met with Ford and former First Lady Betty Ford. (Reagan Library, President's Daily Diary) No record of these meetings has been found. In his personal diary entry for March 3, the President wrote: "Jerry Ford came by. We had a good talk. He's very supportive of our ec. plan. Betty spent her time with Nancy. They are leaving on an 11 nation trip—business in 5 of them—the others pleasure. I gave him letters of greeting to heads of state in the countries where he's not on commercial business." (Brinkley, ed., *The Reagan Diaries*, vol. I, January 1981–October 1985, p. 22)

unofficial, President Ford is scheduled to meet heads of state of most of the countries he is visiting including Chancellor Schmidt, President Giscard d'Estaing and PM Suzuki, You should ask former President Ford to convey your personal best wishes to the heads of state with whom he meets.³ Countries he will visit include the Federal Republic of Germany, France, Ireland, Oman, United Arab Emirates, Qatar, Singapore, Indonesia, Hong Kong, People's Republic of China and Japan.

We have prepared briefing papers for former President Ford on the major bilateral issues involving the countries he will visit.⁴ You may wish to suggest that he raise the following important general themes of your Administration:

—We confront a series of crises in this dangerous and unstable world—in Afghanistan, Kampuchea, El Salvador, Iran, the Middle East and Southern Africa. The outlook is for continued instability in the years ahead, as developing nations seek to cope with their political and economic problems and the USSR continues to use its power to destabilize these countries.

—US-Soviet relations have fallen to the most dangerous level since the 1968 invasion of Czechoslovakia.⁵ A Soviet invasion in Poland would have devastating effects on East-West relations.

—The period of post-Vietnam malaise is over and the US intends to play a full role in the international arena. We have a number of strengths to bring to the task.

—Most important is the structure of alliances we have developed in the post-war period with the industrial democracies of Western Europe and Asia, as well as our important mutual security arrangements and political ties with countries around the world.

—We will work to manage our discrete alliances in Europe and Asia, our association with the People's Republic of China and our other security arrangements to reinforce one another in the competition with the Soviet Union.

—We want to deepen our cooperation with key regional groupings such as ASEAN.

—This essential core of associates provides the basis for sustaining a "new American internationalism" through the last part of the 20th century and providing a measure of stability in a rapidly changing world.

³Copies of the President's letters to Ziyang, Schmidt, Haughey, Giscard, and Suzuki are in the Reagan Library, Executive Secretariat, NSC Trip File, Chronological Trip File, Former President Ford's World Trip March 5-31, 1981; NLR-755-1-1-6-5.

⁴Not found.

⁵See footnote 4, Document 8.

—We enter the 1980's dealing with a new generation of political leaders, in countries around the world, whose perceptions of the US have been formed by the recent years of American weakness, inconsistency, and domestic turmoil. We need to reach out to this new generation with policies and programs that are grounded in American values and responsive to their aspirations.

33. Editorial Note

On March 3, 1981, President Ronald Reagan took part in an interview with Columbia Broadcasting System (CBS) Evening News anchor Walter Cronkite. The interview took place in the Oval Office from 1:14 until 2:34 p.m. and was videotaped for broadcast on the CBS television network at 8 p.m. that evening. (Reagan Library, President's Daily Diary) Cronkite first addressed the U.S. commitment in El Salvador, asking if Reagan saw "any parallel in our committing advisers and military assistance to El Salvador and the early stages of our involvement in Vietnam."

The President responded: "No, Walter, I don't. I know that the parallel is being drawn by many people. But the difference is so profound. What we're actually doing is, at the request of a government in one of our neighboring countries, offering some help against the import or the export into the Western Hemisphere of terrorism, of disruption. And it isn't just El Salvador. That happens to be the target at the moment. Our problem is this whole hemisphere and keeping this sort of thing out.

"Now, we have sent briefing teams to Europe, down to our Latin American neighbors with what we've learned of the actual involvement of the Soviet Union, of Cuba, of the PLO, of, even Qadhafi in Libya, and others in the Communist bloc nations to bring about this terrorism down there.

"Now, you use the term 'military advisers.' You know, there's sort of a technicality there. You could say they are advisers in that they're training, but when it's used as 'adviser,' that means military men who go in and accompany the forces into combat, advise on strategy and tactics. We have no one of that kind. We're sending and have sent teams down there to train. They do not accompany them into combat. They train recruits in the garrison area. And as a matter of fact, we have such training teams in more than 30 countries today, and we've always done that—the officers of the military in friendly countries and in our neighboring countries have come to our service schools—West Point, Annapolis, and so forth. So, I don't see any parallel at all.

“And I think it is significant that the terrorists, the guerrilla activity in El Salvador was supposed to cause an uprising, that the government would fall because the people would join this aggressive force and support them. The people are totally against that and have not reacted in that way.”

Cronkite responded: “Well, that’s one of the questions that’s brought up about the wisdom of our policy right at the moment. Some Latin Americans feel that President Duarte has control of the situation. The people have not risen. This last offensive of the guerrillas did not work, and therefore aren’t we likely to exacerbate the situation by American presence there now, therefore sort of promoting a self-fulfilling prophecy by coming down there and getting the guerrillas and the people themselves upset about ‘big brother’ intervention, and therefore losing the game instead of winning it.”

Reagan said: “Well, no, and we realize that our southern friends down there do have memories of the ‘great colossus of the North’ and so forth—but no, his government has asked for this because of the need for training against terrorist and guerrilla activities, has asked for materiel such as helicopters and so forth that can be better at interdicting the supply lines where these illicit weapons are being brought in to the guerrillas, and this is what we’ve provided. And some of these teams that have been provided are also to help keep those machines in the air and on the water—patrol boats and so forth—to try to interdict the supply by water of weapons and ammunition. They need help in repair. They get laid up for repairs, and they don’t have the qualified technicians.”

Cronkite then asked: “What really philosophically is different from our going down to help a democratic government sustain itself against guerrilla activity promoted from the outside—Soviet and Cuban aid, as we believe it to be; your administration says it is—and Afghanistan? El Salvador is in our sort of geopolitical sphere of influence. Afghanistan, on the border of the Soviet Union, is certainly in their geopolitical sphere of influence. They went in with troops to support a Marxist government friendly to them. Why isn’t that a parallel situation?”

Reagan replied: “Well, I don’t think there can be a parallel there, because I was in Iran in ’78 when the first coup came about, and it was the Soviet Union that put their man as President of Afghanistan. And then their man didn’t work out to their satisfaction, so, they came in and got rid of him and brought another man that they’d been training in Moscow and put him in as their President. And then, with their armed forces, they are trying to subdue the people of Afghanistan who do not want this pro-Soviet government that has been installed by an outside force.

“The parallel would be that without actually using Soviet troops, in effect, the Soviets are, you might say, trying to do the same thing in El Salvador that they did in Afghanistan, but by using proxy troops

through Cuba and guerrillas. And they had hoped for, as I said, an uprising of the people that would then give them some legitimacy in the government that would be installed—the Communist government—but the people didn't rise up. The people have evidenced their desire to have the government they have and not be ruled by these guerrillas."

Cronkite then moved to the issue of Cuban involvement: "Secretary of State Haig has said that we'll not have a Vietnam in El Salvador, because the United States will direct its action toward Cuba, which is the main source of the intervention, in his words. But Cuba is a client state of the Soviet Union. It's not likely to stand by and let us take direct action against Cuba, is it?"

Reagan responded: "Well, that term 'direct action,' there are a lot of things open—diplomacy, trade, a number of things—and Secretary Haig has explained his use of the term, the source with regard to Cuba means the intercepting and stopping of the supplies coming into these countries—the export from Cuba of those arms, the training of the guerrillas as they've done there. And I don't think in any way that he was suggesting an assault on Cuba."

Cronkite replied: "That intercepting and stopping means blockade. And isn't that an act of war?"

Reagan said: "Well, this depends. If you intercept them when they're landing at the other end or find them where they're in the locale such as, for example, Nicaragua, and informing Nicaragua that we're aware of the part that they have played in this, using diplomacy to see that a country decides they're not going to allow themselves to be used anymore. There's been a great showdown—we're watching it very carefully, Nicaragua—of the transfer of arms to El Salvador. This doesn't mean that they're not coming in from other guerrilla bases in other countries there."

Cronkite then asked: "You've said that we could extricate ourselves easily from El Salvador if that were required at any given point in this proceeding. I assume you mean at any given point. How could we possibly extricate ourselves? Even now, from this initial stage, how could we extricate ourselves without a severe loss of face?"

Reagan replied: "Well, I don't think we're planning on having to extricate ourselves from there. But the only thing that I could see that could have brought that about is if the guerrillas had been correct in their assessment and there had been the internal disturbance. Well, then it would be a case of we're there at the bequest of the present government. If that government is no longer there, we're not going there without an invitation. We're not forcing ourselves upon them, and you'd simply leave—and there aren't that many people to be extricated."

Cronkite concluded his questions about El Salvador by asking: "Even if the Duarte forces begin to lose with whatever military materiel

assistance we give them, whatever training advisers we give them, are you pledging that we will not go in with fighting forces?"

Reagan answered: "I certainly don't see any likelihood of us going in with fighting forces. I do see our continued work in the field of diplomacy with neighboring countries that are interested in Central America and South America to bring this violence to a halt and to make sure that we do not just sit passively by and let this hemisphere be invaded by outside forces."

Cronkite then directed the interview toward U.S.-Soviet relations, commenting that the "hard line" administration position toward the Soviet Union was consistent with statements Reagan made during the 1980 presidential campaign. Cronkite continued, "But there are some who, while applauding that stance, feel that you might have overdone the rhetoric a little bit in laying into the Soviet leadership as being liars and thieves, et cetera."

Reagan replied: "Well, now, let's recap. I am aware that what I said received a great deal of news attention, and I can't criticize the news media for that. I said it. But the thing that seems to have been ignored—well, two things—one, I did not volunteer that statement. This was not a statement that I went in and called a press conference and said, 'Here, I want to say the following.' I was asked a question. And the question was, what did I think were Soviet aims? Where did I think the Soviet Union was going? And I had made it clear to them, I said, 'I don't have to offer my opinion. They have told us where they're going over and over again. They have told us that their goal is the Marxian philosophy of world revolution and a single, one-world Communist state and that they're dedicated to that.'

"And then I said we're naïve if we don't recognize in their performance of that, that they also have said that the only morality—remember their ideology is without God, without our idea of morality in the religious sense—their statement about morality is that nothing is immoral if it furthers their cause, which means they can resort to lying or stealing or cheating or even murder if it furthers their cause, and that is not immoral. Now, if we're going to deal with them, then we have to keep that in mind when we deal with them. And I've noticed that with their own statements about me and their attacks on me since I answered that question that way—it is the only statement I've made—they have never denied the truth of what I've said."

Cronkite then asked: "You don't think that name-calling, if you could call it that, makes it more difficult when you do finally, whenever that is, sit down across the table from Mr. Brezhnev and his cohorts?"

Reagan answered: "No, I've been interested to see that he has suggested having a summit meeting since I said that." (*Public Papers: Reagan, 1981*, pages 191–194)

After some additional discussion of issues in U.S.-Soviet relations, Cronkite devoted the remainder of the interview to posing questions relating to human rights, the administration's economic program, and Reagan's views of the presidency. The complete text of the President's interview with Cronkite is *ibid.*, pages 191–202. Excerpts from the interview are also printed in the *New York Times*, March 4, 1981, page A22. Briefing materials for the interview, which Assistant to the President and Staff Director of the White House David Gergen sent to Reagan under cover of a March 2 memorandum are in the Reagan Library, David Gergen Files, Subject File, [Briefing Material for Cronkite].

In a personal diary entry for March 3, the President wrote: "During day I did a 1 hr. interview with Walter Cronkite—his last for CBS. He spent the 1st 20 min's. on El Salvador. He didn't throw any slow balls but the reaction was favorable. Because of our dinner we couldn't watch the show but I was treated to another W.H. service. They taped the program & played it back to us later in the evening." (Brinkley, ed., *The Reagan Diaries*, volume I, January 1981–October 1985, page 22)

34. Memorandum From the Director of the Bureau of Politico-Military Affairs (Burt) and the Director of the Policy Planning Staff (Wolfowitz) to the Counselor of the Department of State (McFarlane)¹

Washington, March 11, 1981

SUBJECT

The Secretary's Trip to the Middle East²

One of the most important objectives of the Secretary's April visit to the Middle East will be to give to the leaders of the four countries he

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons PW 3/11–20/81. Confidential; Sensitive. Drafted by Blackwill. Wolfowitz did not initial the memorandum.

² Haig was scheduled to visit Egypt, April 4–5; Israel, April 5–6; Jordan, April 6–7; and Saudi Arabia, April 7–8. Documentation on his trip is scheduled for publication in *Foreign Relations*, 1981–1988, vol. XIX, Arab-Israeli Dispute, and *Foreign Relations*, 1981–1988, vol. XXII, Middle East Region; Arabian Peninsula. For Haig's remarks made during the trip, see Department of State *Bulletin*, June 1981, pp. 14–19. In his memoir, Haig explained the genesis of the visit: "I made plans for an early journey to the Middle East to reassure our friends there that the United States would once again be a reliable partner in that troubled region and to set the stage for overdue progress in the Arab-Israeli peace process, which had largely lain dormant since Camp David." (Haig, *Caveat*, p. 89)

will visit a first look at our integrated strategic approach to the security of the region. As you know, the Secretary strongly believes that the treatment of the Arab-Israeli issue or other regional disputes must be placed in the broader strategic context of the Soviet threat to the area. Without confidence on the part of these countries that we know what we are doing, we can hardly expect increased cooperation at any stop on the trip or after. There is, however, a problem in getting our message across.

The Secretary will undoubtedly be meeting with the leaders of these countries with only one or two other officials present on each side. That is the way serious business is done in the Middle East. Thus, while he will explain our strategic concept directly to Sadat, Hussein, Fahd, Saud, and Begin, there is a real danger that our critical message will not get much further in any of these governments, especially the Arab ones. For example, as Roy Atherton points out in paragraph 6 of the attached telegram, we cannot rely on the Secretary's strategic briefing being disseminated to senior officials in Egypt.³ There is also the problem that most of the American participants in the meetings will be foreign service officers rather than policy types.

This seems to us to argue that we three should accompany the Secretary on his trip and fan out at each stop to describe our strategy for the region to the senior officials who will, in fact, have a major say in the level of cooperation we eventually obtain. Such an intense set of subsidiary briefings at these four stops would ensure that we left behind us an understanding in the respective bureaucracies of how sharply American policy toward that part of the world has changed with the new Administration. In the absence of such comprehensive briefings, these officials central to our strategic objectives, will get an impression of what we are out to do either from fourth-hand reports from the Palace or from the pages of the *Washington Post*. And we will receive our impression of the problems involved in each of these countries from dry reporting cables rather than face-to-face encounters. Equally important, our talks with officials during the trip would provide us with important insights which would be of significant value as we formulate a sharper conception of an overall strategy for the region.

³ Attached but not printed, is telegram 5379 from Cairo, March 9. In it, Atherton, noting that Haig was invited to attend a dinner hosted by Mubarak, stated: "The Secretary should plan again to give an overview of the administration's approach to regional threats and our, and our friends', common response. (This should be pretty much a set piece to ensure that all senior GOE officials share a common perception of what we will be about in our Middle East strategy. We cannot rely on cross-briefings to get this basic picture across.)" An unknown hand placed two vertical lines in the right-hand margin next to the last two sentences.

35. Memorandum of Conversation¹

Washington, March 12, 1981, noon

SUBJECT

Secretary's Meeting with Denis Healey, The UK Shadow Foreign Minister

PARTICIPANTS

US

Secretary Haig

Robert L. Funseth, Director, EUR/NE

UK

Denis Healey

John E. Fretwell, Minister, British Embassy

Healey said European confidence in America had been shaken by the Carter Administration because of too much vacillation. The worry now is that the new Administration may emphasize too much a military approach. Therefore, Healey suggested the Administration should try to correct this unwarranted impression—and in so doing we would paradoxically help achieve the goal of enhancing Western defense.

The Secretary said it is not easy to walk the cat back. But America has a new President who came into office with a mandate to make changes and one of the changes is to restore the US/Soviet military balance. This will be helped by a restored Executive/Legislative consensus which wants this imbalance to be rectified.

The Secretary noted that he has participated in the past three weeks in extensive meetings with Allied leaders: French Foreign Minister Francois-Poncet;² Prime Minister Thatcher and Peter Carrington;³ German Foreign Secretary Genscher⁴ and with Prime Minister Trudeau

¹ Source: Department of State, Executive Secretariat, S/S Files, Secretary Haig Memcons and Whitehead Briefing: Lot 87D327, Sec/Memcons—March 1981. Secret; Exdis. The meeting took place in Haig's office at the Department. Drafted by Funseth; cleared by Eagleburger. An unknown hand initialed for Eagleburger. Attached but not printed is a suggested distribution list. In telegram 4160 from London, March 5, the Embassy noted that Healey planned to visit the United States as part of a British-American Parliamentary Group delegation and had requested that the Embassy assist him with "arranging appointments" for his visit to Washington, adding that Healey "is extremely good value. Time spent with him, we believe, is time well spent." (Department of State, Central Foreign Policy File, Electronic Telegrams, D810104-0533)

² See footnote 6, Document 21.

³ Haig met separately with Carrington on February 27 during Thatcher's February 25–28 visit to the United States. For Thatcher's visit, see Document 30.

⁴ See footnote 7, Document 21.

and Secretary MacGuigan.⁵ He came away from these meetings, concluding there is a strong consensus among these Allies for a somewhat more robust US policy towards the Soviet Union. In framing its relationship with the Soviet Union, the new Administration seeks to obtain from the Soviet Union an understanding for restraint in their global conduct.

In his talks with Western leaders, the Secretary said he reaffirmed the US commitment to pursue both tracks of the TNF decision.⁶ In this connection, we have announced a meeting of the SCG for the end of this month as a first step leading to a resumption of talks with the Soviets perhaps by the end of the year.⁷

The Secretary said the SALT process is a little more complex. The treaty was discredited by the Soviet invasion of Afghanistan and today there does not exist political or public support for ratification of the treaty. However, the new Administration believes in the overall SALT concept and is putting together a SALT package. At the same time, we have to have assurances from the Soviet Union that they will pull their horns in. Their international demeanor will have to change substantially. We will be talking about this "code of conduct" with Soviet Ambassador Dobrynin upon his return to Washington. It remains to be seen what the Soviet reaction will be but we have noted that they have been recently very moderate in their public statements.

Healey said the US will not find much European opposition in its efforts to restore the military balance or in adopting a more robust attitude in its bilateral relations. But the US will find concern that it is seen as tending to exaggerate the Soviet angle in local instabilities elsewhere. Many in Europe believe, for example, that the best way to get the Cubans out of Angola is to resolve the Namibian problem. The

⁵ Haig met with separately with MacGuigan on March 11 in Ottawa during Reagan's March 10–11 visit there. In telegram 1606 from Ottawa, March 19, the Embassy transmitted a draft memorandum of conversation of the meeting. (Department of State, Central Foreign Policy File, Electronic Telegrams, [no N number]) Memoranda of conversation for Reagan's meetings with Trudeau are scheduled for publication in *Foreign Relations, 1981–1988*, vol. VII, Western Europe, 1981–1984.

⁶ In a December 12, 1979, communiqué issued at a special meeting in Brussels of NATO Foreign and Defense Ministers, the ministers agreed that the United States would deploy 108 Pershing II launchers and 464 new ground-launched cruise missiles to Europe in order to modernize NATO long-range theater nuclear forces. In addition, as part of theater nuclear forces (TNF) modernization, 1,000 U.S. nuclear warheads would be withdrawn from Europe as soon as feasible. For the text of the communiqué, see Department of State *Bulletin*, February 1980, p. 16. The texts of the communiqué and the final communiqué of the meeting of the NATO Foreign Ministers, issued on December 14, are also printed in *American Foreign Policy: Basic Documents, 1977–1980*, pp. 494–499.

⁷ On March 10, the administration announced that the United States would convene a meeting of the NATO Special Consultative Group in Brussels at the end of March. (Bernard Gwertzman, "A U.S.-Soviet Parley Is Linked to Poland: Bonn Agrees to Cooperate in Effort to Deter Russian Intervention," *New York Times*, March 11, 1981, p. A1, A7)

Five-Power initiative on Namibia strengthened the Western position in Black Africa.⁸ There is a growing preception (and fear) that the new Administration may tilt towards South Africa. The US should find ways to give the Front Line States⁹ some excuse to avoid seeking UN sanctions in April. Perhaps sending a US Special Emissary to Southern Africa would be the short-term answer. The Secretary said we are considering such a proposal but we intend to proceed very carefully on Namibia.

The Secretary said he senses a new attitude in the Middle East desiring a consensus on security. The regimes in the area see the Soviet presence in South Yemen and in Afghanistan as a threat to their security. The Omani Foreign Minister¹⁰ recently told him that all of Oman's Gulf partners had privately urged them to keep a Western presence and to strengthen the American role in Oman even though they could not support them publicly.

Healey said he hopes that we appreciate that the European Middle East initiative is complementary to American efforts.

The Secretary urged Healey to fight for a moderate Labor Party. We have to have a stable two-party system in Britain. Healey thought the moderates had a good chance to pull the Labor Party back from the Left. But first the moderates must get control of the National Executive Committee.

Healey said the Spanish situation is worrying. Felipe Goncales, the Spanish Socialist Leader, told him last weekend there could be another coup in Spain and this time it might succeed. The Secretary said he shared Healey's concern and for that reason he was thinking of stopping off in Spain on his way to the Middle East.¹¹ We must all do everything we can to strengthen democratic forces in Spain.

⁸ Reference is to the Governments of France, the Federal Republic of Germany, United Kingdom, Canada, and the United States, also known as the "Western Five" or "Western Contact Group." Representatives from these governments, beginning in 1977, sought to assist Namibia in its transition to independence following its illegal occupation by the South African Government.

⁹ Originally an ad hoc caucus, the Front Line states were Angola, Botswana, Mozambique, Tanzania, and Zambia, the five countries bordering Zimbabwe and Namibia. Following the independence of Zimbabwe in 1980, the Organization of African Unity included it in this designation.

¹⁰ Qais Abdul Munim Al-Zawawi.

¹¹ Haig did not stop in Spain prior to arriving in Egypt on April 4. However, he did visit Spain, April 8–9, as part of his April 8–12 visit to Italy, April 8; the United Kingdom, April 9–11; France, April 11; and the Federal Republic of Germany, April 12.

36. Memorandum From Secretary of State Haig to President Reagan¹

Washington, undated

SUBJECT

Immediate Critical Choices in Foreign Policy

The success and future viability of your Presidency will be determined by foreign policy decisions you must make in the next few weeks. We are, right now, faced with several challenges from the Soviets and their surrogates which cannot be ignored or wished away. We did not seek the confrontation but we cannot now shirk it. If we respond with strength, wisdom, and skill, we will have set the stage for a decade of stability and peace. If we fail to respond—or respond with weakness—the Reagan Presidency will be marked by the same deterioration of international stability and the resulting loss of domestic support that brought Richard Nixon, Jerry Ford, and Jimmy Carter to their knees.

In April of 1969 Richard Nixon faced the first test of his Presidency when North Korea shot down an unarmed EC-121 aircraft over international waters.² Henry Kissinger, whose own involvement in the U.S. response to that crisis prevents him from acknowledging the full magnitude of the disaster, nevertheless does say that:

I judge our conduct in the EC-121 crisis as weak, indecisive and disorganized—though it was much praised then. I believe we paid for it in many intangible ways, in demoralized friends and emboldened adversaries.³

My own judgment is even harsher than that. I believe that our failure to respond adequately to that clear provocation set the course of the Soviet Union and its proxies for the duration of the Nixon Administration, a course that was, in the final analysis, more damaging

¹ Source: Department of State, Executive Secretariat, S/S-I Records, Lawrence S. Eagleburger Subject File: Lot 84D204, Chron—March 1981. Top Secret; Sensitive. Drafted by Eagleburger on March 16. Printed from an unsigned and uninitialed copy.

² On April 14, 1969, a North Korean aircraft shot down a U.S. Navy EC-121 over international waters. For documentation about the incident, see *Foreign Relations, 1969–1976*, vol. XIX, Part 1, Korea, 1969–1972, Documents 1–44.

³ The full quotation by Kissinger reads: “Overall, I judge our conduct in the EC-121 crisis as weak, indecisive, and disorganized—though it was much praised then. I believe we paid for it in many intangible ways, in demoralized friends and emboldened adversaries. Luckily, it happened early and on a relatively peripheral issue. And the lessons we learned benefited our handling of later crises.” (Kissinger, *White House Years*, p. 321)

than Watergate. The timidity that we displayed at that time invited new provocations elsewhere, particularly in Vietnam, that we were forced to deal with from an increasing position of weakness. Having displayed our inability to confront the Soviets and their allies on the ground with anything more than the business-as-usual incrementalism which marked the McNamara approach to Vietnam, Nixon was forced to deal with the Soviet Union on highly unfavorable terms—including the signing of an unsatisfactory SALT treaty.⁴

The challenge today is more fundamental, and far broader. The world is waiting—friends and enemies alike—to see whether the United States will have the ability to confront the Soviets when there are costs involved. Great hopes have been placed on the new Administration, and on you personally, Mr. President, to reverse the retreat of the Free World in the face of the advances that the Soviet Union and its proxies have made over the last decade.

The Soviet invasion and continuing occupation of Afghanistan is the most flagrant and obvious manifestation of this move to encircle and divide its potential opponents, in the East as well as the West. However, Afghanistan was not the isolated episode that the Carter Administration sought to portray it as. It was a continuation of an historic trend of increasingly bold Soviet adventurism, continuing from the end of World War II through Vietnam and into the beginning of the Carter Presidency with the Ethiopian adventure.⁵ Carter's failure to respond to this, the first instance of Soviet combat advisers being dispatched overseas, set the course of his disastrous relations with the Soviet Union.

The Soviets not only continue to occupy Afghanistan, but the increasing challenges continue. During the transition to your Presidency we have seen an unprecedented intervention by Cuba and other Soviet proxies in our own hemisphere. And after your inauguration the Soviets broke new ground with the dispatch of advisers to Chad, not in support of the government in power but in support of a Libyan invasion of an innocent neighbor.⁶

Because the hopes for your Presidency are so great, the consequences will be even more momentous if we fail or if we permit ourselves to

⁴Nixon visited the Soviet Union May 22–30, 1972, for the Moscow Summit, at which he and Brezhnev signed the SALT I treaty on May 26. The text of the Interim Agreement Between the Union of Soviet Socialist Republics and the United States of America on Certain Measures With Respect to the Limitation of Strategic Offensive Arms is printed in *Foreign Relations, 1969–1976*, vol. XXXII, SALT I, 1969–1972, Document 317.

⁵Reference is to Soviet and Cuban intervention on behalf of Ethiopia during the Ogaden war.

⁶Reference is to Qadhafi's January attempts to annex Chad. Documentation is scheduled for publication in *Foreign Relations, 1981–1988*, vol. XLVIII, Libya; Chad.

be bullied into a “business as usual” pattern of behavior. The world might believe that the weakness of the Carter Administration could be corrected with an election, and that possibility must also have instilled the Soviets with some caution. But if *this* Administration, with *this* electoral mandate, cannot restore the United States to a position of world leadership, there will be no more hope that someone else might do the job four years from now. The hopes of our friends will be dashed; the ambitions of our enemies will become boundless. And the world could unravel with a speed that would make the events of the last decade seem benign by comparison.

You must very soon decide how the United States will respond to Soviet-inspired proxy adventurism, whether it be in Chad, El Salvador, Angola, Ethiopia, or elsewhere.

The USSR

The common denominator in each case is the USSR; thus you must begin by insisting that all members of your Administration follow a course best calculated to send Moscow signals of our determination to resist its challenge. We are, clearly, *not yet ready to decide how we proceed with the USSR over the longer term*. Too much has yet to be studied and decided. Above all, relative military trends must be reversed. We still have a strategic edge over the Soviets; but it is an edge that, no matter what we do, will be eroded by the middle of the decade. Today we can still deal with the Russians with some confidence that their perception of our military advantages will lead them to fall back when confronted. We may not have that card in our deck by 1985.

In these circumstances *we must not take steps now that will foreclose options or make achievement of your goals over the next several years more difficult*. It would, for example, be a *major tactical and strategic error to lift the grain embargo now*.⁷ The embargo was certainly an inadequate response to the strategic challenge of Afghanistan, and the broader challenge of Soviet and proxy adventurism. *But it was the only meaningful U.S. response*. To withdraw it now—with no new and more serious response in place—would signify the end of U.S. censure of Soviet behavior in Afghanistan, might well invite increased pressure on Poland, and would raise serious doubts about the will of the United States to confront the Soviets when there are costs involved. It would bring the concept of linkage into doubt at the outset of your Administration, and thoroughly confuse our Allies, who might well respond by relaxing their already minimal trade restrictions against the USSR.

Facing up to the Soviet proxy challenge cannot be postponed to a time when we have thought through the broader question of our relations with the

⁷ See footnote 5, Document 4.

Soviets. Indeed, how we respond to this adventurism will determine the future course of our relations with Moscow.

Cuba

The most obvious immediate issue you and your new Administration must face is how to respond to Cuban interventionism, most recently in El Salvador.⁸

We have been trying, through the interdepartmental process, to prepare for you a range of possible political and military responses to Cuban aggression. We have failed. So long as we leave it to the bureaucracy—no matter at what level—to recommend courses of action, we will get just what we now have: an insipid set of incremental steps that are, at one and the same time, too cautious and too dangerous. The modest steps suggested would demonstrate weakness and indecision, thereby sending our opponents a clear signal of our own weakness, while inviting an escalatory response. We, in turn, would then have to escalate, etc., etc. That is how we got into—and lost—Vietnam.

Cuba has been the Soviet instrument for intervention in Angola, Ethiopia, and now El Salvador. In every previous case we have chosen to object but not to act. This time, however, we have begun to counter-attack in El Salvador. That effort must continue, but *we must carry the El Salvador battle to its source: Cuba*. Nor should we restrict our response wholly to this Hemisphere (discussed below). And to do that we must be prepared to act decisively politically, economically, and militarily. We must be prepared to demonstrate to the Cubans and Soviets that we are deadly serious through the imposition of a series of calculated steps ranging from diplomatic initiatives with Latin American and European Governments (which will leak) through strengthening our land, sea, and air forces in the Southeast United States, to the imposition of a blockade if necessary, and, finally, to a willingness to use force to carry out the blockade if we must.

⁸ On February 17, Haig testified before the Senate Foreign Relations Committee that the Soviet Union, Cuba, Ethiopia, and Vietnam had supplied arms to the insurgents in El Salvador. (Bernard Gwertzman, "More Salvador Aid Backed in Congress: Key Legislators Voice Support for Increase After Haig Briefings," *New York Times*, February 18, 1981, pp. A1, A3) The Department of State, on February 19, provided select foreign embassies with a memorandum outlining collaboration between the insurgents and the various members of the Soviet bloc. (Juan deOnis, "U.S. Says Salvador is 'Textbook Case' of Communist Plot," *New York Times*, February 20, 1981, pp. A1, A5) The Department later released a public version in the form of a memorandum entitled "Communist Interference in El Salvador," on February 23. (Juan deOnis, "State Dept. Says Salvador Rebels Get Fewer Arms," *New York Times*, February 24, 1981, pp. A1, A9) The text of the report, also referenced as Special Report No. 80, is printed in Department of State *Bulletin*, March 1981, pp. 1–7. For Haig's description of the report and its reception, see *Caveat*, pp. 139–140.

Our objective ought to be to force Castro to foreswear intervention, whether in Central America or elsewhere, and to bring his troops home. I do not suggest that decisive action on our part would be cost-free. It would not. In the best of circumstances we would *pay a price*—temporary though it might be—in the Third World and initially with some of our Allies. And if our early threatening moves do not bring the desired results, then escalation must be inevitable, with all that would mean in terms of potential confrontation, allied concern, and domestic opposition.

But the cards are not all stacked against us. Cuba is an island off our shores, not a land-mass bordering on a neighbor ready to supply arms. It is engaged in propping up governments far from its own shores, against strong internal opposition. It is the Soviets and their proxies who have the supply and communications problem—and the political liability of suppressing internal opposition. And finally, it is the Soviet Union and Cuba who, when they see we are serious, will be put on the defensive, with the possibility that Moscow will tell Castro that he is on his own. And, should that happen, it is likely that Castro will blink before we have carried our threats very far.

Soviet flexibility right now is sharply limited because of the deep involvement in Afghanistan, events in Poland, an economy in deep and growing trouble, the continuing Chinese threat, and centrifugal pressures in Eastern Europe. Moscow will be hard pressed to respond with vigor. Dobrynin's recent remarks to me about Cuba suggest that *the Soviets are prepared, within certain limits, to see us reply to Castro's provocations without becoming directly involved themselves*. Thus, it is my belief that we have substantial room to maneuver against Cuba before the Soviets will feel forced to respond with much more than a propaganda campaign.

Libya

Qadhafi poses an equally real threat to the stability of the West. His intervention in the Chad, now augmented by Soviet advisers, presages a *campaign of subversion in Northern Africa* that poses another and related major challenge to vital Western interests. *Here, too, we must act*. But in this case, *we have others who will act with us. The French, Sadat, and perhaps the British have had enough*. Working with and through them, perhaps with the French and Egyptians in the lead, we can develop a scenario for reversing recent trends in and around Libya. Our objective would be to remove Qadhafi from power; our contribution to the common effort would be materiel support, but *limited direct involvement*.

There is an additional benefit, other than the obvious one, to acting against Qadhafi. It is already clear that there can be no solution, or substantial movement, for now to the Arab-Israeli problem; we are faced with some months of stalemate in the best of circumstances.

And we are also faced with a nervous Western Europe that will surely take steps before the year is out that will strengthen the international role of the PLO, thereby making Arafat all the more intractable. Action against Qadhafi would deflect preoccupation in the area with the Israeli issue, while strengthening Sadat, the Saudis, and Israel at the same time.

Conclusion

I propose, not a direct confrontation with Moscow, but a series of measures aimed at forcing Moscow's two most dangerous non-bloc proxies to cease and desist their incitement and support for revolution, whether it be in Central America, the Caribbean, Angola, Ethiopia, Chad or elsewhere. Cuba and Libya must be stopped now; if we delay today we will have to face them tomorrow, at far greater cost, and from a position of growing weakness.

But confrontation there might be, although I personally believe the Soviets will back off when confronted by a determined United States. If we are to show that determination we will have to act with skill on a range of issues including, but not limited to, Cuba and Libya. We will need an integrated program that includes support for Pakistan and the Afghan freedom fighters, makes effective use of the Egyptians, the French, the Israelis and others of like mind on Libya, and involves those in Latin America such as Argentina, Brazil, and Peru, who share our view on Cuba.

I would like to discuss with you the specific steps I have in mind. Thereafter, if you agree, I would ask that you instruct Cap Weinberger and Bill Casey to work with me in establishing several highly secret task forces to flesh out the details of operational political, economic, and military plans to implement the strategy I have described.

I would also like your authority to discuss with the French, and with President Sadat, the Israelis, and the Saudis, while on my Middle East trip, our thinking on Libya.⁹

In the meantime, I will be seeing Dobrynin soon, and will make it clear to him that whatever we do with regard to the challenges Moscow and Havana have imposed upon us will be a case of the punishment fitting the crime.¹⁰ Equally, I will emphasize that we have carrots as well as sticks available, and that Soviet moderation will be rewarded appropriately. But I will also make it clear that *challenges by Soviet surrogates will be met in kind, that the USSR cannot escape*

⁹ See footnote 2, Document 34.

¹⁰ Haig and Dobrynin met on March 24. In telegram 79809 to Moscow, March 28, the Department transmitted a summary of the meeting and talking points. The telegram is printed in *Foreign Relations, 1981–1988*, vol. III, Soviet Union, January 1981–January 1983, Document 35.

responsibility for its indirect acts any more than for what it does directly, and that the course of U.S.-Soviet relations over the coming years will be determined by Moscow's conduct.

That must be our strong and consistent message to Moscow and to those who do Moscow's bidding. But a message without acts is an empty gesture that but proves the weakness of will of the messenger. You, and your country, will be judged in the years to come by how you act now.

37. Editorial Note

On March 16, 1981, Secretary of State Alexander Haig took part in a television interview conducted by Ken Sparks for *Great Decisions 1981*, a program sponsored by the Foreign Policy Association. Interviewing Haig in Washington, Sparks asked him to define the foreign policy goals of the Reagan administration and contrast Reagan's policy with that of previous administrations. Haig responded: "Without trying to draw too many sharp distinctions, I think the dominating concern of this Administration is the recognition that the decade we have now entered is at once simultaneously the most dangerous and perhaps the most promising that free societies have faced, certainly since the Second World War. It is our belief that this is going to require a somewhat different approach to our foreign affairs problems. It means we're going to have to recoil from the post-Vietnam syndrome—as it's been referred to—and, once again, have our weight felt in the international community.

"We hope to do this in a very measured and modified way, recognizing that the post-World War II unique superiority that we Americans enjoyed is no longer ours. The basic themes will be as I stated in my recent testimony before the Foreign Relations Committee: a consistency in policy; not to veer day-to-day based on the pressures of momentary headlines, but a consistent set of themes which we will follow; reliability, so that traditionally friendly nations, those which share our values, can apply these values, although in distinctly different and unique ways in the context of their own self-determination; and, finally, most importantly of all, I think, is balance—to recognize that conduct of foreign affairs represents the careful, measured, sophisticated integration of political, economic, and security-related aspects of our conduct abroad. That must be part of an integrated mosaic."

Following discussion of various foreign policy topics, Sparks ended the interview by noting that Haig had spent his entire career

“working on foreign policy;” adding that many Americans were “disillusioned” by “the costly effects of helping our neighbors and our allies and containing our enemies.” He asked Haig if he had any advice to offer to “Americans who are concerned about what they should do about foreign policy.” Haig stated: “First, I think they’ve got to avoid being captured by contemporary sloganeering, whether it suggests excess hyper-American activity abroad or whether it suggests, as has been the case in the recent past, that we withdraw from there. The simple facts are that we Americans have an obligation to make sure that those values that you and I cherish are broadened and strengthened in the international community.

“And if we overlook illegal interventionisms, whether it be in Africa or Afghanistan or in our own front yard in this hemisphere, we’re leaving a legacy of increased risk-taking which could confront us as it did in the Second World War with the ultimate challenge to our vital interests. We must take these on, we must participate in the world community, which shares our values.” (Department of State *Bulletin*, June 1981, pages 23–26)

38. Memorandum of Conversation¹

Washington, March 19, 1981

SUBJECT

Summary of Meeting

PARTICIPANTS

Secretary Haig
Secretary Weinberger
William P. Clark, Deputy Sec. of State
Frank Carlucci, Deputy Sec. of Defense
Dr. Fred Ikle, Under Secretary-Designate, Department of Defense
Robert C. McFarlane, Counselor
Richard Burt, Director, Bureau of Politico-Military Affairs
Brig. General Carl Smith, Office of Secretary of Defense
Jay Rixse, Special Assistant, Office of the Secretary of Defense

¹ Source: Department of State, Executive Secretariat, S/S Files, Secretary Haig Memcons and Whitehead Briefing: Lot 87D327, Sec/Memcons—March 1981. Secret; Sensitive; Nodis. No drafting information appears on the memorandum. The meeting took place at the Department of State. A portion of the memorandum of conversation is printed in *Foreign Relations, 1981–1988*, vol. III, Soviet Union, January 1981–January 1983, Document 31.

The breakfast began with discussion of a Cabinet Council meeting concerning East/West trade. Secretary Haig said that he would not attend the meeting, because no detailed agenda had been circulated.

[Omitted here is discussion concerning a Sinai peacekeeping force.]

Secretary Haig then asked Weinberger if he had seen recent intelligence reports about the shipment of Soviet guns and tanks to Nicaragua.² Weinberger said that he wished the United States had the capability to blow up some of it. Secretary Haig agreed and, changing the subject, said that he was unhappy about the way Japanese auto import issues were being handled. He said that the two cabinet officials involved in the issue were doing too much talking with the press. Weinberger said that the problem, in part, stemmed from the new system of Cabinet Councils, which were being run by Ed Meese in the White House. Secretary Haig noted that nobody had elected Ed Meese and that he was not going to send anyone from the State Department to this morning's Council meeting.

Secretary Haig then said that there was an "NSC" meeting every day in the form of the President's security briefing. He said this was more than a briefing and that Allen, Meese, and Baker were using it to make policy. Secretary Haig said that he was going to have a "show-down" with the White House on lines of responsibility and over leaks which had come from the White House. Weinberger agreed that leaks were a problem and noted that in nearly every Evans/Novak article the third paragraph said what a "great guy" Dick Allen was.

Weinberger then asked what, if anything, the Administration should be telling the Russians. Secretary Haig said that it would be a mistake to talk with Dobrynin until the Administration had an action plan. Weinberger agreed, saying that Dobrynin was extremely clever and that he did not want to talk with him until the Administration had a policy.

Secretary Haig went further and said that the Administration needed a game plan for Cuba. Carlucci agreed that more work was necessary on Cuba. Haig asked whether the Administration was ready to do some "meaningful" things. Carlucci said there was little the Administration could do, because it possessed no economic leverage [*less than 1 line not declassified*], only military power. Haig agreed and added that a military response was probably necessary. Weinberger said that the Administration should consider a blockade of Cuba. Secretary Haig agreed, and said that the President had to consider this option. Carlucci added that the Administration's covert action capability [*less than 1 line not declassified*]. Secretary Haig then sketched out a scenario:

²Not further identified.

The Russians are distracted, he said, and the military balance in some respects was still favorable. He said that, if Reagan continued to conduct business as usual, the Administration would be “nibbled” to death. The President, he added, is going to be the “President or he isn’t.” Carlucci then asked whether Secretary Haig was suggesting a blockade of Cuba? Secretary Haig answered by saying that he wanted to consider a full range of actions, including air strikes. He said that in conversations with Dobrynin, he had concluded that the Russians were not prepared to defend Cuba against strong American action. Carlucci said that this sounded like an Soviet invitation to get tough with Cuba. Secretary Haig agreed and said the United States had to play “two balancing games”—dealing with Cuba and helping the Egyptians against Libya. Secretary Haig then said that Richard Pipes’s interview in the press had made the Administration’s task more difficult.³ It had created problems with General Zia in Pakistan and had also embarrassed FRG Foreign Minister Genscher.

Secretary Haig then said that he was going to raise this with the President, adding that either the President agreed to a disciplined system of decision-making or that he would retire to Connecticut.⁴ Carlucci then asked how Secretary Haig was going to approach Cuba, was he going to ask Bud McFarlane to produce a new paper?⁵ Secretary Haig said he would see the President and then get a small group working

³ Reference is to a *Reuters* interview in which an unnamed official, later revealed to be Pipes, claimed that war with the Soviet Union would prove inevitable if the Soviet leaders refused to discard communism. Pipes also criticized Genscher as prone to conceding various issues in the face of Soviet pressure. Both the White House and the Department of State issued statements disavowing Pipes’s comments, and Haig also sent a personal message to Genscher on March 19 noting his outrage and asserting that Pipes did not speak for the administration. (“U.S. Repudiates a Hard-Line Aide,” March 19, 1981, p. A8; and John Vinocur, “Bonn Officials Pleased With U.S. Disavowal of Pipes,” March 20, 1981, p. A3; both *New York Times*)

⁴ Haig met with the President in the Oval Office that afternoon from 5:13 until 5:40 p.m. (Reagan Library, President’s Daily Diary) A March 20 memorandum for the record provides a readout of the meeting: “In his effort to explain to the President the serious problems developing in foreign affairs management in this Administration, the Secretary had to raise the tone of his discussion. He said that the President seemed unaware of many of the difficulties but that he thought at the end of the meeting the President grasped how serious this was to the Secretary. The President agreed to see Secretary Haig every other day at a time to be arranged through Mr. Deaver. One specific point—the President expressed dismay at delays, reportedly at State, in getting ambassadors cleared.” (Library of Congress, Manuscript Division, Alexander Haig Papers, Department of State, Day File, Box CL 31, March 20, 1981) In his personal diary entry for March 19, Reagan indicated that Haig “told me he felt he was being undercut by other agencies etc. I worry that he has something of a complex about this. Anyway I’ve arranged that he & I meet privately 3× a week.” (Brinkley, ed., *The Reagan Diaries*, vol. I, January 1981–October 1985, p. 27)

⁵ Not further identified.

on the issue. Weinberger expressed doubts over whether the President would want to meet with Secretary Haig on the Cuban question.

[Omitted here is discussion concerning U.S.-Israeli relations.]

The meeting ended with no decision on the timing for next week's session.

39. Statement by Secretary of State Haig Before the Senate Foreign Relations Committee¹

Washington, March 19, 1981

Security and Development Assistance

It is a great honor to appear before the Senate Foreign Relations Committee as Secretary of State. As members of this committee, you are aware that the conduct of foreign policy and exercise of influence requires many tools. It is the role and purpose of one of these tools—security and development assistance—that is the subject for discussion today.

Security and development assistance should be seen in the context of the international challenges that confront us and the foreign policy we have devised to overcome them. Today's world presents the United States with three prominent trends. First, power is diffused widely among many nations and some are prepared to use violence to advance their ends. Second, we and our allies are now more vulnerable to international unrest and violent change. Third and most dangerous, the growth of Soviet military power is now capable of supporting an imperial foreign policy.

The last trend is most alarming. Soviet adventurism in the Horn, in South Asia, in the Persian Gulf, and in Southwest Africa appears to

¹Source: Department of State *Bulletin*, April 1981, pp. A–C. All brackets except those citing omitted material are in the original. In a March 19 memorandum to the President, Haig indicated that his testimony “concerned the foreign assistance budget, but the questions covered numerous foreign policy issues and El Salvador was *not* the center of attention. Nearly every Senator in the Committee was present and there was full media coverage. Senators Baker, Lugar, and Hayakawa were particularly helpful.” (Reagan Library, Executive Secretariat, NSC Agency File, Secretary Haig's Evening Report (03/03/81–03/25/81)) Haig provided a similar overview in his testimony before the House Foreign Affairs Committee on March 18. For his statement, see *Foreign Assistance Legislation For Fiscal Year 1982 (Part 1), Hearings Before the Committee on Foreign Affairs, House of Representatives, Ninety-Seventh Congress, First Session, March 13, 18, 19, and 28, 1981* (Washington: Government Printing Office, 1981), pp. 152–157.

conform to a basic and ominous objective: to strike at countries on or near the vital resource lines of the West.

The depressed world economic condition is equally familiar to you. The spiraling cost of oil has been a punishing blow to all nations. It has been particularly crippling to the developing nations. It is estimated that developing countries paid \$50 to \$60 billion in 1980 for their oil imports. Adding to this burden is another \$50 to \$60 billion in trade deficits. All of this comes at a time when world population will increase by half in just the next 20 years—from 4.4 billion in 1979 to over 6.3 billion by the end of the century, with 90% of this increase in the poorest countries. Economic dislocations of this magnitude create conditions for violent disruptions, with dangerous political consequences.

U.S. Response

Our response to these challenges must incorporate several elements if we are to advance our international objectives. We require:

- A strong, prosperous, and productive American economy, because we can do little to help others if we are disabled ourselves;
- An American defense posture that restores the confidence and determination of friends and that deters adversaries from pursuing adventures; and
- The resources to protect our international security interests and to promote peace and prosperity abroad.

The President has proposed a far-reaching and dynamic program to restore the health of the American economy.² I fully support his proposals. The revised defense budget which the Congress will review in a short time is designed to revitalize our Armed Forces and rebuild our capacity to defend our vital interests.

² The President outlined his program for economic recovery in a February 18 address before a joint session of Congress, broadcast live on nationwide television and radio networks. For the text of the address, see *Public Papers: Reagan, 1981*, pp. 108–115. The President's February 18 message to Congress, which transmitted the proposed package on the economic recovery program, is *ibid.*, p. 115. The White House report on the economic recovery program is also *ibid.*, pp. 116–132. In his personal diary entry for February 18, the President wrote: "This was the big night—the speech to Cong. on our ec. plan. I've seen Presidents over the years enter the House chamber without ever thinking I would one day be doing it. The reception was more than I'd anticipated—most of it of course from one side of the aisle. Still it was a thrill and something I'll long remember." (Brinkley, ed., *The Reagan Diaries*, vol. I, January 1981–October 1985, p. 20) On March 10, the administration submitted the FY 1982 budget proposals to Congress. For the text of Reagan's message to Congress transmitting the budget, his message to Congress reporting budget rescissions and deferrals, and his letter to O'Neill transmitting proposed supplemental appropriations and amendments, see *Public Papers: Reagan, 1981*, pp. 221–223.

The third element, resources to promote our security and economic interests, is the reason for my appearance before this committee today. Before going into the details of the Administration's foreign assistance request, let me say a few words about the general directions of our economic policy and how we will shape assistance programs to complement these policies.

First, in the formulation of economic policy, in the allocation of our resources, in decisions on international economic issues, a major determinant will be the need to protect and advance our security.

Second, we shall continue to work with other countries to maintain an open and accessible international economic system. This will include efforts to engage the U.S. private sector more fully in the economic development process.

Third, the United States will not forsake its traditional assistance to the needy of this world: the undernourished, the sick, the desperate refugee.

Fourth, there will be neither abrupt nor radical redirection of our international economic policies. Where necessary, policy will be changed in an evolutionary fashion, with minimal disruption and uncertainty.

Fifth, the United States will not abandon institutions and agreements devoted to global economic and political stability. The United States will continue to bear a fair share of the cost to maintain and operate international organizations.

I have asked Jim Buckley [James L. Buckley, Under Secretary for Security Assistance, Science and Technology] to coordinate the allocations of all types of foreign assistance in which the Department is involved. Let me give you an example of what Jim undertook for me in recent days. We wanted to allocate additional assistance to El Salvador, and Jim worked with the various offices to put together the package of economic support funds, development assistance, PL 480, etc.³ I see this as entirely consistent with my responsibility, under the President, for overall supervision and direction of our foreign assistance effort.

Security Assistance

I referred a moment ago to the President's proposals for reconstituting America's defense capabilities. Our security assistance program

³ On March 24, the Department issued a statement on additional economic aid to El Salvador, which read, in part: "The Administration has approved proceeding with reprogramming of an additional \$63.5 million in economic assistance to the Government of El Salvador for FY 1981. This assistance is urgently needed to help the government deal with the economic situation, especially to finance essential imports of food and of agricultural chemicals and industrial materials for the private sector." (Department of State *Bulletin*, May 1981, p. 72)

goes hand-in-hand with this effort and must enjoy equal priority. This is because the friendly states we support can themselves help us assure our most vital national interests.

For example, many of our security assistance partners enjoy a geographic proximity to the resources our economy demands. Others possess timely knowledge of complex regional events and are best suited to understand these events and assure that they do not slip beyond responsible control. Finally, many of our partners have military forces trained and experienced in operating in different areas.

As we strengthen these states, we strengthen ourselves and, for the reasons just mentioned, we do so more effectively and at less cost. Friendly states can help to deter threats before they escalate into world-shaking crises. The issue is not whether a local state can singlehandedly resist a Soviet assault. Rather, it is whether it can make that assault more costly, more complicated, and, therefore, potentially less likely to occur.

In practical terms, this means that the air defense system we help a friendly state develop could one day serve as a prepositioned shield under which Western relief forces would move. We hope that day never comes, and all of our efforts are aimed at preventing it. However, in judging the economic value of these programs it is necessary to recognize the connection that frequently exists between today's assistance and tomorrow's needs.

In examining our overall security and defense needs, we have tried to balance the requirement for budgetary stringency with the need to revitalize our international position. From this review we concluded that our national interests demand a significant funding increase for our security assistance programs and at increased levels above fiscal year 1981. The President is requesting that the Congress approve \$4.27 billion in budget authority to finance a total \$6.87 billion security assistance program for FY 1982.

[Omitted here is information concerning the levels of proposed security and development assistance, in addition to information concerning multilateral development banks, international organizations and programs, and the Department of State budget.]

Conclusion

The program presented to you today represents our best judgment of the resources required to carry out our activities in these austere times. Cuts were made in the development assistance programs totaling over \$1 billion, a 26% reduction from the previous budget—equaling if not exceeding reductions proposed for the domestic agencies.

For the past 2 years Congress has failed to enact a foreign aid appropriations bill. This has caused us substantial difficulties. We have been forced to neglect vital aspects of our assistance programs; U.S. foreign

policy interests have been undermined. We should work together in the authorization and appropriation of these FY 1982 foreign aid requests to assure a U.S. partnership with the nations that strengthen our common economic and security interests.

40. Briefing Memorandum From the Director of the Bureau of Politico-Military Affairs (Burt) to Secretary of State Haig¹

Washington, March 20, 1981

SUBJECT

Your Middle East Trip/Approach to Regional Security²

Objectives

Your primary objective is to convey the seriousness of our concern about the threat to the region and our determination to move quickly to meet it, elicit local views on security needs, and explain (and gain support for) the evolving US strategic approach to the region.

Achieving US Objectives

Before addressing specific issues in Egypt, Israel, Jordan and Saudi Arabia, you will have the opportunity to make the following general points:

—We are putting together a *coherent and integrated strategic approach to the security of the region*.

—Although we have yet to reach firm conclusions, we are prepared to give a *sense of our objectives, our determination and our enduring commitment*.

—We need to build a *capability sufficient to counter the threats to our mutual interests*.

—This endeavor will require *clarifying the roles* which we and our friends, both within and outside the region, can and must play as well as the *contributions each of us are able to make to this mutual effort*.

¹ Source: Library of Congress, Manuscript Division, Alexander Haig Papers, Department of State, Day File, Box CL 31, March 19, 1981. Secret. Drafted by Edgar and Haass on March 19; cleared by Veliotes and Wolfowitz. Haass initialed for Wolfowitz. Edgar and Veliotes did not initial the memorandum.

² See footnote 2, Document 34.

—We, for our part, recognize our responsibility to take the lead, are prepared to do so, and will make a *greater investment in the region's security*.

These general points will form the foundation for a more detailed discussion of our concerns and requirements.

1. *The US Strategic Context:*

As you know, the US has traditionally tried to separate the problems of regional security and those of Middle East peace. To the extent a linkage was recognized, it was thought that progress toward Middle East peace could safeguard our larger interests, or at least that such progress was an essential prerequisite to implementing a coherent strategy to protect our interests in the region. Moreover, Israel, for regional political reasons, was considered a liability and not seen as an asset in countering Soviet or related threats in the Eastern Mediterranean and, in certain circumstances, in Southwest Asia. These perceptions are widely shared, particularly in the Arab world.³

There are strong arguments you can use selectively on behalf of a *different approach*:

—The *Middle East should be seen as part of a larger political and strategic theater*, the region bounded by Turkey, Pakistan, and the Horn of Africa.⁴ The entire region must be viewed as a *strategic entity requiring comprehensive treatment to ensure a favorable balance of power*.

—It is important, then, to handle the *Arab-Israeli question* and other regional disputes in a framework that *recognizes and is responsive to the larger threat of Soviet expansionism*.

—*Improvements in the security of the region need not, indeed cannot, await progress in a peace process which will inevitably be slow and tortured*. Although progress towards peace will buttress our larger security efforts, this alone cannot suffice. In addition, we believe there is a symbiotic relationship between progress in providing security to the region and progress in the peace process.⁵ *Only when local states feel confident of US reliability and secure against Soviet threats will they be willing to take the necessary risks for peace*.

—There are certain contingencies (particularly those involving the USSR) in which *Israel has much to contribute* and could play an important strategic role. (Clearly, this is a point to be made only in Israel.)⁶

³ Haig underlined this and the preceding sentence.

⁴ Haig wrote "1," "2," and "3" above "Turkey," "Pakistan," and "the Horn of Africa," respectively. He also circled the numerals.

⁵ Haig underlined the portion of this sentence beginning with the word "there" and ending with "process."

⁶ Immediately following this sentence, Haig wrote, "Amen!"

2. US Interests:

The above notwithstanding, US interests have not changed significantly and it is important that the leaders you meet understand this. We retain a fundamental interest in nurturing an environment in which local states are able to develop sound political and economic institutions and relationships. Several specific *goals* are necessary to further these interests:

- The demonstrated ability to *counter the influence of the Soviets* and their clients.

- The continued existence of a *strong Israel*.

- Continued Western *access to the oil* of the Persian Gulf in adequate quantities and at a reasonable price.

- Close *relations with moderate states* of the region.

- Ability to *transit the region*.

3. US Resolve in Meeting the Soviet Threat:

Threats have increased significantly in the wake of Iran's revolution, Afghanistan, and the accumulation of Soviet power:

- Regional states are experiencing the turbulence which accompanies the modernizing of traditional societies.

- There exists an environment of endemic conflict springing from political, religious, ethnic, ideological, personal and economic differences. Revolutions, external support of opposition groups, and "traditional" war are the rule rather than the exception.

- Most significant*, the *Soviets*, with the *advantages of geographic proximity*, and a large number of coercive instruments (rapidly available arms, advisors and proxies) have *both exploited and created opportunities* to further their interests.

Your journey offers an opportunity to communicate US resolve in meeting these threats. If we expect the local states to contribute to the stability of the region and to resist intimidation, we must restore their faith in our reliability. Making it clear that we are prepared to run risks and *accept opposition* is essential in this regard. Demonstrating our willingness to help economically and militarily will also be important. Beyond this, we must let them know *we are prepared to fight in the region* if our interests are threatened by the Soviets or someone else whom the locals are unable to resist. In this vein, it will be important to explain that we are exploring the possibility of increased (and indeed continuous) air and ground force presence and prepositioning in the region and that we recognize that we must be able to deploy more force more rapidly and sustain it more fully.

4. *The Roles of Local States and Western Allies:*

You will want to describe the roles we believe local states, the US and the Western Allies can play in a common approach to regional security.

—It will be important to convince your hosts we recognize *they have essential contributions to make* to regional security, we want them to be able to resist aggression and intimidation, and *we stand ready to contribute to their stability* with balanced development and security assistance programs.

—Your visit should help build their confidence that we are credible, capable, and ready to support them by providing arms for their use and introducing our own forces if necessary.⁷ *In short, we are ready to demonstrate that it pays to be an American friend, and it may cost to be an American foe.*

—In addition, many of the states, especially Turkey, Egypt, Israel, Saudi Arabia, Pakistan and Jordan, can (and must) play *key roles* in helping us to deter and counter Soviet pressures and threats in one or more of the following ways:

- providing assistance to others within the region;
- furnishing logistical support to our forces;
- allowing us to use their facilities for repositioning, stockpiling, operations, staging and transit;
- hindering Soviet access;
- assuming certain limited combat roles and missions;
- posing threats-in-being to the Soviets or their proxies.

—Some of your hosts may be reluctant to accept these roles. Your trip should be seen as our first opportunity to initiate a frank dialogue with several of these countries, to explain what their security will require, to explore their thoughts on how to deal with regional threats and to determine how willing they might be to cooperate with us. *Our objective should be to persuade them not only of our concept of the threat but also of the need to contribute to a common endeavor to meet it.*

[Omitted here is specific information regarding the countries Haig was scheduled to visit.]

In all cases, it will be important for you to make clear that our Western Allies share many of our interest, and that *we believe we cannot—we should not—have to shoulder the entire responsibility for the area.* You could explain we envision a variety of roles for our allies: enroute access, economic

⁷ Haig drew a line from the word “visit” to the space above this paragraph and wrote: “support Existing regimes!”

and security assistance, establishing strong political relationships in the region, military presence, rapid deployment capabilities, and assuming an increased share of the burdens in Europe and East Asia. *The bottom line should be that the stakes, as well the threats, are great, and that all of us can must do more on behalf of our common security interests.*

41. Memorandum of Conversation¹

Washington, March 23, 1981, 11:30 a.m.

SUBJECT

General Foreign Policy, Automobiles, Defense, North-South

PARTICIPANTS

US

Secretary Haig
 Under Secretary Rashish
 Under Secretary Stoessel
 Assistant Secretary-Designate Holdridge
 Deputy Assistant Secretary Armacost
 William Sherman, DCM, Tokyo
 William Clark, Jr., Japan Country Director
 Cornelius Iida, Embassy Tokyo (Interpreter)

JAPAN

Foreign Minister Ito
 Ambassador Okawara
 Deputy Foreign Minister Yasue Katori
 Shinichiro Asao, Director General, North American
 Hiromu Fukada, Director General, Economic Bureau
 Yoshio Karita, Director, First North American Division
 Sadaaki Numata, Japanese Embassy (Interpreter)

Following a 1/2 hour *tete-a-tete*,² the Secretary and the Foreign Minister joined the larger group. *The Secretary* welcomed the Foreign Minister on his first discussion in Washington with the new

¹ Source: Department of State, Executive Secretariat, S/S Files, Secretary Haig Memcons and Whitehead Briefing: Lot 87D327, Sec/Memcons—March 1981. Secret. The conversation took place in Haig's conference room at the Department. Drafted by Clark, Jr., on March 31. The complete memorandum of conversation is scheduled for publication in *Foreign Relations, 1981–1988*, vol. XXX, Japan; Korea, 1981–1984. For Haig and Ito's remarks to the press, made on March 24, see Department of State *Bulletin*, May 1981, pp. 29–30.

²No record of this earlier meeting has been found.

Administration. He said he was greatly pleased that the Foreign Minister had been able to make this visit and, given the reputation which had preceded *the Foreign Minister*, was certain that the talks would be productive. *The Foreign Minister* thanked the Secretary for receiving him at such a busy time. He said he had hoped to come earlier but the Diet discussion of the budget had precluded an earlier visit. He said the job of Secretary of State with the current Administration was a very serious burden. The close relationship with the US is the basis of Japanese foreign policy and he expressed the hope that these discussions, if successful, should contribute to mutual trust between the two countries.

The *Secretary* said that it was his personal conviction and that of the President and the whole Administration that the US relationship with Japan was the fundamental anchor of the US policy in Asia, the Pacific, and, indeed, the trilateral relationship between the US, Japan and Europe. It is essential we build on this relationship and improve it even further. Saying he would not go into great detail, the Secretary outlined briefly the approach of the new Administration. First, overall policy must be supported and strengthened by improving the military balance of the US with respect to the Soviet Union. This is the single exception in our budget in a period of austerity. Second, it is the Administration's intention to revise the kind of partnership we hold with our allies and others of like views and to strengthen these relationships. This would be done through true consultations—not just through provision of information—but consultations in the true sense of the word. This aspect is more urgent in a period when all are faced with shrinking natural resources, difficulties in access to energy, and a potential for trouble in the Third World.

The *Secretary* continued, noting it is clear the US cannot achieve its first two policy objectives unless we reverse our serious internal economic situation. President Reagan has announced a multi-faceted plan designed to seize control of runaway inflation. This has several aspects including tax relief, relief for the private sector, and relaxation of regulatory requirements. In addition, there will be efforts to control the monetary supply in a better manner. In the past, problems have been addressed by printing more money. This has not proved successful and we have been unable to maintain interest rates at an acceptable level. There are those who would call the present approach supply side economics, The *Secretary* said he called it sound economics.

The *Secretary* said there was a rather full agenda and suggested getting through as much of it as possible before the lunch so that discussion at that time could be more general and informal.³ The Foreign

³ The memorandum of conversation from the luncheon meeting is scheduled for publication in *Foreign Relations*, 1981–1988, vol. XXX, Japan; Korea, 1981–1984.

Minister said he agreed to proceed in that manner and suggested that discussions begin with the automobile problem, which was not conducive to good digestion.

[Omitted here is discussion of automobiles.]

Before going to lunch, the *Secretary* suggested that the East/West problem be discussed and the Foreign Minister agreed. The Secretary said the Minister may have detected a degree of robustness in our statements on East/West issues in the new Administration. We felt that for too long the US, and the West at large, had overlooked the propensity of the Soviet Union to intervene either directly or through proxies in Afghanistan, the Middle East, Southeast Asia, Africa, and recently in our own hemisphere. We would be less than frank if we didn't say the West had failed to counter earlier Soviet moves in Angola, Ethiopia, Kampuchea and the first moves in Afghanistan. This had misled the Soviet leadership which continued to intervene with little opposition in areas of importance to the West. Such intervention also subverted the aspirations of these countries to develop their own course, which is their right.

The Secretary stated that the US considers this Soviet activity to be a violation of the 1972 agreement⁴ and thus is counter to detente. We will remain dedicated to linkage in the full range of our relations with the Soviet Union: trade, credits, technology transfer, arms control, as well as in our recognition of the political legitimacy of a regime which was increasingly a model of Marxist-Leninist failure; not success, but failure.

The Secretary said that we are, in the case of Japan, grateful for the cooperation we have received since the Afghanistan invasion. We are as concerned as Japan over the growth of Soviet forces in the Northern Territories, their growing naval power in the Pacific, and the 30,000 Soviet troops in Mongolia. In this regard, the Secretary said he had taken the opportunity in a talk with former Prime Minister Fukuda last week to emphasize that Japan's sovereignty is best assured by the development of all aspects of nationhood.⁵ This is the way he had answered the question on Japan's defense role. He said he believed that international peace and stability were best assured by a West where all nations, including Japan, had their own organic defense capability. This will allow us to better manage and cope with the threat from the East.

⁴Reference is to the Basic Principles of Relations Between the United States of America and the Union of Soviet Socialist Republics, signed by Nixon and Brezhnev in Moscow on May 29, 1972. The text is printed in Department of State *Bulletin*, June 26, 1972, pp. 897-898 and in *Public Papers: Nixon, 1972*, pp. 633-635. A separate communiqué, which references the Basic Principles, was released at the conclusion of the May 1972 Moscow summit meeting and is printed in Department of State *Bulletin*, June 26, 1972, pp. 898-902.

⁵Haig met with Fukuda at the Department on March 19. Fukuda also met with the President on March 20. The memoranda of conversation are scheduled for publication in *Foreign Relations, 1981-1988*, vol. XXX, Japan; Korea, 1981-1984.

The Foreign Minister thanked the Secretary for his comments and said that a consistent and reliable US policy was an important factor not only for the US, but for the world. Without such consistency Japan would find the world a difficult place. Japan expects to see strong leadership by the US and an effective strengthening of the solidity of the Western world, with the US taking a lead. This is most important to world peace. Japan would also expect to take its place and play its role in the Western world and will develop its own defenses in keeping with the requirements and constraints upon such activity. The question is what does Japan do as a member of the Western world? In Japan's view the issue should be addressed not only in terms of defense but also through diplomatic activity and economic efforts, that is, a comprehensive approach.

The Foreign Minister said he wished to express his views on economic cooperation with the developing world. In Japan's policy great attention is placed on the North/South problem. If these problems are not solved, instability in the South can be used to advantage by the Soviet Union. It is important that the Western nations not take actions which drive these developing countries toward the Soviet Union. He said these comments were necessary because of recent journalistic speculation that the emphasis of the new US Administration was shifting from viewing the North/South problem as a totality toward a policy which makes distinction between friends of the US and others in the Third World. In this formulation, the US would place emphasis on helping the former rather than the latter. He said he did not know if this was true, but Japanese policy did not pick and choose between members of the Third World. It was Japanese policy to attempt to bridge the gap between the North and the South.

With respect to relations with the Soviet Union, *The Foreign Minister* said that relations were currently cool. In part this was due to the continued Soviet occupation of the Northern Territories, which Japan claimed as its territory, and indeed the Soviets had now deployed troops on those islands. Japan will continue to seek the return of this territory as it deals with the Soviet Union. Secondly, after Afghanistan, relations between Japan and the Soviet Union cooled to the extent that there were virtually no ministerial exchanges or any exchanges of very important visitors. Japan did not participate in the Olympics⁶ and has continued to be restrictive in granting new credits, viewing them on a case-by-case basis. In the area of technology transfer, Japan has abided by the conditions imposed by COCOM. *The Foreign Minister* told the

⁶ Reference is to the 1980 summer Olympic Games, held in Moscow. The United States boycotted the Games. For Vice President Mondale's April 12, 1980, address regarding the boycott, see *Foreign Relations, 1977–1980*, vol. I, Foundations of Foreign Policy, Document 143. Additional documentation concerning the U.S. decision to boycott the Games is scheduled for publication in *Foreign Relations, 1977–1980*, vol. XXV, Global Issues; United Nations Issues.

Ambassador that there was no change in Japanese policy in regard to these two areas.

The Foreign Minister asked what the current US thinking was on the exchange of high-level visits with the Soviet Union and on large economic projects. He asked if the US would continue to maintain the grain embargo. He expressed concern that should the Soviets and the US find themselves in total confrontation, this could lead to a threat of nuclear war. All nations were concerned in such an event. Thus there was great interest in Japan over the question of arms control, and especially of the SALT talks. He asked what the Secretary's thoughts were on arms control discussions with the Soviet Union. Finally, he asked for the Secretary's views on the Brezhnev proposal for a Summit meeting contained in his speech to the Party Congress.⁷

At this point the meeting broke to reassemble at the luncheon table.

⁷ See footnote 3, Document 30.

42. Briefing Memorandum From the Assistant Secretary of State for Public Affairs (Dyess) to Secretary of State Haig¹

Washington, March 25, 1981

SUBJECT

Print Media Commentary on "Inconsistencies" in U.S. Foreign Policy

SUMMARY. We have seen about sixteen news stories and columns, the earliest dated 2/12, alluding to alleged *inconsistencies in foreign policy*. The stories deal with diverse issues (Poland, foreign aid, neutron warhead, Chile, negotiations with the Soviets, El Salvador), but focus on this common set of concerns:

—*A basic foreign policy framework (other than opposition to the Soviets) has yet to be formulated;*

¹ Source: Department of State, Central Foreign Policy File, P810075-0791. No classification marking. Drafted by Vivian Gillespie (PA/OAP) on March 23. An unknown hand wrote "OBE" in the top right-hand corner of the memorandum. Copies of the newspaper clippings were not found attached.

—Senior officials are making conflicting policy statements;
 —The administration is having to adjust its campaign rhetoric to foreign policy realities. END SUMMARY.

Lack of Foreign Policy Framework. Hedrick Smith, writing in the *New York Times*, contended that a succession of seemingly official statements followed by disavowals indicate: “the Reagan foreign policy team has still not worked out an overall policy framework or conceptualized the intellectual underpinnings of its daily action” (3/20).²

Proclamations Precede Policy. Daniel Southerland wrote in the *Christian Science Monitor* that administration officials, who promised a more forceful foreign policy, “are sometimes sounding forceful in public before reaching unified, carefully considered positions on the specifics” (2/12).³ Anthony Lewis wrote, “the line toward the Soviet Union has been a case of talk first, think later. Reagan and Haig began by calling the Communists liars and criminals. When Brezhnev suggested a summit meeting, they did not know how to reply” (*New York Times*, 3/15).⁴

Mixed Signals From the Administration. Roland Flamini, writing from Bonn in the *Washington Star*, said the West Germans viewed the neutron bomb story and the Richard Pipes interview⁵ as indicating an internal divergence of views within the administration. He claimed this dispute “is the main reason why a U.S. foreign policy has been slow in emerging” (*Washington Star*, 3/21). ABC’s Barrie Dunsmore suggested that U.S. foreign policy is shaping up slowly because of internal rivalry over power (*Evening News*, 3/22).

²Reference is to Hedrick Smith, “Discordant Voices: A Rash of Opposing Statements Bring Reagan Foreign Policies Into Question,” *New York Times*, March 20, 1981, p. A2. The full quotation reads: “Privately some Administration officials acknowledge that the Reagan foreign policy team has still not worked out an overall policy framework or conceptualized the intellectual underpinnings of its daily actions. ‘Aside from opposing the Soviets, we don’t really have a foreign policy,’ said one experienced diplomat. ‘All this is such a change that people are disoriented,’ said another career diplomat. ‘There’s a lot of confusion inside the Government.’”

³Reference is to Daniel Southerland, “Is there a ‘consistency gap’ in Reagan foreign policy?” *Christian Science Monitor*, February 12, 1981, p. 4. The full quotation reads: “The administration is having to adjust its tough-sounding campaign rhetoric to foreign policy realities. Its officials came in promising a more forceful foreign policy and they are sometimes sounding forceful in public before reaching unified, carefully considered positions on the specifics.”

⁴Reference is to Anthony Lewis, “Abroad at Home: Deifying The Vicar,” *New York Times*, March 15, 1981, p. E19. Lewis’s use of the word “Vicar” in the title is in reference to George Church’s article entitled, “Alexander Haig: The Vicar Takes Charge,” printed in the March 16 issue of *TIME* magazine. Church ostensibly based the title on Haig’s use of the word “vicar” to describe his role as Secretary, made during his January 28 news conference (see Document 23.) Lewis’s reference to Brezhnev is to Brezhnev’s February 23 address; see footnote 3, Document 30.

⁵See footnote 3, Document 38.

Campaign Promises and Foreign Policy Realities. Philip Geyelin wrote in the *Washington Post*, "Some part of the problem has to be that the administration's top figures hit the ground still running for President, so to speak . . . Meantime, there is one thing to be said for the Reagan vacillation: The second-thought zags have in every instance been an improvement over the zigs" (3/20).⁶ Daniel Southerland in the *Christian Science Monitor*: "The administration is having to adjust its tough-sounding campaign rhetoric to foreign policy rhetoric to foreign policy realities" (3/21).⁷

Western Allies Counsel Patience over U.S. "Zig-zags." In an article in the *New York Times*, datelined Paris, Richard Elder wrote: "Among the three major allies, at least, the inclination is to allow Washington the luxury of a certain incoherence in enunciating itself. For the present, these are taken less as signs of uncertainty or serious division than as a commendable process of cogitation before making difficult decisions" (3/23).⁸

An editorial in the London *Sunday Telegraph* commented: "The hand of Alexander Haig . . . is the hand of a pragmatist, seeking to achieve what is prudent and possible in a programme launched with much vague rhetoric. If he can succeed in establishing his authority and set up the same meeting of minds that Dr. Kissinger finally enjoyed with President Nixon, then American foreign policy can settle down on a coherent course" (3/22).

⁶ Reference is to Philip Geyelin, "Zigzagging Through Foreign Policy," *Washington Post*, March 20, 1981, p. A23. The full quotation reads: "So some part of the problem has to be that the administration's top figures hit the ground still running for president, so to speak, still faithful to every jot and tittle of the Reagan line. Some part of it has also to do with the president himself. Left to his own devices (in the interview with Walter Cronkite [see Document 33]) he betrays a sort of fierce fidelity to a lot of his much earlier thinking, without much recognition of what may be new and different about today's Cold War. And some part of it has to do with a sort of 'scorched-earth' approach by long-frustrated conservatives finally come to power and determined to erase every fingerprint of the recent past: the Law of the Sea, the Carter refusal to upgrade Saudi Arabia F15s and—above all—human rights. There remains that part of the zigzagging that has to do with getting organized; the system, quite obviously, is not firmly in place. Meantime, there is one thing to be said for the Reagan vacillation: The second-thought zags have in every instance been an improvement over the zigs."

⁷ The date of the article referenced here is in error; this sentence appears in Southerland's February 12 article (see footnote 3, above).

⁸ Reference is to Richard Eder, "As U.S. Works Out Policies, Europe Waits Patiently," *New York Times*, March 23, 1981, p. A3. The full quotation reads: "Among the three major allies, at least, the inclination is to allow Washington both time and the luxury of a certain incoherence in enunciating itself. For the present, these are taken less as signs of uncertainty or serious division than as a commendable process of cogitation before making difficult decisions."

43. Memorandum of Conversation¹

Washington, April 16, 1981, 10:15–11 a.m.

SUBJECT

Vice President's Meeting with NATO SYG Luns: Alliance Issues

PARTICIPANTS

The Vice President
Secretary of State Alexander Haig
Secretary of Defense Caspar Weinberger
Assistant to the President for National Security Affairs Richard Allen
Assistant Secretary of State Designate for European Affairs Lawrence Eagleburger
United States Ambassador to the U.S. Mission to NATO Tapley Bennett
Assistant to the Vice President for National Security Affairs Nancy Bearg Dyke
National Security Council Staff Member James Rentschler

Secretary-General of NATO Joseph Luns
Cabinet Director Paul van Campen
Special Assistant Elisabeth Borgman-Brouwer

The *Vice President* welcomed the Secretary-General and noted that the climate in which the Secretary-General's visit to the United States was taking place happened to be an exceptionally good one. The Vice President asserted that the United States has warm gratitude for the Secretary-General's leadership. The Vice President added that he knew that he spoke for both Al Haig and Dick Allen when he praised the constancy of the Secretary-General's leadership role and the great experience he brought to Alliance affairs. The Vice President emphasized that his comments were not gratuitous, were not "flowers," but reflected recognition of a simple fact: there is great admiration for the Secretary-General in this country, and he will find that there are few if any differences in the way we and he approach Alliance issues. (U)

Secretary-General Luns expressed thanks for the Vice President's words, and stated that even though they were too flattering, he liked them very much (laughter). The Secretary-General went on to assert that the U.S. decision to strengthen its forces had made a very favorable impression on all the Allies. The Secretary of State's previous role as SACEUR, with its very heavy responsibilities in both the

¹Source: Reagan Library, Executive Secretariat, NSC Subject File, Memorandums of Conversation—Vice President Bush (04/29/1981–07/31/1982). Secret. The meeting took place in the Roosevelt Room at the White House. No drafting information appears on the memorandum, but presumably drafted by Rentschler. Allen sent the memorandum to Bush under a May 5 covering memorandum, in which he recommended that Bush approve the memorandum of conversation. A notation on the covering memorandum indicates that Bush approved the memorandum. (Ibid.) Luns was in Washington April 13–16 to meet with Reagan administration officials and members of Congress.

military and political realm, is viewed today as an important asset in NATO's overall strength and the quality of American leadership. The Secretary-General said that General Rogers had built upon the Secretary's earlier effort to bring Greece back into the integrated NATO commands and to prevent conflict with Turkey. The Secretary-General went on to say that in the two important meetings which the Alliance will have in May—the NAC Ministerial and the DPC²—he is of the view that we will make good progress. The recent NPG had been a very good meeting, whose participants had found Secretary Weinberger's briefings to be both excellent and convincing.³ The Europeans, the Secretary-General continued, are always astounded by the amount of detailed information which U.S. intelligence is able to compile about the Soviets. The Secretary-General went on to refer to German Foreign Minister Genscher's recent visit to Moscow and Genscher's strong impression that Brezhnev does not want to intervene in Poland.⁴ (C)

The *Vice President* asked if it were not true that the Soviets had been very reluctant to discuss Poland during that meeting.⁵ (S)

The *Secretary-General* responded that that was true, but that Genscher had no such reluctance himself. The Secretary-General went on to say that the Alliance hopes that the United States will go forward with arms talks with the Soviet Union. He explained that this would have a powerful effect on European public opinion. In that connection, he noted that there is an erroneous view prevalent in Europe, especially in the Federal Republic, that if arms control talks do not go forward, weapon deployments can't go forward. (S)

² The North Atlantic Council (NAC) ministerial meeting was scheduled to take place in Rome May 4–5, while the NATO Defense Planning Committee (DPC) meeting was scheduled to take place in Brussels in mid-May. For the text of the NAC communiqué, released in Rome on May 5, see Department of State *Bulletin*, July 1981, pp. 39–41. For the text of the DPC communiqué, released in Brussels on May 13, see *ibid.*, pp. 42–44.

³ The meeting took place in Bonn, April 7–8. For additional information, see Richard Halloran, "Weinberger Exhorts Allies to Share Burden of Defense," *New York Times*, April 8, 1981, p. A7. In telegram 7176 from Bonn, April 8, the Embassy transmitted the text of Weinberger's remarks made during the opening session on April 7. (Department of State, Central Foreign Policy File, Electronic Telegrams, D810166–0600)

⁴ Genscher visited Moscow, April 2–4, to meet with Brezhnev and Gromyko. For additional information, see Elizabeth Pond, "Genscher travels to Moscow to keep East-West lines open," *Christian Science Monitor*, April 2, 1981, p. 4; R.W. Apple, Jr., "Bonn Aide, in Soviet, Calls for Moderation," *New York Times*, April 3, 1981, p. A3; and Kevin Klose, "Soviets See Struggle in Poland Between Communists, 'Antisocialists'," *Washington Post*, April 4, 1981, p. A11.

⁵ See R.W. Apple, Jr., "German Finds Soviet Silent About Poland: Refusal to Discuss Situation With Genscher Is Termed Ominous," *New York Times*, April 5, 1981, pp. 1, 5.

The *Vice President* asked the Secretary-General how he viewed current political trends in Europe: was there a mounting feeling, especially among leftists, that the United States is doing bad things or is the situation pretty much the same as it has always been? It is hard to read the tea leaves. (C)

In response, the *Secretary-General* said that there is a significant political problem in Germany. A sizable contingent of the SPD is now pushing for arms control. Willy Brandt has become more and more pacifist. As to whether leftist, anti-American feeling has grown or not, the European governments, though favorable to the U.S. point of view, are simply not very courageous. The Secretary-General asserted that Genscher was not wrong when he told him that European governments do not counteract, they only mumble. The Secretary-General said that he liked Dutch Prime Minister Van Agt, but he is among those guilty of that kind of performance. He has clung to power for four years by only two votes, which is no mean achievement; but he is not displaying leadership in the security area. (S)

The *Vice President* asked if Van Agt is likely to win.⁶ (U)

The *Secretary-General* replied that he has faith in the good judgment of the Lord, but sometimes the Lord is absent-minded (laughter). If Van Agt does not win, we will have to deal with his Socialist opponent who has had only one ambition for many years, which is to be Prime Minister, and who will do anything he can to get elected. (C)

The *Vice President* asked the Secretary-General to consider the worst-case scenario: do we have an unraveling of the Alliance? (C)

The *Secretary-General* replied that he did not yet think the situation was that bad. (C)

Secretary Weinberger noted that the Dutch Defense Minister, with whom he had recently met, foresees a more center-left orientation to the government with the coming May elections.⁷ (C)

Secretary-General Luns conceded that that is a good possibility but that he would not exclude the possibilities of a Christian Democrat victory. He noted that Prime Minister Van Agt retains considerable personal popularity, though this might not be sufficient to have a coat-tail effect so far as bringing his coalition back into power is concerned. (C)

⁶ General elections were scheduled to take place in the Netherlands on May 26. On that day, Van Agt's coalition lost its parliamentary majority. (R.W. Apple, Jr., "Dutch Voters Send Mixed Signal on Missiles," *New York Times*, May 27, 1981, p. A7)

⁷ Pieter de Geus, Dutch Defense Minister from August 25, 1980, until September 11, 1981.

The *Vice President* said that he sensed from the responses of his visitors that there was nothing imminent which was undermining the NATO Alliance. (C)

Mr. Van Campen agreed and noted that even in the event that somebody like Mitterrand were elected President in France, he would remain true to the Alliance.⁸ (C)

Secretary-General Luns observed that he could not say publicly what he can say in the privacy of his meeting with the Vice President, which was that military cooperation between the Alliance and France is in fact very good. In terms of historical experience, France is doing more in peacetime today than they have ever previously done so far as Allied cooperation is concerned, including their experience in the Little Entente⁹ or any other period of French history. Giscard's visit to Warsaw was not a success, not even internally, and the evidence is clear that cooperation between France and its Western Allies is better now than it has been for a long time. The Secretary-General suggested that the United States consider inviting Giscard to the United States. (C)

Secretary Haig stated that in his view the overall demeanor of our relations with France is far more constructive than he ever anticipated it would be. (C)

Secretary-General Luns noted that there is an extreme right-wing in French politics and that it says very scandalous things about the United States. (C)

Mr. Van Campen agreed and said that General Gallois¹⁰ is going around the world telling people that if there is no longer any will in Europe for defense, it is because the United States has deprived Europe of the means to defend itself. (C)

The *Vice President* asked for the Secretary-General's views on the situation regarding Spanish membership in NATO. (C)

The *Secretary-General* replied that Norway and Denmark are a bit of a problem in this regard because they are inclined to follow the lead of the Socialist Party in Spain, and to put all sorts of conditions on Spanish membership. (C)

Ambassador Bennett felt that, in the end, we will bring the Scandinavians around on this issue. (C)

⁸The French Presidential election was scheduled to take place on May 10. Mitterrand won the election.

⁹Reference is to the alliance formed amongst Czechoslovakia, Romania, and Yugoslavia in 1920 and 1921, which France supported.

¹⁰French politician and former Air Force Brigadier General Pierre Marie Gallois.

Secretary-General Luns noted the irony of a situation in which we tell the Spaniards they cannot place any conditions upon their membership while at the same time some members of the Alliance try to attach such conditions. This behavior contrasts with the situation in which the Federal Republic was admitted to Alliance membership. On that occasion, there were no conditions, either when it joined NATO or the European Community. Everyone else in the Alliance favors Spanish membership and only the Norwegians and the Danes are raising difficulties. Spain knows that it cannot bring the Gibraltar issue into the Alliance, nor will the Alliance agree to defend the Moroccan enclaves of Melilla and Ceuta. (C)

The *Vice President* said that he has detected a certain feeling in Europe to the effect that strengthening NATO increases its confrontational aspect.¹¹ (C)

The *Secretary-General* agreed that such a feeling exists in some areas and that it reflects the old “destabilization” argument, namely, that we should avoid building up our defenses because that would be “provocative” and increase feelings of instability. (C)

The *Vice President* asked if this attitude was on the increase. (U)

The *Secretary-General* responded that he did not think it was. Returning to the situation in Spain, he noted that we now had evidence that the coup attempt against Spanish democracy was much more serious than originally thought.¹² A good many of the generals had been wavering at the time of the coup. (C)

Secretary Weinberger asked the Secretary-General for clarification on that point. (U)

Mr. Van Campen interjected that only two or three generals had phoned King Juan Carlos to declare their loyalty; this meant that all the others were at least potentially ready to support the coup attempt. (S)

Secretary Haig noted that Juan Carlos is basically an optimistic fellow, but even he recognizes that he used up a good deal of capital in turning back the coup attempt and that he probably could not pull it off again. (C)

¹¹ An unknown hand wrote a question mark in the right-hand margin next to this sentence.

¹² Reference is to the attempted coup d'état in Spain on February 23. During a vote in the Congress of Deputies to approve Deputy Prime Minister Leopoldo Calvo Sotelo as Prime Minister, Civil Guards, led by Lieutenant Colonel Antonio Tejero Molina, stormed the chamber and took the legislators hostage. The state-run television station outside of Madrid was also seized. (James Markham, “Spain’s Rightist Civil Guards Seize Parliament Amid Vote on Premier; Bulk of Army Said Loyal to Regime,” *New York Times*, February 24, 1981, pp. A1, A6) The Department’s February 24 statement on the attempted coup is printed in Department of State *Bulletin*, April 1981, p. 29. Documentation on the coup attempt is scheduled for publication in *Foreign Relations, 1981–1988*, vol. VII, Western Europe, 1981–1984.

The *Vice President* turned to Mr. Allen and asked if he had any particular questions he wished to address to the Secretary-General. (U)

Mr. Allen replied that in his view, the mood of the American people was very much behind the President's rearmament program but there was no longer much public awareness of the American stake in NATO itself. This prompted him to wonder what might be done to get across information to our publics concerning the true value of NATO and what it has done to keep the peace for the last 30 years. (C)

At this point the meeting concluded to enable the Secretary-General to meet in a restricted session with the President in the mansion.¹³ (U)

¹³ The President and other administration officials met with Luns in the second floor residence at the White House from 11 until 11:38 a.m. Reagan was recovering from the assassination attempt on his life made on March 30. (Reagan Library, President's Daily Diary) In his personal diary entry for April 16, the President noted: "Met with Sec. Gen. of N.A.T.O. —Luns. He recalled our meeting with N.A.T.O. high command in 1972 Brussels. He confirms the new spirit of N.A.T.O. and believes we can get Spain involved by Sept. The So. Flank problem (Greece & Turkey) is coming along." (Brinkley, ed., *The Reagan Diaries*, vol. I, January 1981–October 1985, p. 31) In telegram 2672 from the Mission to the North Atlantic Treaty Organization, April 23, the Mission reported that Luns briefed NAC members on his trip and "spoke in glowing terms of his meeting with President Reagan. Luns said that he had been accompanied to the President's private quarters in the White House by Vice President Bush, as well as by Secretary Haig and Secretary Weinberger, where he had met with the President for approximately 40 minutes. Luns expressed his admiration for the President's courage and physical resilience and stated that his reception by the President, as well as his warm reception by the most senior members of the USG, demonstrated the importance the US attaches to the Alliance." (Department of State, Central Foreign Policy File, Electronic Telegrams, [no N number])

44. Memorandum From the Under Secretary of Defense for Policy (Iklé) to Secretary of Defense Weinberger¹

I-20389/81

Washington, April 21, 1981

SUBJECT

National Security Priorities—Memorandum for the President

The attached list was largely worked out between us and the State Department (Rick Burt),² and reflects in many ways DoD-suggested changes. I am not sure, though, it still serves a useful purpose now to send it forward.

The only item added without our agreement is the penultimate tick on page 2 about North-South economic issues. The *diverse* economic issues relating to countries in the Southern Hemisphere should not be lumped together under the old label of “North-South,” which presumes something like collective bargaining between us and all the less-developed countries. One of the mistakes of the Carter Administration was to accept this confrontation as given, and then look for ways in which the Capitalist northern countries could atone for the fact that their economies were more successful. (Obviously, the new State Department team does not have such an approach in mind, but we must guard against slipping back in the old mold).

Fred C. Ikle³

¹ Source: Reagan Library, Fred Iklé Files, Chron: March 1981 (3). Secret. A stamped notation in the top right-hand corner of the memorandum indicates that Weinberger saw it on April 23. Iklé sent the memorandum to Weinberger under an April 22 covering memorandum, writing: “The attached list was largely worked out between us and the State Department (Rick Burt), and reflects in many ways DoD-suggested changes. By now, however, the list is somewhat obsolete. Frank and I agree it would not serve a useful purpose to forward this list at this time. Al Haig may advance reasons why the list should either be updated or sent as is. (Ibid.) An unknown hand wrote “OBE” in the top right-hand corner of the memorandum.

² Under an April 15 action memorandum, Burt and Wolfowitz sent Haig a copy of the memorandum, noting that they had been working with Defense officials on “generating a list of national security priorities,” adding: “Although you have a better sense than I do of whether it would be ‘politic’ to send this letter over to the White House at this particular time, I recommend that you and Cap sign the letter and that we begin to map out a strategy for getting these issues on the NSC agenda.” Burt and Wolfowitz recommended that Haig send the letter to Reagan; Haig initialed his approval. (Ibid.)

³ Iklé signed “Fred” above his typed signature. Next to Iklé’s signature, Weinberger wrote: “I don’t think any purpose is served by this letter now.”

Attachment**Memorandum From Secretary of State Haig and Secretary of Defense Weinberger to President Reagan⁴**

Washington, April 15, 1981

SUBJECT

National Security Priorities

We have been working closely together to plan our activities so that we can move ahead rapidly and efficiently to implement your foreign policy and national security program. We believe the following priorities should guide our Departments' work and the deliberations of the National Security Council (NSC) over the coming months.

—Our top priority is the *Persian Gulf* region. Our goal is for the NSC to decide on an overall program for improving our security posture in that volatile region. Closely related to this broad effort is the need to bring *Pakistan, Turkey, Egypt* and *Israel* more directly into our security planning in the region. A substantial security assistance package for each country will be an important element in determining our success with them. The question of a US role in the Sinai peacekeeping force (to be established under the Camp David accords) must be seen in this larger context. And preparations for *oil emergencies* must also be strengthened (in coordination with the DOE).

—A number of military issues affect the *NATO Alliance*. We need to develop better tactics to encourage greater Allied defense efforts and to manage the continuing difficulties in the implementation of NATO's decision to modernize theater nuclear forces.⁵ Similarly, we are reviewing US policy toward *Japan*, to maintain close relations and to secure increased Japanese defense contributions.

—The NSC needs to address your overall principles for our *relations with the Soviet Union* and to apply those to a series of specific issues: our continuing preparations to ward off (or respond to) a Soviet invasion of Poland, our preparations for initial steps in arms control, and our management of East/West trade.

—*Central American Security* issues pose a special problem for your Administration. We must continuously adjust and improve our policies to counter guerrilla activities in El Salvador and to interdict the Soviet

⁴ Secret. A stamped notation in the top right-hand corner of the memorandum indicates that Weinberger saw it on April 23.

⁵ See footnote 6, Document 35.

and Cuban supported flow of arms. We need to strengthen governments in Costa Rica, Honduras, and other nations of Central America and we have to develop a policy designed to turn around the situation in Nicaragua.

—*For Cuba* we should develop a longer-term policy that will help curtail the Cuban intervention worldwide, (in Africa, as well as Central America). This policy has to combine judiciously selected military support for the forces opposing Cuban intervention with a program of political action.

—The Administration should develop a coherent policy to guide relations with *China and Taiwan*, and by strengthening US ties with China help counter Soviet influence.

—The far-flung activities of *Libya* against our interests require a strategy that must enlist the support of other African nations, as well as certain European powers. Libya's occupation of Chad presents both a challenge by and a vulnerability for Qadhafi.

—In addition, we will, in the near future, need to address questions relating to growing *refugee* problems and *North-South* economic issues.

—We believe that the issues underlined above would represent a good starting point in developing the agenda for the NSC during the coming months. There are, of course, a number of other subjects which we will be following and on which we will keep you apprised; but our expectation is that they can be resolved without NSC meetings.⁶ We will continue to work together to update our list of NSC priorities.

⁶ An unknown hand placed a brace in the right-hand margin next to a portion of this sentence and wrote something that is illegible.

45. Address by Secretary of State Haig¹

Washington, April 24, 1981

A New Direction in U.S. Foreign Policy

Some 100 days have elapsed since President Reagan's inauguration. In the field of foreign affairs, the first controversial steps have been

¹ Source: Department of State *Bulletin*, June 1981, pp. 5–7. Haig spoke before the American Society of Newspaper Editors. For the transcript of a question and answer session following Haig's address, see *ibid.*, pp. 7–10.

taken. To paraphrase Mark Twain, these actions have pleased more than a few and astonished the rest. Although we have not remade the world, a new direction is evident.

We are acting to restore confidence in American leadership through a more robust defense of U.S. ideals and interests and a more realistic approach to the dangers and opportunities of the international situation. It is my purpose today to outline briefly the philosophy behind the new direction: this Administration's view of the realities of the world and the tasks before us.

A French statesman once remarked that the true business of government was to foresee problems and to administer appropriate remedies while time remained. In our approach to foreign affairs, we have sought to distinguish between the symptom of the problem and the problem itself, the crisis and its cause, the ebb and flow of daily events and the underlying trend. The problems that beset us are clearly symptomatic of deeper disorders, and it is to these fundamental movements of international politics that we must direct our remedies.

- Worldwide inflation, caused in part by astounding increases in the cost of oil, interrupts balanced economic growth essential to the aspirations of both developing and developed nations.

- Limited resources and political disturbance impede the eradication of hunger, poverty, disease, and other important humanitarian goals.

- Disruption from abroad threatens a more vulnerable West, as we draw energy and raw materials from regions in which the throes of rapid change and conflict prevail.

- Soviet military power grows relentlessly as Moscow shows an increasing readiness to use it both directly and by proxy and obstructs the achievement of a more just international order.

We must understand that these conditions are interrelated; they play upon each other; and the danger is, therefore, all the greater. If present trends are not arrested, the convergence of rising international disorder, greater Western vulnerability, and growing Soviet military power will undo the international codes of conduct that foster the peaceful resolution of disputes between nations. The symptoms of this breakdown – terrorism, subversion, and conquest – are already apparent. The ideals and safety of democratic societies are under assault.

Imaginative remedies might have prevented the current danger. Unfortunately, as these ominous developments gathered strength over the last decade, America's confidence in itself was shaken, and American leadership faltered. The United States seemed unable or unwilling to act when our strategic interests were threatened. We

earned a reputation for “strategic passivity,” and that reputation still weighs heavily upon us and cannot be wished away by rhetoric. What we once took for granted abroad – confidence in the United States – must be reestablished through a steady accumulation of prudent and successful actions.

Before others can repose confidence in us, we must ourselves be confident. The Reagan foreign policy, therefore, begins with a justifiable pride in our country, its ideals, and in its achievements. Government by the people and a society under law are great principles to defend. Regard for individual liberty at home translates into a concern for human rights abroad.

Moreover, we are fully conscious of our historic role in the defense of freedom. Together with our allies, we have shared peace and prosperity. The United States continues to be the natural anchor for the free societies of the Atlantic and Pacific. Our objective remains simple and compelling: a world hospitable to our society and our ideals.

Confidence in ourselves—the crucial psychological element in any foreign policy—is evident throughout President Reagan’s program to restore confidence in American leadership abroad. Our actions are directed toward three projects:

First, to enlarge our capacity to influence events and to make more effective use of the full range of our moral, political, scientific, economic, and military resources in the pursuit of our interests;

Second, to convince our allies, friends, and adversaries—above all the Soviet Union—that America will act in a manner befitting our responsibilities as a trustee of freedom and peace; and

Third, to offer hope and aid to the developing countries in their aspirations for a peaceful and prosperous future.

The President has established clear priorities in the pursuit of these projects. Understanding that American economic weakness would cripple our efforts abroad, he has proposed a revolutionary program to restore inflation-free economic growth. This program recognizes that America’s strength is measured not only in arms but also in the spirit of individual enterprise, the soundness of the dollar, and the proper role of government in a free society.

Fundamental to this approach is also the belief that economic recovery must be accompanied by a prompt correction of defects in our military posture. For too long, we have ignored this fact: The military strength required by the United States can be achieved only through sacrifice and consistent purpose. We have proposed a heavy investment in our Armed Forces to assure safety for ourselves and the generations to come.

Our economic and military programs have not lessened the need for balanced economic and security assistance abroad. This helps

allies and friends to join us in contributing to the general security. It also adds to the flexible instruments of influence required for a successful foreign policy.

These efforts to strengthen America's economic and military capabilities provide the foundation for an American diplomacy that includes the following aims: restraining the Soviet Union; reinvigorating our alliances; strengthening our friends; and a more effective approach to the developing countries.

Restraining the Soviet Union

A major focus of American policy must be the Soviet Union, not because of ideological preoccupation but simply because Moscow is the greatest source of international insecurity today. Let us be plain about it: Soviet promotion of violence as the instrument of change constitutes the greatest danger to world peace.

The differences between the United States and the Soviet Union concern the very principles of international action. We believe in peaceful change, not the status quo. The peoples of the world seek peace, prosperity, and social justice. This is as desirable as it is inevitable. The United States could no more stand against such a quest than we could repudiate our own revolution. We were the first to proclaim that individual liberty, democracy, and the rule of law provided the best framework for the improvement of the human condition. And we have led the attempt since the Second World War to maintain two principles of international action: the peaceful resolution of disputes and the proscription of outside intervention in the affairs of sovereign nations.

In contrast, Soviet policy seeks to exploit aspirations for change in order to create conflict justifying the use of force and even invasion. Moscow continues to support terrorism and war by proxy.

There is an additional dimension to the danger. In regions sensitive to Western interests, in the littorals of critical sea passages, in areas that hardly affect Soviet security, you will find Moscow taking a keen interest in conflict. Thus, Western strategic interests, as well as the hopes for a more just international order, are at stake.

Our objective must be to restore the prospects for peaceful resolution of conflict. We can do this by demonstrating to the Soviet Union that aggressive and violent behavior will threaten Moscow's own interests. We can do this by demonstrating, as we are doing in El Salvador today, that a government bent on making necessary reforms will not be overthrown by armed intervention supported by Moscow or its surrogates. We can do this by never accepting the Soviet occupation of other countries, such as Afghanistan.

Only the United States has the pivotal strength to convince the Soviets—and their proxies—that violence will not advance their cause.

Only the United States has the power to persuade the Soviet leaders that improved relations with us serve Soviet as well as American interests. We have a right, indeed a duty, to insist that the Soviets support a peaceful international order, that they abide by treaties, and that they respect reciprocity. A more constructive Soviet behavior in these areas will surely provide the basis for a more productive East-West dialogue.

Reinvigorating Alliances

Another essential element in the restoration of our leadership is the strengthening of our alliances. From the outset of this Administration, we have placed a high priority on repairing the damage done to these alliances in recent years. Rebuilding alliance solidarity is a precondition for redressing the East-West military imbalance and for constraining Soviet international behavior.

Perhaps the most useful concept to govern these critical relationships is "consultation." Consultation should mean more than the formal act of soliciting opinions. It suggests what alliances really mean: shared interests, reliable performance, and sensitivity to each other's concerns.

We have acted to restore consultation as a useful instrument of alliance communication and solidarity. President Reagan's numerous meetings with heads of state and foreign ministers, as well as my own, have been marked by refreshing exchanges of views. A warm welcome awaits a United States willing to listen before it acts.

We are moving already beyond exchanges of views toward common strategic perceptions and concrete acts. We and our allies are taking common steps to restrain Soviet aggression and to restore our strength.

- On Poland, we have collectively sent a firm signal to the Soviet Union. The Soviets are now well aware that intervention would bring severe and lasting consequences. Indeed, the restraint we have seen offers some evidence of the benefits of alliance cohesion and resolve. Simultaneously, the West is working together to help the Polish people economically, so they can deal with their own problems.

- On theater nuclear forces, we and our allies have reaffirmed our commitment to modernization of NATO's theater nuclear capabilities based on NATO's so-called two-track decision of 1979.² We will also make a serious effort to pursue European theater nuclear arms control with the Soviets.

- In critical regions such as the Middle East and Southwest Asia, we have launched a new, intensive effort aimed at achieving common

²See footnote 6, Document 35.

approaches to protect our vital interests and to help assure peace. At a meeting of allies interested in southern Africa earlier this week in London, we began to reach consensus on a realistic and fair approach to the important problem of Namibia.³

- On economic challenges, we are all experiencing slower growth and high inflation. Here again we understand that international cooperation is essential to solve each of our national problems. For example we have reaffirmed our belief in free trade as we consult with Japan to alleviate the plight of the auto industry in the United States.

Looking toward the NATO ministerial meeting early next month and the Ottawa economic summit in July,⁴ the most advanced nations in the world are coming together to meet the challenge from Soviet expansionism, regional instability, and economic interdependence.

Strengthening U.S. Friends

The reinvigoration of our alliances must be accompanied by the strengthening of our friends as well. This is particularly important in the Middle East and Southwest Asia, a region where violent action by the Soviet Union and its surrogates demands a more effective Western response.

The President's purpose in sending me recently to the area was to seek the wisdom of our friends on the issues of peace and security.⁵ But he also sent a message. The United States is fully cognizant of regional complexities and the necessity to proceed with the peace process. At the same time, we are determined to strengthen our friends and to work with them against the threat posed by the Soviet Union and its surrogates. These great projects must go forward together if we are to shake off our reputation for strategic passivity in the area and safeguard Western interests.

Fresh Approach to Developing Countries

Restraint of the Soviets, the reinvigoration of our alliances, and the strengthening of our friends are crucial aspects of the Reagan foreign policy. But the underlying tensions of international affairs go beyond the themes of allies and adversaries. A fresh American approach to the

³ Officials from the United States, the United Kingdom, the Federal Republic of Germany, France, and Canada, constituting the Western Contact Group (see footnote 8, Document 35), met at the U.S. Embassy in London April 22 to discuss Namibian independence proposals. Crocker represented the United States. For additional information, see R.W. Apple, Jr., "Namibia Plan Gains at Talks in London: 5 Western Nations, Including U.S. Confer on New Proposals for Territory's Independence," *New York Times*, April 23, 1981, p. A7.

⁴ See footnote 2, Document 43 and Document 57.

⁵ See Document 34 and footnote 2 thereto.

developing countries is essential if we are to treat the roots of international disorder.

The developing countries, sometimes grouped together as the Third World, are a vastly varied multitude of states, most of them beset by severe economic and political problems. What once united them—the memory of colonialism—is fading. The new emphasis is on the future, not the past.

The West in general and the United States in particular hold the key to that future. It is we who demonstrate by our own history how to combine freedom and development, political stability and economic progress. Two guidelines should govern our actions.

- We must show that friends of the United States benefit from our friendship, even in the face of Soviet-supported intervention.
- We must offer hope that the United States and its allies are not some form of closed club, hostile to the problems and frustrations attending development.

Our record on the issues of increasing concern to the future of the developing countries offers a sharp contrast to that of the East. We support economic development; the East does not. We assist the refugees; the East refuses relief. We offer the peaceful mediation of dispute; the East offers only arms of conflict. The developing countries are beginning to recognize where their best hopes lie, and it is in both the interests of humanity and our own national security that we promote such a trend.

In reviewing the causes of the Second World War and prospects for peace in the future, Winston Churchill concluded: “How absolute is the need of a broad path of international action pursued by many states in common across the years, irrespective of the ebb and flow of national politics.”⁶

As we enter the final decades of the 20th century, it is the task of the United States to lead the pursuit of this broad path, beckoning toward a more peaceful and prosperous international order. Knowledge of the obstacles before us will protect us against false optimism. Knowledge of ourselves will protect us against despair. Our difficulties will not disappear overnight. Yet we should not dwell too much on the troubles of the moment. The free nations of the Atlantic and the Pacific represent the greatest concentration of talent and wealth in world. We are a community of peoples devoted to human rights, democracy, and the rule of law.

⁶ Quote is from Winston Churchill, *The Second World War, volume 1, The Gathering Storm* (Boston: Houghton Mifflin, 1948).

Our prospects are bright. Only constancy of purpose is required to preserve successfully the liberty that is the treasure of our civilization.

46. Editorial Note

Under Secretary of State for Political Affairs Walter Stoessel addressed the Los Angeles World Affairs Council on April 24, 1981. Stoessel began his remarks by emphasizing the “four basic elements” of the Ronald Reagan administration’s foreign policy and how U.S. efforts must be consistent, clear, and “focused within a framework which permits actions and policies in one region to be mutually reinforcing in another region.” After providing an overview of U.S. interests in Asia, Stoessel spoke specifically about Japan: “Our relationship with Japan is not only the cornerstone of our policy in Asia but one of the most close and vital relationships in our global alliance structure. As the relationship has matured, we have forged a productive partnership to deal with many of the most serious challenges of our times.

“As part of our security agreement with Tokyo, we maintain a credible deterrent force in East Asia. The Japanese have undertaken an increasingly larger contribution to the costs of maintaining these forces. Together, we have worked out guidelines for joint defense planning and continue to consult extensively on defense issues.

“Our economic ties are no less important. Bilateral trade between our two nations exceeded \$51.5 billion in 1980. Japan is our largest market after Canada and our best customer for agricultural products, as more acreage in the United States is devoted to producing food for Japan than within Japan itself.

“No relationship, no matter how solid, is without some rough spots. Our large bilateral trade deficit and the auto import question are two economic issues which both countries will need to resolve. On the trade deficit, I might note that a positive trend has emerged, which will contribute to a more balanced relationship. So far in 1981, our exports to Japan have risen dramatically—46% since 1978—while our imports rose by only 8% during the same period.

“Our two nations are firmly linked as equal partners in a full spectrum of regional and global interests. We have welcomed the emergence of a more active Japanese foreign policy and Japanese initiatives in dealing with many different issues of global concern. In addition to its involvement in Asian and Pacific questions, Japan has demonstrated its willingness to play an active and constructive role in the

Middle East, Africa, and Latin America. Japan has made a commitment to provide greater amounts of economic assistance to developing countries, accepting the responsibilities of the world's second largest economic power.

"We welcome and encourage a major Japanese role in world affairs. We will look to Japan to exercise leadership in dealing with the complex challenges confronting the international community. In this regard, we welcome the visit to our country in early May of Prime Minister Suzuki as a unique opportunity to take stock of our mutual interests and to devise common strategies." Stoessel also discussed U.S. relations with China, Taiwan, South Korea, and the Association of Southeast Asian Nations. (Department of State *Bulletin*, June 1981, pages 33–34) The complete text of Stoessel's address is *ibid.*, pages 33–35.

47. Memorandum From Secretary of State Haig to President Reagan¹

Washington, April 29, 1981

SUBJECT

The Atlantic Alliance

From the outset of your Administration, you have placed a high priority on repairing the damage done to the Atlantic Alliance in recent years. Rebuilding *Alliance solidarity is a precondition for redressing the East-West military imbalance and for constraining Soviet international behavior.* This is no easy task.

—On top of the legacy of weak and inconsistent Alliance leadership we inherited from the Carter Administration, there are deep—though I believe mistaken—apprehensions in Europe that we are on a collision course with an increasingly desperate Soviet Union, with Europe most likely to suffer from the collision.

¹ Source: Reagan Library, Political Affairs Directorate, NSC Records, Chron April 1981 (04/29/1981); NLR-920-1-32-3-0. Secret. A copy of the memorandum is in Department of State files. It bears a typed notation that reads: "Direct by Special Courier to WH 11 am 4/29. jgm." (Department of State, Executive Secretariat, S/S Records, Special Handling Restriction Memos, 1979–1983; Lot 96D262, 1981 ES Sensitive April 20–30) Also scheduled for publication in *Foreign Relations, 1981–1988*, vol. VII, Western Europe, 1981–1984.

—Moreover, American and European politics are largely out of phase, with environmentalism, anti-nuclear sentiment, and a hunger for disarmament on the rise in many Allied countries.

We now have completed an initial round of consultations with key Allies and are heading into the NATO Ministerials,² your talks with Schmidt³ and your summit meeting in Ottawa.⁴ Despite the differences and doubts we have done well so far. But I am deeply concerned about a growing perception in Europe of U.S. inconsistency.

This is a good time to reflect on the reasons for the progress we have made to date and on the principles which should guide us in the future. Based on our experience of the past few months, three guidelines stand out in my mind.

First, the United States must lead.

Second, if we push too hard or are inconsistent, we risk a return to the disarray of recent years.

Third, our handling of a few key issues will be decisive in determining the future unity and purposefulness of the Alliance.

U.S. Leadership to Date

In response to our leadership, the Allies have been willing to speak out strongly on issues of real importance to us.

—They have continued to send a firm signal to the Soviets on Poland.

—They have reaffirmed their commitment to TNF modernization, based on the December 1979 two-track decision,⁵ and they have agreed to state that arms control is related to Soviet conduct.

—Schmidt gave the Soviets a strong warning in his state of the nation speech.⁶

—We expect the NATO Ministerial communique to present a firm stance vis-a-vis the Soviet Union.

² See footnote 2, Document 43.

³ Schmidt was scheduled to visit the United States May 20–23. Documentation on the visit is scheduled for publication in *Foreign Relations, 1981–1988*, vol. VII, Western Europe, 1981–1984.

⁴ See Document 57.

⁵ See footnote 6, Document 35.

⁶ Schmidt delivered his state of the nation address before the Bundestag in Bonn on April 9. According to the *Washington Post*, “Schmidt blamed Moscow for disturbing international peace and upsetting the balance of military power in Europe. The remarks seemed intended primarily to counter spreading pacifist sentiment in West Germany.” (Bradley Graham, “Schmidt Appeals for Continuity,” *Washington Post*, April 10, 1981, pp. A1, A25) In telegram 7417 from Bonn, April 10, the Embassy transmitted a summary of the Bundestag address. (Department of State, Central Foreign Policy File, Electronic Telegrams, D810171–0343)

None of this would have happened if the Allies had not sensed the new US determination to restore Western strength and resist Soviet expansionism. But it also would not have happened without your willingness to help our friends meet their own political needs and thus maintain support for NATO policies. For Giscard in particular this meant your willingness to move on CDE; for Schmidt and others it meant willingness to reaffirm our dual-track approach to TNF. These moves were important in themselves and in showing all the allies that we mean to work within their political boundaries even as we pursue our own more ambitious goals.

Realities of the European Situation

We must continue to base our leadership on a clear understanding of realities in Europe. Otherwise we *risk losing momentum, and even returning to open disunity. We could be forced increasingly toward unilateralism in meeting the Soviet challenge, deprived of crucial Allied support.*

The British remain our most reliable Ally, the *French* by far the most robust. However, both Mrs. Thatcher and Giscard are deeply concerned that we take into account the situation in the *FRG*. Mrs. Thatcher almost pleaded with me in London that we take care not to isolate Chancellor Schmidt, whom she described as “a really good friend of the U.S.”⁷ As I reported to you, they deeply fear the consequences of misunderstanding between a resurgent U.S. and an exposed *FRG*.

The realities of the German situation remain: the fact that Germany is a divided country makes the benefits of detente more tangible and politically sensitive than for any other Western country. The humanitarian content (visits between the *FRG* and *GDR* of divided families) of Ostpolitik is far more important than even the sizeable economic motives. Berlin is an especially sensitive pressure point. The *FRG* is very much on the front-line of NATO and is the key to its success. Left-wing pressure groups are growing more strident, and Schmidt is having trouble holding his party together.

Elements of the German situation are present throughout NATO. The Dutch, Belgians, Norwegians, Danes, Italians and others have large and important domestic constituencies devoted to improved relations with the Soviet Union. Most of them face serious economic difficulties. Even the British face resurgent peace movements, radicalization of

⁷ Haig was in London April 9–11. In telegram Secto 2119 from London, April 10, Haig summarized for the President his April 10 discussions with Thatcher and Carrington, characterizing the day as “interesting and productive.” (Department of State, Central Foreign Policy File, Electronic Telegrams, D810175–0177) Documentation on the visit is scheduled for publication in *Foreign Relations, 1981–1988*, vol. VII, Western Europe, 1981–1984.

the political left, and serious economic problems. *Leaders in all of these countries must take these facts into account not only to maintain support for U.S. and Alliance policies but also to survive and to keep their parties from collapsing.*

Key Issue

TNF has become the most immediate test case of our ability to manage this complex situation. If we fail to sustain support for the deployment of modern theater nuclear weapons we will lose far more than a much needed strengthening of our nuclear arsenal in Europe. We will suffer a fundamental political reverse from which the Atlantic Alliance would not recover for many years.

Schmidt reminded me in Bonn that it was he who first called for TNF modernization.⁸ He wanted me to assure you in the strongest possible terms that the FRG would stand firmly behind the decision to station Pershing and cruise missiles in Germany “no matter how much the far left might yell”. But he also made vividly clear that it would be impossible for him politically to stand behind modernization if the U.S. failed to pursue negotiations on limiting TNF deployments with the Soviets. I would add that the same is true with the other key deployment countries—the U.K., Italy and Belgium. None of the leaders realistically expect an early agreement. Schmidt told me the negotiations could go on “for six years”. All need the fact of negotiations to maintain popular support for deployment.

We need steadiness on this matter, with no US deviation from NATO’s two-track decision, and no hint that the US is placing conditions on further movement on TNF arms control. If the Soviets invade Poland, the Allies will agree that the basis for arms control, including on TNF, has been destroyed. Short of that, failure to resume talks with the Soviets will risk broad Allied demands that we suspend modernization until arms control is resumed. Once suspended, we would almost certainly not be able to get modernization back on track again.

Necessity for Consistency

Part of the European reluctance to follow U.S. leadership is the lack of credibility and consistency of previous Administrations. There are a number of recent storm warnings that there is renewed concern in Europe about this American tendency. Allies are worried that they

⁸ Haig met with Schmidt and Genscher in Bonn on April 12. In telegram Secto 2141 sent from the Secretary’s aircraft, April 11, Haig summarized the meeting for the President. (Department of State, Central Foreign Policy File, Electronic Telegrams, [no N number]. Documentation on the visit is scheduled for publication in *Foreign Relations, 1981–1988*, vol. VII, Western Europe, 1981–1984.

might find themselves once again exposed as we zigzag between confrontation and accommodation.

—We cannot argue that TNF talks are out because the Soviets are still pressuring Poland, after we have lifted the partial grain embargo because the situation in Poland permitted us to do so.⁹

—We cannot ask the Europeans to accept missiles on their soil, if we remove land-based missiles from the United States.

Our key task is to build a political base with the Allies and to close the confidence gap. There must be a new premium on consultations and consistent political signals. This does not mean hypersensitivity to Allied concerns, which could paralyze our initiatives. It does mean that we take their needs and perspectives into account as we bring the Allies to accept our view of East-West relations and the increased defense efforts it entails.

After we have regained their confidence, then we will be in a better position to push for more from the Allies. To gain that confidence requires steadiness and patience. It's a several year task.

⁹On April 24, Reagan, in a prepared statement read by Speakes at a press briefing, announced that he was "lifting the U.S. limitation on additional agricultural sales to the Soviet Union," which he had pledged he would do during the 1980 Presidential campaign. The President indicated that he was able to take this action because the U.S. position was now clear: "we will react strongly to acts of aggression wherever they take place. There will never be a weakening of this resolve." (*Public Papers: Reagan, 1981*, p. 382) See also *Congress and the Nation*, vol. VI, 1981–1984, p. 495. For Haig's comments on the lifting of the embargo, made during the question and answer session following his April 24 ASNE address (Document 45), see Department of State *Bulletin*, June 1981, pp. 7–8.

48. Address by Secretary of State Haig¹

Syracuse, New York, May 9, 1981

NATO and the Restoration of American Leadership

Graduation is a time for rejoicing. It should also be a time for introspection when we examine our directions in life, both as individuals and as a nation. This morning, with your indulgence, I would like to say a few words about America and where America is going, particularly our foreign policy. And I want to call your attention specifically to one of our most precious legacies—the Atlantic alliance.

Americans have been described as a people constantly in search of themselves. The vast number of schools and colleges, adult and home-education courses, tell a story of a relentless desire for self-improvement. We are not satisfied with the present. As President Reagan has described it so well, we are dreamers of a better future.

All of us know that in recent years, we have spent a great deal of time and effort examining our society with a critical eye. Observers from abroad described us as confused, lacking in confidence, and unsure of our purposes. The most fundamental questions were asked: Did our democratic institutions still work? Were they worth defending? Could we offer anything to the world? Was the dream over?

I believe this period of a perhaps excessive American introspection has come to an end. We are more certain of ourselves today than we have been for a long time. A profound national consensus has emerged. Our democratic institutions work. They are worth defending. Our ideals and our liberty do offer a notable example to a world desperately searching for peace and prosperity. The dream lives.

¹ Source: Department of State *Bulletin*, June 1981, pp. 11–12. Haig delivered the commencement address before the graduating class at Syracuse University. Under an April 25 action memorandum, Wolfowitz sent Haig “provisional outlines” for three speeches Haig was scheduled to deliver in May, including the one at Syracuse, writing: “We have attempted to develop the arguments behind the Administration’s new foreign policy directions and to force the debate as much as possible onto our terms (for example, by explaining how our policy is not simply ‘anti-Soviet’, but is the most realistic way to achieve peace and serve other positive goals.” (Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons PW 4/21–30/81) Wolfowitz sent Haig another outline of the Syracuse speech, as well as “a one-page statement of purpose and a one-page outline in brief,” under an April 28 action memorandum, stating: “I call to your attention the question of whether the introductory paradoxes might sound a little too academic. But I think that it is useful to score points by raising surprising and thoughtful questions, which will make your firm and positive answers seem the more striking.” (Ibid.)

This consensus, this reassertion of American self-confidence, is the very basis of the President's foreign policy. Our objectives are straightforward: We want a world hospitable to our society and ideals. And our objectives can be achieved if we restore American leadership.

Major Points in U.S. Approach

Let me give you a sense of our direction by discussing briefly four major points in our approach:

- First, our insistence on restraint and reciprocity in East-West relations;
- Second, our determination to strengthen our alliances, particularly the Atlantic alliance;
- Third, our intention to play a constructive role in the Third World; and
- Fourth, our firm resolve to strengthen our economy and our defenses.

Restraint of Soviet Union. An insistence on restraint and reciprocity in East-West relations is the central theme of our foreign policy. If we are seriously interested in a world where there can be peaceful change, where nations can settle disputes short of war, then we must act to restrain the Soviet Union. Soviet actions or the actions of Moscow's surrogates threaten Western strategic interests. Even more importantly, it is Soviet reliance on force and the threat of force to create and exploit disorder that undermines the prospect for world peace today.

Reinvigoration of Alliances. The next point must be to strengthen our alliances, especially the Atlantic alliance. The beginning of wisdom is to establish the consensus and confidence with our allies that has been missing in recent years. The key to this is genuine consultation, which has several elements. We must be good listeners; we must be frank with one another; we must work for the common good; and we should give each other the benefit of the doubt. Candor will serve the alliance well, but surely it will be more effective in quiet diplomacy than through the medium of public criticism.

Approach to Third World. The third point is our intention to play an active and constructive role in the Third World. It is important to do this for our own interests. Just as important, however, we should do our part for the well-being of the developing countries.

An American approach to the Third World clearly requires an acknowledgment of the problem presented by Soviet policy. But this acknowledgment must come on a foundation of understanding for the problems facing the developing countries. The West has a great deal to offer: economic and technical assistance, cooperation in

the settlement of disputes, access to an international commercial and financial system. We have also shown through the example of our own societies that freedom and economic development are compatible.

The approach from the East is different. Moscow offers a poor model of economic achievement, and the Soviets disclaim any obligation to give financial assistance to the developing countries. Instead, the Soviet Union and its surrogates are heavily involved in stoking conflict with arms and troops. The names and places have become familiar to us over the past decade: the Cubans fighting in Africa, the Vietnamese conquering Kampuchea. More recently, we have seen the Soviets themselves invade Afghanistan and the Libyans seize Chad. And in our own hemisphere, there is incontrovertible evidence that Soviet arms are threatening an established government in El Salvador.²

We have no monopoly on wisdom in approaching this complex situation. Still, we must prevent the Soviets and their surrogates from destroying what the West and the developing countries can achieve together.

Strengthening U.S. Economy and Defenses. Finally, the fourth element in the President's approach is the restoration of the economic vitality and military strength of the United States. This is as crucial to foreign policy as it is to domestic purpose. Without a healthy American economy, we cannot strengthen our leadership abroad. Without an improved American military capability, we cannot restrain the Soviet Union.

Restraint of the Soviets, reinvigoration of our alliances, a new approach to the Third World, a healthier U.S. economy and a stronger military—these are the signals of our determination to restore our leadership in the world. It is going to be very difficult, and we cannot accomplish our objectives alone. In this age of interdependence, freedom and peace depend upon concerted action between the United States and its allies. Having just returned from a consultation with the NATO allies in Rome, I want to review briefly the prospects for a reinvigorated Atlantic alliance.³

² See footnote 8, Document 36.

³ Reference is to the NAC ministerial meeting in Rome, May 4–5; see footnote 2, Document 43. Haig departed Washington on May 1 and arrived in Rome on May 2. At a May 5 news conference, before departing for Brussels, Haig commented: "I think, in substantive terms, I would want to emphasize that the North Atlantic Council meeting just concluded, in the words of the Secretary General, was perhaps one of the most important that the alliance has held in the recent past. The most fundamental conclusion to be drawn from the deliberations that we have just concluded over the last day and a half was the reaffirmation, in the most conclusive terms, of the continuing unity and solidarity existing within the members of the alliance and, most importantly, in a trans-Atlantic context." (Department of State *Bulletin*, July 1981, p. 37)

Prospects for NATO

Finding fault with the Atlantic alliance has become a good-sized industry, giving employment to thousand of critics on both sides of the ocean. When we examine the assets of the Atlantic allies, however, a more promising picture emerges. We have the talent and the wealth among us to maintain a favorable balance of power with the Soviet Union. We can work together to restrain Soviet interventionism abroad. But we can do these things only if we think seriously about the alliance itself. We must remember why it was founded, what holds it together, and why it is crucial to the future—especially your future. An entire generation has grown up with NATO as much a fact of life as the electric light. You who do not know a world without NATO will soon take up the burdens of my generation.

NATO today presents two paradoxes. It is a military alliance uniting nations whose way of life and principles do not exalt the military virtues. It is a highly successful deterrent to war, yet its very success makes it easy to take NATO—and peace—for granted.

The alliance survives these paradoxes because the Atlantic family of nations is inspired by a common faith in the capacity of all men for self-government. No hereditary aristocracy, no religious orthodoxy, no master race, no privileged class, no gang of terrorists has a right to rule a people by force. As free peoples, we obey the laws passed by governments we have freely chosen. Our military forces take orders from elected civilian authority. Our young people enjoy freedom of thought, able to question even the worth of their own societies. These deeply held principles lead us to oppose aggression, tyranny, and terrorism.

A clear contrast exists between NATO and the Soviet-dominated Warsaw Pact. NATO is a voluntary defensive alliance pledged to strengthen free institutions and designed to deter aggression. The Warsaw Pact's armed forces have been used principally to deprive their own peoples of the right of self-government.

A similar contrast between the values of NATO and the values of the Soviet Union may be seen on East-West exchanges. The Soviets are anxious to import Western credit, Western technology, Western consumer goods and machinery, and Western food to save their system from its economic failures. The most controlled Soviet export, however, is human talent, those who wish to vote with their feet for opportunity in the West.

In fact, the Soviet system is showing signs of spiritual exhaustion. We are proud of our artists, scientists, and social critics; theirs are censored, exiled, sent on false pretenses to mental institutions, or condemned to forced labor. We are proud of the life of the mind to which Syracuse University is a living monument. The Soviets are afraid of the intellectual and spiritual life of their peoples.

The commitment of the allied countries to peace and freedom inspires not only our common response to the crisis in Poland but also our work in the Conference on Security and Cooperation (the Helsinki accords) in Europe on behalf of individual rights and contact between peoples.⁴ The Atlantic nations constitute an enduring natural community with many cultural, economic, and organizational links beside NATO itself. NATO lives because it is rooted in the ideals of this community. The alliance speaks to our deeply cherished beliefs.

Do we still need the Atlantic alliance? Secretary of State Dean Acheson explained the need for NATO to the American people in 1949 by saying that it was “the statement of the facts and lessons of history.”⁵ Two world wars had shown that aggression aimed at the domination of Europe threatened the survival of the United States and inevitably involved us in war. Out of this bitter experience, we abandoned our historic policy of aloofness from European alliances. Our participation in NATO remains essential to the task of keeping the peace in Europe.

Allied strength and unity, not lack of Soviet ambition, have protected us. And allied weakness or disunity may tempt the Soviets. Indeed, we face today perhaps a more complicated challenge than was contemplated by the founders of NATO. The Soviet Union today is a power with a global military reach. Soviet forces are stronger than our own in some categories. And Soviet surrogates in Africa, Asia, and Central America, have been exploiting conflicts to the detriment of both the local peoples and Western strategic interests.

We should not exaggerate the strength of our adversary. Moscow faces an unenviable present and a gloomy future. A list of formidable problems confronts it, ranging from the hostility of China to the difficult Polish situation, from economic failures to ideological sterility. But these weaknesses should not make us too comfortable. A state as powerful and ambitious as the Soviet Union may be more dangerous because its weaknesses run to the heart of its system. That is why the

⁴ Reference is to the Conference on Security and Cooperation in Europe (CSCE) Final Act, or Helsinki Accords, comprised of four “baskets” or categories. For the text of the Final Act, signed on August 1, 1975, by 33 European nations, the United States, and Canada, see Department of State *Bulletin*, September 1, 1975, pp. 323–350. At the time of Haig’s address, the CSCE review conference, which had opened in Madrid on November 11, 1980, was ongoing.

⁵ Reference is to Acheson’s March 18, 1949, address, delivered over the combined Columbia and Mutual Broadcasting Systems radio networks. In it, Acheson asserted: “It is clear that the North Atlantic pact is not an improvisation. It is the statement of the facts and lessons of history. We have learned our history lesson from two world wars in less than half a century. That experience has taught us that the control of Europe by a single aggressive, unfriendly power would constitute an intolerable threat to the national security of the United States.” (Department of State *Bulletin*, March 27, 1949, p. 385) The full text address is *ibid.*, pp. 384–388.

first task of American leadership and the Atlantic alliance is to establish new restraints on Soviet behavior.

Recent Progress

Let me conclude by reporting to you on the recent progress we have made toward strengthening the alliance. At a meeting of NATO's North Atlantic Council earlier this week in Rome, we reaffirmed alliance solidarity and our belief in the values of Western democracy. In formal sessions and a host of informal meetings, the NATO governments freely achieved a consensus in order to bolster the common defense. Our approach reflected a very realistic Western attitude toward the problems of arms modernization and arms control. In announcing that negotiations with the Soviet Union on limiting theater nuclear weapons could commence by the end of the year, we and our allies demonstrated that free peoples were not afraid to talk with an adversary.⁶ In agreeing, at the same time, that NATO would modernize its defenses, the alliance also showed that negotiations must be supported by a sound military posture.

This is only the beginning, of course, but already a change for the better can be detected in the spirit of our cooperation. Clearly our allies welcome a more robust American leadership, informed by a more sensitive appreciation of their problems.

Today is also a beginning for you. You have heard me patiently—perhaps not so patiently—talk about ideals and identity, leadership and alliance, danger and opportunity. Your future is in your own hands. But the intangibles of Western civilization, the inner strengths, the real intellectual and spiritual treasures of free men are also in your hands. Cherish those things and cherish the instrument of their protection, the Atlantic alliance. Perhaps Benjamin Disraeli captured the moment of your graduation best when he wrote that “the youth of the nation are the trustees of posterity.”⁷ It is my privilege today to wish you the very best as you commence your trusteeship.

⁶ The final NAC communiqué, released on May 5, stated: “These Allies welcome the intention of the United States to begin negotiations with the Soviet Union on TNF arms control within the SALT framework by the end of the year. The American Secretary of State intends to discuss the timing and procedures for these negotiations with Foreign Minister Gromyko in September at the United Nations. These negotiations will rely on an updated Alliance threat assessment and a study of functional requirements for NATO TNF to be undertaken within the framework of the Special Consultative Group and the High Level Group as matters of immediate priority.” (Department of State *Bulletin*, July 1981, p. 41)

⁷ Reference is to a quote from Disraeli's 1845 novel *Sybil*.

49. Editorial Note

On May 17, 1981, President Ronald Reagan delivered the commencement address at the University of Notre Dame in South Bend, Indiana. Prior to the address Father Theodore Hesburgh, Notre Dame's President, conferred an honorary doctor of laws degree upon the President. Speaking at 3:11 p.m., Reagan began his address by referencing one of his most famous motion picture roles, that of Notre Dame football player George Gipp in *Knute Rockne—All American*, noting that actor Pat O'Brien, who had played former Notre Dame football coach Rockne, was also in attendance at the ceremony. In the course of the address, the President predicted an end to communism: "The years ahead are great ones for this country, for the cause of freedom and the spread of civilization. The West won't contain communism, it will transcend communism. It won't bother to dismiss or denounce it, it will dismiss it as some bizarre chapter in human history whose last pages are even now being written." (*Public Papers: Reagan, 1981*, page 434) The complete text of the President's address is *ibid.*, pages 431–435.

In his personal diary entry for May 17, the President wrote: "Father Hesburgh met us at the airport and we drove to Notre Dame. It was commencement for 2000 graduates but there must have been 15,000 all told in the auditorium. Pat O'Brien was there also to get an honorary degree. It really was exciting. Every N.D. student sees the Rockne film and so the greeting for Pat & me was overwhelming. Speech went O.K. and I was made an honorary member of the Monogram Club. When I opened my certificate I thought they'd made 2 copies—they hadn't, the 2nd was to 'The Gipper.' He died before graduation so had never been made a member." (Brinkley, ed., *The Reagan Diaries*, volume I, January 1981–October 1985, page 40)

During the President's June 16 news conference, United Press International (UPI) reporter Dean Reynolds, referencing the Notre Dame address, asked the President if recent events "in Poland constitute the beginning of the end of Soviet domination of Eastern Europe." The President responded: "Well, what I meant then in my remarks at Notre Dame and what I believe now about what we're seeing tie together. I just think that it is impossible—and history reveals this—for any form of government to completely deny freedom to people and have that go on interminably. There eventually comes an end to it. And I think the things we're seeing, not only in Poland but the reports that are beginning to come out of Russia itself about the younger generation and its resistance to long-time government controls, is an indication that communism is an aberration. It's not a normal way of living for human beings, and I think we are seeing the first, beginning cracks, the beginning of the end."

Later in the news conference, when asked if he would provide an outline of his administration's overall foreign policy, as he had yet "to make a major foreign policy address," the President commented: "Well, there seems to be a feeling as if an address on foreign policy is somehow evidence that you have a foreign policy, and until you make an address, you don't have one. And I challenge that. I'm satisfied that we do have a foreign policy.

"I have met with eight heads of state already, representatives of nine other nations. The Secretary of State is making his second trip and is now in China and is going to meet with the ASEAN nations in the Philippines and then go on for a meeting in New Zealand. The Deputy Secretary of State has been in Africa and is now returning by way of Europe. I have been in personal communication by mail with President Brezhnev.

"I don't necessarily believe that you must, to have a foreign policy, stand up and make a wide declaration that this is your foreign policy. I've spoken about a number of areas. We are going forward with a program, a tripartite program, dealing with Central America and the Caribbean. We have tried to deal with various areas of the world—both Asia, Africa, and in Europe. And so as to an address, I definitely did not do one at commencements, because I happen to believe, as I said at Notre Dame, that it has been traditional for people in my position to go and use a graduation ceremony as a forum for making an address that was of no interest particularly or no connection to the occasion, but just for wide dissemination. And I thought that the young people who were graduating deserved a speech, whether good or bad, that was aimed at them." (*Public Papers: Reagan, 1981*, pages 519–520, 520–521)

50. Editorial Note

On May 29, 1981, in remarks made at the St. Louis, Missouri, Town Hall Forum, sponsored by the St. Louis Regional Commerce and Growth Association, Secretary of State Alexander Haig outlined the objectives established by the Ronald Reagan administration in pursuit of its foreign policy. Haig had referenced some of these objectives during his April 24 address before the American Society of Newspaper Editors (see Document 45) and he expanded upon them to the St. Louis audience: "The essence of President Reagan's foreign policy is a policy which some describe as being less than clear at the moment. I will accept the charge that we have not set out some grand design, some conceptual framework which from day-to-day provides a scorecard for contemporary critics.

“We have, however, established a fundamental bedrock of national objectives, and that is to recreate a world structure hospitable to the values and ideals of the American people—the freedom and dignity of the individual—and to recognize that necessary and desirable historic change must occur through the accepted rules of international law and the mores of Western civilization rather than through bloodshed, terrorism, and resort to so-called wars of national liberation.

“These objectives are structured over what I call ‘four pillars,’ the first pillar of which is the attempt to establish a relationship with the Soviet Union built on restraint and reciprocity and a clear recognition that such a goal and such a pillar cannot be structured until the United States reverses the worsening trends in military balances between East and West.

“Secondly, we have recognized the imperative of refurbishing traditional alliances and bilateral relationships with those nations in the world which share our values. This can only be done with a new spirit of consultation, built on reliability in the American approach to our relationships with our friends abroad, built on a recognition of traditional friendships, and a need for consistency in manifesting our recognition of those friendships.

“Thirdly, to recognize that we have to construct in this changing world a just and responsible relationship with the developing world and to do so with full cognizance that there are changing attitudes in this developing world today. Increasingly, developing leaders in black Africa, this hemisphere, and in Asia are recognizing that a close alignment with Marxist-Leninism in the Soviet model brings with it bayonets and bullets, pervasive presence, and frequently a client-state relationship. Whereas relationships with the Western industrialized world bring economic growth, development, technology, medicine, human development, and participation in a world market community where performance and work dictate rewards.

“And, finally, this new foreign policy structured by President Reagan recognizes first and foremost that America cannot once again lead abroad until it cleans up its own economic situation here at home.

“I’ve witnessed the American dollar decline in value over an extended period in Europe and with it American prestige and influence. And the impact of ill-disciplined, runaway double-digit inflation here at home on foreign perceptions of America’s ability to carry out its international tasks is sometimes staggering.

“So all of these things together represent what I call a four-tiered structure to achieve these objectives I touched upon.

“Where do we stand in the task? The jury, of course, is still out. But I think it’s a remarkable period in American history, one unique in my 20 years of public service at a relatively high level, where I see a

remarkable consensus of the American people, the American Congress, and the American executive branch to roll up our sleeves and to put America back in action again.

“It’s a source of great comfort and pride to me. It’s also a source of certain caution that those of us in Washington who today carry out your tasks have a great responsibility not to abuse this wonderful consensus that has been so hard fought and so long in coming. I’m optimistic that will not happen.” (Department of State *Bulletin*, July 1981, page 13)

The text of the question and answer session following Haig’s remarks is *ibid*, pages 13–18.

51. Memorandum From Carnes Lord of the National Security Council Staff to the President’s Assistant for National Security Affairs (Allen)¹

Washington, June 8, 1981

SUBJECT

Education for National Security (U)

It is not too soon to begin thinking about a problem which goes to the heart of many of the difficulties we face in the national security area: the ignorance and misinformation on this subject so common even (indeed, especially) among our best educated, and the steady deterioration in the availability and quality of training in a variety of fields essential to the effective implementation of national security policy. I offer some preliminary analysis in the hope of stimulating thought on how best to pursue this difficult and politically sensitive issue.

At the root of the problem is the marginal role of war and strategy in American political culture. Ours is a commercial society which relegates military affairs to the periphery of its consciousness, and which looks on politics as an arena of peaceful competition where the adjudication of conflicting interests is decided by bargaining and the application of highly developed legal rules. In the Soviet Union, by contrast, politics is merely an extension of armed struggle, and is governed by

¹ Source: Reagan Library, Carnes Lord Files, Chronological File, Lord Chron 06/06/1981-06/19/1981; NLR-335-1-18-1-4. Confidential; Sensitive. Sent for information. Copies were sent to Pipes, Stearman, Bailey, Schweitzer, Kraemer, and Levine.

highly developed strategic/tactical concepts incorporating military, economic, psychological and ideological factors.

We are thus at a substantial disadvantage from the very beginning in our dealings with the Soviets. But this margin has been greatly widened in the course of the last fifteen years by the outburst of anti-military sentiment connected with the Vietnam War and the hardening of this sentiment into a powerful stratum of opinion which continues dominant (as the reaction to El Salvador should be sufficient to show) in the elite universities and media, and through them, in educated opinion in the country as a whole. This development—which must not be underestimated in spite of recent evidence of greater public receptivity to increased defense spending—has done incalculable damage to our national security position, and will continue to constrain options for improvement in that position in the foreseeable future.

Other problems have been created by developments with American higher education over this same period. The student upheavals of the 1960s led to sweeping reforms in the universities whose effects are only now being fully felt. ROTC was driven off many college campuses, particularly the elite campuses of the Northeast, thus further accelerating the isolation of the military (whose officer class has always been drawn disproportionately from the South and West) from the opinion-forming sectors of American society. Scientific research for military purposes was drastically curtailed by university authorities. The general decline in high school and university standards, the drift toward “soft” subjects such as sociology and psychology and toward pre-professional training for law school, and the virtual abolition of distributional requirements in many universities have had a devastating effect on achievement levels in scientific and technical subjects and in languages. The sharp decline in the teaching even of basic science and mathematics is alarming. We face critical shortages of skilled personnel in many technical fields of direct relevance for national security, such as computers and advanced electronics. As far as foreign languages are concerned, many of the area studies programs initiated with much fanfare and money in the 1960s are moribund. Competence in critical major languages such as Russian, German, Chinese, Japanese and Arabic is increasingly difficult to come by; expertise in more exotic but potentially important languages and cultures (those of Soviet minority areas, for example, or of Southeast Asia) is virtually non-existent.

Less well known, but of comparable importance, are developments that have occurred within our military over the last several decades. It is customary in this country to regard the appearance of nuclear weapons as the latest revolution in the conduct of war; yet the invasion of military

affairs at all levels by science and technology since the mid-1960s can well be considered—as it is by the Soviets—a second such revolution. A key effect of this revolution has been to blur the distinctive character of the military profession. The demand for scientific/technical skills has caused a basic shift in the focus of military education, and has increased dramatically the role of civilians from the academic and corporate sectors in the formulation of defense policy and the management of our defense establishment. All this has had a number of unfortunate consequences. Military officers have come increasingly to see themselves as technicians or managers rather than as strategists or leaders of men. Military planning has come to be dominated by the cost-accounting techniques of the corporate world and by a fascination with technology rather than by traditional strategy. And to the extent to which strategy has played a role, it has been strategy of an untraditional sort—abstract theory not rooted in an appreciation of military history or of differences in political and military culture.

It is very largely owing to such conceptual deficiencies that we find ourselves in our current difficulties in the strategic nuclear area; and many are convinced that our failure in Vietnam resulted directly from a combination of poor strategy and personnel practices more suited to business corporations than to the military.

In attempting to address this complex of problems, it must be acknowledged at the outset that any effort by this Administration to influence American educational policies or activities is likely to be resisted with greater or lesser vigor not only by its ideological opponents but also by many sympathizers who tend to be sceptical of the federal government's role in this area. Accordingly, considerable caution will be necessary in deciding whether or how to pursue particular initiatives. Still, certain steps could be taken immediately—particularly with respect to military education—that would be relatively uncontroversial. The following represents a rough attempt to identify the range of measures that could realistically be considered:

- encourage curriculum reform in the service academies and war colleges to shift emphasis away from technical subjects toward the study of political and military history and strategy (this is underway to some extent already);

- strengthen the ROTC program and return it to as many campuses as possible (the drying up of other sources of financial aid should facilitate this);

- review and, as appropriate, strengthen and expand federal programs that provide financial aid for language and area studies;

- review and, as appropriate, strengthen and expand federal programs that provide financial aid for critical scientific and technical studies;

—explore with private industry possible cooperative funding of post-graduate studies in advanced scientific and technical subjects;

—strengthen, domestic public information programs in the national security area, including possible use of public radio and television;

—work with state governments to develop a curriculum or materials on national security for high school civics courses (perhaps in conjunction with a revitalization of civil defense training).

Of these measures, the latter would be the most controversial, but it would approach closest to the root of the problem. At present, the young tend to be ignorant of the most elementary military and political facts of life, and their historical memory barely reaches back to Vietnam, not to speak of the 1930s and World War II. Because they have no exposure to such things in the normal course of their education, young people are highly vulnerable to the various forms of anti-military hysteria which seem on their way to becoming once more a significant factor in the domestic politics of western societies. We have been only slightly less irresponsible than the Europeans in refusing to face up to this problem and the grave threat it poses to the survival of free government. If we do not bite the bullet soon, we may lose our best opportunity.

52. Editorial Note

Assistant Secretary of State for African Affairs Chester Crocker addressed the African-American Institute Conference in Wichita, Kansas, on June 20, 1981. After highlighting the conference's importance, Crocker then outlined the U.S. objectives regarding its African policy:

“—We seek to promote peace and regional security and deny opportunities to those who seek contrary objectives.

“—We will support proven friends and be known as a reliable partner, in Africa as elsewhere.

“—We want to maintain open market opportunities, access to key resources, and contribute to expanding African and American economies.

“—We support negotiated solutions to the problems of southern Africa.

“—We seek to expand that group of nations whose development policies produce economic progress and which have flourishing democratic institutions.

“—We shall do our part in meeting Africa's humanitarian needs and in fostering basic human liberties in keeping with both our principles and our interests.

“Meeting these objectives is, of course, no easy task. But we begin with several advantages. First, we have laid out objectives which we can all understand. Second, these objectives are in keeping with basic American values. The policies we implement will not conceal them. To do so would indicate our own lack of confidence in those values and principles for which we as Americans have long been admired. They are an integral part of the comparative advantage we as Americans and the Western world in general have in Africa.

“Africa and Africans are already largely oriented toward the West. Yet that orientation, that advantage, cannot be taken for granted. Events of the last decade have proven only too clearly that the objectives we seek in Africa are increasingly threatened by political instability, external intervention, and declining economic performance. Soviet-Cuban and Eastern bloc intervention in African affairs, the presence of thousands of Cuban troops in Angola and Ethiopia, the presence of Libyan troops in Chad, and the massive transfers of arms by Eastern bloc nations all serve to undermine U.S. and Western interests in Africa and to thwart our and Africa’s objectives. The globe’s leading sources of destabilization are active in Africa. This Administration has no hesitation in stating that frankly, categorically, and for the record.

“Nor do we hesitate in our belief that economic development, a central imperative for a continent which contains two-thirds of the world’s poorest nations, cannot take place in an environment of instability or insecurity. In this respect, African nations are no different from other developing nations. Roads cannot be built, railroads cannot transport goods, wells cannot be dug, nor crops harvested when a nation is at war with itself or its neighbors. We will do our part in addressing Africa’s security needs. We have already proposed to the Congress increased levels of security assistance to certain key African nations in support of our objectives in Africa and in the Persian Gulf. By defining carefully our interests and commitments and by backing them up in credible ways, we believe the United States, in concert with our major allies, can play a significant role in addressing Africa’s security problems. We will stand together with our proven friends in Africa, offering them assistance and counsel rather than turning our backs on them in their time of need. To do otherwise would do injustice to our own values as a people, and it would prevent us from achieving our goals of peace, regional security, economic progress, and the expansion of human liberties.

“But let me make it quite clear that we do not choose nor have we any mandate to be the policeman of Africa. No nation has such a mandate. Our preferred choice is to foster and help implement, where we can, diplomatic solutions to Africa’s conflicts. In southern Africa as in the Horn of Africa, we seek a reduction of regional tensions. Those who

characterize this Administration's goals differently are, simply put, wrong. We are committed to playing our proper role in creating a context for successful negotiations leading to internationally recognized independence for Namibia. We believe it is the task of the Western world to encourage purposeful, evolutionary change in South Africa toward a nonracial society. And we believe that all those who share our opposition to foreign intervention on African soil will acknowledge the need to find means to remove any pretexts for the presence of foreign troops in Angola."

In concluding his remarks, Crocker stated, "We believe that Africans, if given the choice, will seek strengthened relations with us and with you. We have shared goals. We have the wherewithal to produce results. The values and institutions upon which the greatness of this country was built offer a solid basis for the continued strengthening of African-American relations." (Department of State *Bulletin*, August 1981, pages 57–58, 59)

53. Memorandum From James Lilley of the National Security Council Staff to the President's Assistant for National Security Affairs (Allen)¹

Washington, June 30, 1981

SUBJECT

Short-term Foreign Policy Objectives (U)

There follows in rough priority a list of foreign policy objectives over the short term (six months to one year). We have not followed a

¹ Source: Reagan Library, John Poindexter Files, Subject File, Foreign/Defense Issues & Objectives (2). Secret. Sent for information. Printed from an uninitialed copy. In a June 26 memorandum to Schweitzer, Bailey, Lilley, and Gregg, Poindexter wrote that "Meese is interested in discussing with Anderson and Allen objectives to be pursued by this administration after the domestic economic initiatives are out of the way." To that end, Poindexter instructed the addressees and their staffs to review a draft "Foreign Policy Booklet" (not found) and prepare "a list" of "10–15 major objectives," adding: "Within each of your areas try to put the objectives in some semblance of priority. If we don't make some attempt at prioritization, somebody else will. The senior level of the administration can only concentrate on a limited number of objectives. In defining the objectives try to be as specific as possible." (Reagan Library, John Poindexter Files, Subject File, Foreign/Defense Issues & Objectives (1))

rigid pattern and each area specialist has described his objectives as he sees them. I have minimized the editorial function. (U)

1. *Poland*: Poland faces both an external threat and an internal crisis. The US objectives are:

—to preserve the favorable political evolution in Poland, and to assist Poland to deal with its massive economic problems if it is not invaded.

—If Poland is invaded or taken over by the Soviet Union, then our objective becomes to make Russia pay the maximum price short of war.

2. *Persian Gulf and Southwest Asian Strategy*: To develop the military forces and infrastructure necessary to deter further direct or indirect Soviet aggression in this area. The cornerstones of this strategy are cooperation with our European allies and with Egypt, Israel, Saudi Arabia, and Jordan. Relationships with these countries must be strengthened in all areas, including military. An immediate task is to effect a tacit understanding involving Israel and Saudi Arabia in order to get the AWACS sale through Congress.²

3. *Arab/Israel*: To secure the peace treaty between Egypt and Israel;³ to work toward a resolution of the Lebanon crisis;⁴ to resume autonomy negotiations on the status of the Gaza Strip and the West Bank.⁵ Immediate tasks are to continue the Habib Mission for Lebanon⁶ and to resume the autonomy negotiations at the most appropriate time.

² Reference is to the proposed sale of AWACS radar planes to the Government of Saudi Arabia. In February, Reagan administration officials informed Congress that the administration planned to sell the Saudis AIM-9L Sidewinder air-to-air missiles and fuel tanks for the F-15s and had agreed "in principle" to sell tanker planes and possibly AWACS. During his April trip to the Middle East (see Document 40 and footnote 2 thereto), Haig discussed the proposed sale with Begin, who voiced his opposition. On April 21, the White House announced that the administration would sell the Saudis five AWACS planes and additional equipment. (*Congress and the Nation*, vol. VI, 1981–1984, pp. 130–131) Documentation on the sale is scheduled for publication in *Foreign Relations, 1981–1988*, vol. XIX, Arab-Israeli Dispute, and *Foreign Relations, 1981–1988*, vol. XXII, Middle East Region; Arabian Peninsula.

³ Reference is to the Egypt-Israel Peace Treaty signed in Washington by Sadat and Begin on March 26, 1979; see footnote 2, Document 17.

⁴ Reference is to the Syrian movement of Soviet-supplied SAMs into Lebanon following the Israeli shootdown of Syrian aircraft over Lebanon, in addition to border raids launched by Israel and the Palestinian Liberation Organization. (*Congress and the Nation*, vol. VI, 1981–1984, p. 191)

⁵ The autonomy negotiations ultimately resumed September 23–24 in Gaza. Atherton and Lewis attended on behalf of the United States. For the text of a joint statement issued by the Governments of Egypt, Israel, and the United States, see *American Foreign Policy: Current Documents, 1981*, pp. 705–706.

⁶ On May 5, the President appointed Habib as his Special Emissary to the Middle East, tasking him to consult with the leaders of Lebanon, Syria, and Israel in order to diffuse tensions in Lebanon. (*Weekly Compilation of Presidential Documents*, vol. 17, No. 18, May 8, 1981, p. 510) Habib departed Washington on May 6 for his consultations. Ultimately, a general ceasefire was announced on July 24 from Jerusalem. The memoranda of conversation of Habib's meetings with Middle Eastern leaders are scheduled for publication in *Foreign Relations, 1981–1988*, vol. XVIII, Part 1, Lebanon, April 1981–August 1982.

4. *Afghanistan/Pakistan/India*: To support the buildup of Pakistan's economic and non-nuclear military strength while improving relations with India; to keep the pressure on the Soviets to withdraw from Afghanistan.

5. *El Salvador*: To begin winning the war in El Salvador with an improved US effort. We have drawn the line in El Salvador—our prestige is committed. The present effort has proved insufficient for the long term and the loss of El Salvador could have a damaging affect on Guatemala and Honduras.

6. *South Africa/Namibia*: To develop a solution in Namibia which brings about independence but precludes the establishment of a Marxist-Leninist Soviet-oriented regime. Diplomatic efforts to arrive at a proposed solution which meets South African core concerns and yet allows for independence which will result in the installation of a popularly-elected, non-Marxist-Leninist regime should be continued. Some form of UN-supervised elections will be desirable to obtain some degree of international acceptance of the new regime.

7. *Cuba*. To reduce Cuban subversion in this hemisphere, and in other Third World countries by developing a broad-gauged strategy involving the entire Caribbean for the next three to four years. Cuba is the center for regional instability and will not be stopped by American rhetoric. Therefore, we should increase the costs to the Cubans of sending and maintaining military expeditionary forces to such countries as Angola and Ethiopia.

—Finish plans for a Radio Free Cuba within two to three weeks and release the White Paper on Cuban covert operations.⁷

8. *Nicaragua*: To keep Nicaragua from going wholly communist by drawing on the lessons of the past (such as Cuba 1959–60,⁸ Portugal 1974–75).⁹ Announce Administration's interest in legislation closing down Nicaraguan exile commando camps in Florida and keep our major allies fully informed on the arms buildup in Nicaragua.

⁷ Reference is to a special report on Cuban covert activities in the southern hemisphere, which the Department intended to release as a White Paper. In telegram 168651 to multiple Latin American diplomatic and consular posts, June 26, Enders sent the draft summary of conclusions of the report, requesting that posts review the draft and provide comments. (Department of State, Central Foreign Policy File, Electronic Telegrams, [no N number]) The Department released a 37-page version of the report on December 14, in conjunction with Enders's testimony before the Senate Foreign Relations Committee subcommittee on Western Hemisphere Affairs. (Gerald F. Seib, "U.S. Asserts Cuba Has Tried to Trigger Armed Revolt in 13 Latin Nations Since '78," *Wall Street Journal*, p. 14, and "Enders: U.S. Tightening Embargo of Cuba," *Washington Post*, p. A6; both December 15, 1981)

⁸ Reference is to the Cuban nationalist revolution, led by Fidel Castro against Fulgencio Batista.

⁹ Reference is to the April 1974 military coup in Portugal, also known as the Carnation Revolution.

9. *Japan*: To increase Japan's contributions to our joint defense effort without destabilizing the political structure there. This will involve coordinated pressure by our Administration, without publicity, on the Japanese to beef up their defense efforts and expand their defense perimeters.

10. *Europe*:

To shape and maintain the political cohesion of the TNF-basing countries in NATO in order to secure effective deployment of modernized theatre systems in Central Europe.

A growing wave of quasi-neutralist and pacifist sentiment is affecting public attitudes in key allied countries, particularly in the Federal Republic of Germany. The political leaderships of these countries are weak and indecisive, and the U.S. must expend a major effort to buck them up; failure to do so could well jeopardize timely implementation of the December 1979 two-track decision¹⁰ on long range theatre nuclear forces.

The U.S. should greatly intensify its information programs keyed to TNF in Europe, with special emphasis on the magnitude of the Soviet threat as documented by hard evidence. This may entail declassification of some sensitive material in order to provide the most cogent and convincing presentation for public consumption. ICA should be a lead agency in the effort. We should work closely with allied governments to ensure their cooperation and to help generate a more aggressive leadership role on their part.

11. *China/Taiwan*: To reassure Taiwan of our support while strengthening our relations with Peking. This involves striking the correct balance between supplying arms to Taiwan and expanding our involvement in the Chinese modernization process, including its military sector.

—On the Taiwan side, weapons sales to Taiwan should be resumed, Taiwan should be authorized to open one new office and our contacts with Taiwan should be elevated.

—On the Peking side, we need to intensify our exchanges with the Chinese military, begin strategic consultations, and implement effectively the President's directive on licensing dual-technology transfer.

12. *Africa "Z" States*: To resist Soviet efforts to destabilize Zaire, Zambia, and Zimbabwe—which countries supply vital strategic minerals to the U.S., such as chrome, cobalt, vanadium, etc. These countries are the targets of increasing Soviet efforts at destabilization. Plans for increased assistance to Zaire should go forward. Holding actions in Zambia and Zimbabwe should be intensified to retain our

¹⁰ See footnote 6, Document 35.

access to these minerals by having acceptable working relations with the governments.

13. *Latin America*: To coordinate the efforts of the “giants” of the hemisphere—Mexico, Colombia, Brazil, Argentina, Venezuela—on a series of international items such as trade, security, nuclear non-proliferation. Carry out Quadrapartite meeting in Nassau—follow it up with other slightly expanded meetings of the major Latin American countries.¹¹

14. *Soviet Union*

To establish links to a possible new Kremlin leadership. Given the age and physical condition of Brezhnev, a change in the Soviet Union is a distinct possibility. A power struggle may ensue with profound effects on Soviet foreign policy. If this occurs, the U.S. should be prepared to take advantage of opportunities in this new succession leadership.

15. *Vietnam/Cambodia/ASEAN*: To reduce the Vietnamese threat by working with ASEAN and China to bring about an acceptable solution to Vietnamese occupation of Cambodia¹² and reduce Soviet influence in this area.

—To coordinate the efforts at the United Nation’s special meeting on Cambodia scheduled for mid-July which is designed to put pressure on Vietnam to withdraw its troops, and at the same time hold out the possibility of future cooperation if Vietnam is prepared to make a deal.¹³

16. *France*

To ensure that France under a Socialist President¹⁴ and government remains a loyal ally and an effective security partner of the United States.

¹¹ Reference is to the upcoming Conference of Ministers on Caribbean Basin Development, scheduled to take place in Nassau, July 11–12, among Haig, MacGuigan, Castaneda, and Velasco. For the text of the joint communiqué released on July 11 and excerpts from a July 12 news conference held by Haig and Brock, who also attended on behalf of the United States, see Department of State *Bulletin*, September 1981, pp. 68–69.

¹² Reference is to the December 1978 Vietnamese invasion of Cambodia. On June 18, 1981, the foreign ministers of Indonesia, Malaysia, the Philippines, Singapore, and Thailand met in Manila and “declared that a political settlement must be based on three initial steps: the introduction of a United Nations peacekeeping force, the withdrawal of the Vietnamese Army and the disarming of the warring Cambodian factions once the Vietnamese have left.” (Henry Kamm, “Asian Parley Urges Cambodian Solution: Non-Communist Envoys, in Manila, Seek U.N. Force and Pullout by the Vietnamese Army,” *New York Times*, June 19, 1981, p. A5)

¹³ On June 30, Haig issued a statement indicating that the UN International Conference on Kampuchea would take place in New York, beginning July 13. (Department of State *Bulletin*, August 1981, p. 39) Haig subsequently headed the U.S. delegation at the conference. Haig’s statement made at the conference on July 13 and the texts of the conference declaration and resolution adopted on July 17 are *ibid.*, pp. 86–88.

¹⁴ Reference is to Mitterrand.

The election of a Socialist President and parliament in France for the first time since 1957, and for the inclusion of Communist ministers within that government for the first time since the immediate post-war period, could have an adverse effect on French capacity to play a vigorous role in the defense of the West. Though the conciliatory tone of the President's initial contacts with the new French leadership and the June visit of Vice President Bush to Paris¹⁵ have gotten the relationship off to a constructive start, we must carefully watch the evolution of events within France and work to influence French policy along pro-Alliance lines.

Use the Economic Summit meeting in Ottawa as the time and occasion for hammering out initial bilateral understandings with the French on economic policy; European policy; and approach to Third world issues.

17. *Spain*

To encourage, and where possible tangibly assist the evolution of democratic institutions and government in Spain.

Democracy in post-Franco Spain confronts three major interrelated challenges, dramatized by a recent coup attempt: (1) separatist pressures, primarily in the Basque provinces; (2) ruthless terrorist activity which derives much of its force from the separatist movement; and (3) temptations on the part of military malcontents and others who see the solution to both terrorism and separatism in a return to authoritarian rule.¹⁶ U.S. strategic interests in Spain, including an essential military base presence, require effective support for Spain's constitutional monarchy and parliamentary structures.

A highly visible State visit by the President or Vice President to Spain, which would symbolize U.S. interest in the country at the highest level; dramatize our respect for Spanish democracy; and provide moral support for King Juan Carlos and the Calvo Sotelo government.

INTERNATIONAL ECONOMIC ISSUES

I. *Polish Economy*

The Polish economy is in terrible condition and getting worse. That fact, coupled with others, presents both us and the Soviet Union with difficult choices. In our case, the extent to which we can and should attempt to help the Poles.

¹⁵ Bush visited Paris, June 23–24, to meet with Mitterrand, Cheysson, and de Laboulaye. For additional information, see Paul Lewis, "Bush Voices Unease On French Cabinet: But He Describes His Discussions With Mitterrand as Friendly," *New York Times*, June 25, 1981, pp. A1, A13. A memorandum of conversation from Bush's June 24 luncheon, held at the Elysee Palace, is in the Reagan Library, Henry Nau Files; NLR-395-1-31-1-3.

¹⁶ See footnote 12, Document 43.

II. Siberian Gas Pipeline

Germany, France and Italy want to finance the construction of a pipeline from the Soviet gas fields to lessen their dependence on Gulf oil supplies.¹⁷ We feel that the project will make them unacceptably dependent on the Soviet Union.

III. International Trade

The two principal issues here are resistance to the rising tide of protectionist sentiment here and abroad and the question of export credits, which has led to an unhealthy competition to offer costly financing terms (see also point 4).

IV. East-West Trade

We believe that trade restrictions on strategic grounds with the Soviet bloc should be tightened, especially in the area of technology transfer. Our allies, many of which are much more dependent on East bloc commerce than we are, are not enthusiastic about further tightening.

V. International Debt

Many less developed and some East European countries have developed a level of external debt beyond their capacity to repay. These countries, as well as the banks which have lent them money, pressure constantly for various forms of costly bailout.

VI. North-South Issues

We believe that traditional economic aid is in many cases ineffective for various reasons. The implementation of this view brings us into conflict with almost all less developed countries as well as some of our allies.

VII. Energy

Assurance of an adequate and secure supply of energy, especially oil and gas, is a constant preoccupation for American foreign policy.

VIII. Exchange Policy

The issue here is the desire on the part of most foreign countries to have greater exchange stability for the world's principal reserve currency—the U.S. dollar. We have announced a policy

¹⁷ Reference is to the proposed pipeline from the Yamburg gas field in Siberia to the Soviet Union's western border. Documentation on the pipeline is printed in *Foreign Relations*, 1981–1988, vol. III, Soviet Union, January 1981–January 1983, and is scheduled for publication in *Foreign Relations*, 1981–1988, vol. VII, Western Europe, 1981–1984.

of non-intervention in the exchange markets, except in cases of emergency.¹⁸

IX. International Financial Institutions

We believe that the policies and practices of the international financial institutions should be examined with a view to making them leaner, more efficient and more productive. Many other countries view our attitude as being a screen to reduce our commitments.

GLOBAL ISSUES

I. Non-Proliferation

After enunciating our broad policy,¹⁹ we will need to develop steps for dealing with proliferation problems in several cases (notably Pakistan-India and Middle East) and for strengthening our efforts with key nuclear suppliers on cooperation and conditions for supply.

II. Human Rights

We must develop a comprehensive policy to guide our public pronouncements on this subject as well as our decisions on multilateral loans, arms sales, etc., where consideration of human rights is mandated by law.

¹⁸ In his May 4 testimony before the Joint Economic Committee, Under Secretary Sprinkel indicated that the Department of the Treasury had completed a review of U.S. exchange market intervention, focusing on the period after the transition to floating exchange rates in March 1973. Sprinkel stated: "In conjunction with our emphasis on improving the performance of the domestic U.S. economy, we intend to return to the more limited pre-1978 concept of intervention by intervening only when necessary to counter conditions of disorder in the market. As in the past, we will not attempt to define disorderly market conditions in advance. When making a decision concerning whether exchange market conditions justify intervention, we will consult closely with authorities in other major currency governments. As also in the past, the Treasury and the Federal Reserve will keep the public informed regarding U.S. exchange market intervention policy." (*International Economic Policy: Hearing Before the Joint Economic Committee, Congress of the United States, Ninety-Seventh Congress, First Session, May 4, 1981* (Washington: Government Printing Office, 1981), p. 5)

¹⁹ Presumable reference to Reagan's response to a question regarding the "proper role of the United States" in preventing the spread of nuclear weapons and technology posed at his June 16 news conference (see Document 49): "Well, our position is—and it is unqualified—that we're opposed to the proliferation of nuclear weapons and do everything in our power to prevent it. I don't believe, however, that that should carry over into the development of nuclear power for peaceful purposes. And so, it increases the difficulty, if you're going to encourage the one, because you have at least opened a crack in the door where someone can proceed to the development of weapons." He continued, "But I'm not only opposed to the proliferation of nuclear weapons, but, as I've said many times, I would like to enter into negotiations leading toward a definite, verifiable reduction of strategic nuclear weapons worldwide." (*Public Papers: Reagan, 1981*, p. 521)

III. Law of the Sea

We must develop an approach to LOS negotiations consonant with a number of U.S. interests and objectives.

IV. International Communications

We need to reexamine policy in the area of international radio broadcasting to support needed modernization of VOA and RFE/RL technical facilities; there is a general need for overhaul of our international information effort and for upgrading ICA and strengthening its role in the foreign policy process.

54. Memorandum From James Lilley of the National Security Council Staff to the President's Assistant for National Security Affairs (Allen)¹

Washington, June 30, 1981

SUBJECT

The President's Comments on the Future of Marxism in China (S)

I understand from both Rich Armitage and Don Gregg that the President said to Fraser that the Chinese, after the passing of the long marchers, would move away from Marxism.² (S)

I can understand how the President could reach this judgment:

—He correctly believes that Marxism is a deteriorating political system. It simply has not worked and evidently a new permutation should arise. (S)

¹ Source: Reagan Library, Donald Gregg Files, Subject File, 1980–1982, Foreign Policy 06/01/1981–06/30/1981; NLR–221–11–51–11–5. Secret. Outside the system. Sent for information. A stamped notation in the top right-hand corner of the memorandum reads: “RVA has seen.”

² Australian Prime Minister Fraser visited the United States, June 29–July 1. He met privately with the President in the Oval Office on June 30 from 10:28 until 11:19 a.m. From 11:19 a.m. until 12:15 p.m. the President, Fraser, and other U.S. and Australian officials met in the Cabinet Room. (Reagan Library, President's Daily Diary) The memorandum of conversation is scheduled for publication in *Foreign Relations*, 1981–1988, vol. XXXII, Southeast Asia; Pacific. For the remarks made by the President and Fraser at a welcoming ceremony on the South Lawn of the White House and for the remarks made by the President to reporters assembled on the South Lawn, following the larger meeting in the Cabinet Room, see *Public Papers: Reagan, 1981*, pp. 580–583. In his personal diary entry for June 30, the President wrote: “Good meetings reinforcing a most unique friendship which exists between our 2 countries.” (Brinkley, ed., *The Reagan Diaries*, vol. I, January 1981–October 1985, p. 52)

—Haig has been saying that ideology in China is almost dead. He compares his 1972 trip³ where ideology dominated to his 1981 trip⁴ where few ideological remarks were made. Hence, his conclusion. The Secretary unfortunately does not read Chinese and therefore did not scan the *People's Daily*, which is still loaded with Marxism, Leninism and Maoism.⁵ (S)

—Holdridge has said publicly recently that the Chinese economy is a market economy and based on pure pragmatism.⁶ Expert economists on China were shocked to hear this coming from him because the facts do not support this. (S)

I have asked CIA to come up with a short, concise paper on the Chinese economy and the role of Marxism, now and in the foreseeable future. I have asked them for a one-page of key judgments and have told them I want this for high level readership.⁷ (S)

I have taught *The Chinese Economy* at the graduate school level for 3 years and I can assure you that the base of the Chinese economy is Marxism/Leninism—central planning and government ownership of the means of production. The moves away from this are on the edges and are done only after great struggle.⁸ (S)

³ Reference is to Haig's January 1972 trip to Beijing to assist in preparations for Nixon's February 1972 trip. For additional information, see *Foreign Relations, 1969–1976*, vol. XVII, China, 1969–1972, Documents 183 and 184, and *Foreign Relations, 1969–1976*, vol. E–13, Documents on China, 1969–1972, Documents 75–79. In his memoir, Haig recounted: "The Chinese seemed to regard my visit in January 1972 as a dress rehearsal for Nixon's; everything that he would do when he came to China, I did first as his stand-in." (Haig, *Caveat*, p. 201)

⁴ Haig departed Washington on June 10 and, after visiting Hong Kong, June 12–14, traveled to Beijing, June 14–17, to meet with Hua, Zhao, and other senior Chinese officials. Following Beijing, Haig traveled to Manila, June 17–20, to participate in the ASEAN foreign ministers' meeting and Wellington, June 21–23, for a meeting of the ANZUS Council. For the text of Haig's remarks and news conferences made during the trip, in addition to the text of the communiqué issued at the conclusion of the ANZUS meeting, see Department of State *Bulletin*, August 1981, pp. 34–50. Documentation on Haig's Beijing meetings is scheduled for publication in *Foreign Relations, 1981–1988*, vol. XXVIII, China, 1981–1983. For Haig's subsequent recollections about the visit, see Haig, *Caveat*, pp. 205–208.

⁵ In the right-hand margin, Allen bracketed this paragraph and wrote: "you are one hundred per cent correct!"

⁶ Not further identified.

⁷ Not found. In the right-hand margin next to this paragraph, Allen wrote: "OK!!"

⁸ In the right-hand margin, Allen bracketed this paragraph and drew a line from the bracket to the margin below and wrote, "Jim—I believe we need a reasoned 1 page memo for P on this. I agree with you, and before he gets too accustomed to his →," continuing on the back page: "new theory, I'd like to temper it. RVA."

55. **Information Memorandum From the Director of the Bureau of Politico-Military Affairs (Burt) and the Director of the Policy Planning Staff (Wolfowitz) to Secretary of State Haig¹**

Washington, July 1, 1981

SUBJECT

Suggested Priorities for You during the Next Four Months²

Despite the charges of Reston, Vance, and others, that the Administration has no foreign policy, we believe we have in fact gotten off to a solid start.³ The President's economic recovery program is about to pass the Congress⁴ and we have begun the revitalization of our military forces. TNF and our relationships with the NATO Allies are broadly on track (with France as an unsettling wild card) and your visit to Asia⁵ has reestablished our deep security interest in that region and the importance of China in the global balance. The Soviets and their proxies meanwhile, have been put on notice that we expect a new brand of responsible behavior from them. Indeed, only the lifting of the grain sanctions against the Soviet Union may have any lasting negative consequences for our foreign policy.⁶

We have not yet made any of the major blunders that plagued the last Administration's foreign policy even in its first few months.⁷ The current spate of criticism that we lack a foreign policy will not gain much purchase, especially not outside of Washington, unless we begin

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons PW 7/1-10/81. Secret; Sensitive. Not for the system. Drafted by Blackwill. Haig's stamped initials appear in the top right-hand corner of the memorandum. Bremer initialed the memorandum and wrote "7/15." He also initialed the top-right hand corner of the memorandum and wrote "7/20."

² Haig highlighted the subject line.

³ Haig underlined "gotten off to a solid start," drew a line from it to the margin above this sentence, drew a checkmark, and wrote: "agree!"

⁴ The economic recovery program, introduced by the President in his February 18 message and March 10 FY 1982 budget proposals (see footnote 2, Document 39), outlined both individual and business tax cuts as well as spending cuts designed to reduce inflation and increase productivity. Presumably, Wolfowitz and Burt are referring to the tax and budget reconciliation legislation then pending in Congress. The President would subsequently approve both the Economic Recovery Tax Act of 1981 (H.R. 4242; P.L. 97-34; 95 Stat. 172) and the Omnibus Budget Reconciliation Act of 1981 (H.R. 3982; P.L. 97-35; 95 Stat. 357) on August 13.

⁵ See footnote 4, Document 54.

⁶ At the end of this sentence, Haig drew a line to the margin and wrote: "I agree—it was costly in this regard—so we need sensitive handling of it—i.e. don't add to problem."

⁷ Haig highlighted this sentence.

to act in ways that suggest confusion weakness or disarray.⁸ However, if we begin to have tangible failures, it will be seen as proof of the contention that our policy is merely a collection of ad hoc actions without a design.⁹

*There are, in light of the above considerations, several important issues approaching critical decision points.*¹⁰ These decisions will affect the immediate perception here and abroad of our skill in managing the country's foreign policy and will determine to a considerable extent the stability of the base from which we will build our policies in the next three and one-half years. If we fail to address successfully these matters, *if you are diverted* by the innumerable, but largely passing problems which will vie for your attention, the Administration's foreign policy will be hard put to recover any time soon.¹¹ Thus, we recommend that in the next four months or so you concentrate above all else in putting your personal imprint on the following issues which will be joined during this period.¹²

(1) *The MX and Bomber decisions.* If we stumble here we will pay for it for the rest of the century.¹³

(2) *AWACS.* We must win on the Hill or our whole strategy for the Middle East and Persian Gulf will be still-born. We must not only win the vote; we must do so in a way that persuades people that we have a serious strategy, not merely a policy of pleasing the Saudis and selling arms to anyone who wants them.¹⁴

⁸ Haig underlined "will not gain much purchase, especially not outside."

⁹ Haig highlighted this sentence. He also underlined the portion of the sentence beginning with "as" and ending with "design." In the margin below the sentence he drew four checkmarks.

¹⁰ Haig highlighted this sentence beginning with "several" through the end.

¹¹ Haig placed two vertical, parallel lines in the left-hand margin next to the portion of the sentence beginning with the word "passing" and wrote: "don't agree it'll come more quickly if we are right—as we have been & if org. & W.H. is under control."

¹² Haig highlighted the portion of this sentence beginning with the word "we" to the end.

¹³ Haig highlighted this point's heading. He drew a line from the end of the sentence to the upper margin and wrote: I agree & we are clearly headed in precisely that direction—see me Wed [July 8] on this."

¹⁴ Haig highlighted this point's heading. He drew a line from the end of the paragraph to the margin and wrote: "only unified work will get it—and it's uphill—mark my words." Reference is to the proposed sale of AWACS to Saudi Arabia; see footnote 2, Document 53. In August, the administration notified Congress of the proposed sale through a Department of Defense "informal" notice, followed by an October 1 "formal" notice. Congress considered the AWACS sale package throughout the month of October. (*Congress and the Nation*, vol. VI, 1981–1984, p. 131) For information concerning the outcome of the proposal, see Document 67.

(3) *Aircraft for Pakistan*. Whether through early F-16 deliveries or an enhanced F-5 package, we must meet Zia's basic requirements in order to maintain the momentum of our renewed relationship with the Paks.¹⁵

(4) *Security Assistance*. A failure to reverse the Long Appropriation Subcommittee's decision to eliminate concessional FMS financing will have a devastating impact on our relations with friends around the world, and especially on Egypt and Turkey.¹⁶

(5) *Caribbean Basin*. We must convince the naysayers that our new policy is more than rhetoric, and that over time it will fundamentally alter both the internal instabilities in a region on which Cuba preys, and Castro's capacity to export revolution there.¹⁷

Success or failure on these issues is largely a question of Congressional politics and internal bureaucratic politics in Washington. This means that the perceived success of your foreign policy over the next six months will depend more on what we do within the US Government than on what we do in our relations with others.¹⁸ While we need to develop our thinking on foreign policy initiatives that will begin to be decisive five or six months from now, particularly arms control and the Middle East peace process, and although we may be forced to attend to crises that could arise in Poland, El Salvador or Iran or between Egypt and Libya or Israel and Syria, your primary focus needs to be on winning these internal issues.¹⁹

¹⁵ Haig highlighted this point's heading and wrote in the margin: "we'll handle OK! Cap likes it!!!" Reference is to the proposed sale of 40 F-16 planes to Pakistan, as part of a larger military and economic aid package for that country. Although the Carter administration had suspended development assistance and IMET in April 1979, the Reagan administration proposed the 6-year aid package, partly to counter Soviet actions in Afghanistan. Documentation on the sale is scheduled for publication in *Foreign Relations*, 1981-1988, vol. XXXIII, South Asia.

¹⁶ Haig highlighted this point's heading. He also highlighted the fragment "reverse the Long Appropriations Subcommittee's." At the end of the point, he wrote: "agree—if we fail Pres. fails!" Reference is to the subcommittee's June 23 decision to cut \$1 billion from the administration's Foreign Military Sales request. According to the *Washington Post*, "Chairman Clarence D. Long (D-Md.), in an interview, said that increasing military aid to Third World countries badly in need of economic help is 'obscene,' and also inappropriate while Congress is busily cutting so many domestic social programs." (Michael Getler, "Planned Weapons Sales Abroad Encounter Resistance at Home," June 25, 1981, pp. A1, A2)

¹⁷ Haig highlighted this point's heading and wrote at the end of the paragraph: "we can win this & are doing so!!!"

¹⁸ Haig highlighted this and the previous sentence.

¹⁹ Haig highlighted the portion of this sentence beginning with the word "your" and ending with "issues." He also underlined "winning these internal issues." He drew an arrow from the bottom margin back to this sentence and wrote: "problem is they are no longer mine they are in hands of others you know that. I would suggest a completely different set—1) War in ME. 2) articulating a F.P. 3) getting [unclear] order 4) US/USSR relationship (maybe # 1—Stop reading news items think strategically."

Finally, we agree with you that the time has come for you to give a series of speeches which systematically lay out the Administration's approach to the major foreign policy questions we face. If we can resolve the five issues listed above in a sensible way while we creep forward on the Palestinian problem and on Southern Africa, and if you use the bully pulpit, we are confident that historians will see this Administration's first year of foreign policy as one of the most coherent and effective in a very long time.²⁰

²⁰ Below this paragraph, Haig wrote: "don't agree—see me you & Paul—and I'll explain why this is so—nevertheless you are not all wrong—just too theatrical!!!! AMH."

56. Address by Secretary of State Haig¹

New York, July 14, 1981

Arms Control for the 1980s: An American Policy

I do want to say I'm very, very pleased to have an opportunity to talk again before the Foreign Policy Association. I've always believed that an effective policy abroad must be the product of support for that policy here at home. And this association and its activities have clearly made a major contribution to that requirement here in America. It has always sharpened the issues for the American people and enabled them to decide for themselves on these fundamental issues. And it is just such an issue that I would like to discuss today, and that is the vitally important issue of the future of arms control in this decade of the 1980s facing Americans. There is hardly a subject which enjoys or is a focus of greater international attention, especially recently, among our allies in Western Europe, and with good cause.

This is true because we are living in an age when man has conceived the means of his own destruction. The supreme interest of the United States has been to avoid the extremes of either nuclear catastrophe or

¹ Source: Department of State *Bulletin*, August 1981, pp. 31–34. Haig spoke before the Foreign Press Association. The question and answer session following the address is *ibid.*, September 1981, pp. 31–33. The Department transmitted the text of the address to all diplomatic and consular posts in telegram 183639, July 14. (Department of State, Central Foreign Policy File, Electronic Telegrams, D810327–0450)

nuclear blackmail. Beginning with the Baruch plan,² every President has sought international agreement to control nuclear weapons and to prevent their proliferation. But each Chief Executive has also recognized that our national security and the security of our allies depend on American nuclear forces as well.

President Reagan stands in this tradition. He understands the dangers of unchecked nuclear arms. He shares the universal aspiration for a more secure and peaceful world. But he also shares the universal disappointment that the arms control process has delivered less than it has promised.

One of the President's first acts was to order an intense review of arms control policy, the better to learn the lessons of the past in the hope of achieving more lasting progress for the future. Two fundamental conclusions have emerged from this review.

First, the search for sound arms control agreements should be an essential element of our program for achieving and maintaining peace.

Second, such agreements can be reached if negotiations among adversaries about their national security interests are not dominated by pious hopes and simplistic solutions.

The task of arms control is enormously complex. It must be related to the nation's security needs and perspectives. Above all, arms control policy must be seen in the light of international realities. As Churchill put it: "You must look at the facts because they look at you." An American arms control policy for this decade must take into account the facts about our security and the lessons that we have learned about what works—and what does not work—in arms control.

Despite the extraordinary efforts at arms control during the 1970s, the world is a less secure place than it was 10 years ago. We began the process with the expectation that it would help to secure the deterrent forces of both the United States and the Soviet Union. But Moscow's strategic buildup has put at risk both our crucial land-based missiles and our bombers. Simultaneously, the Soviets have continued a massive buildup of conventional forces and have used them with increasing boldness. Their armies and those of their surrogates have seized positions that threaten resources and routes critical to Western security.

We cannot blame our approach to arms control alone for our failure to restrain the growth and use of Soviet power. The Soviet Union did not feel compelled to agree to major limitations and adequate

² In 1946 Bernard Baruch, then the U.S. Representative to the UN Atomic Energy Commission (AEC), proposed a plan for the international control of atomic energy. Documentation on the development of the Baruch plan is in *Foreign Relations*, 1946, vol. I, General; the United Nations.

verification in part because the United States did not take steps needed to maintain its own strategic and conventional capabilities. Nor did we respond vigorously to the use of Soviet force. The turmoil of the 1960s, Vietnam, and Watergate all contributed to this passivity. As a result, the basis for arms control was undermined. We overestimated the extent to which the Strategic Arms Limitation Talks would help to ease other tensions. We also underestimated the impact that such tensions would have on the arms control process itself.

This experience teaches us that arms control can only be one element in a comprehensive structure of defense and foreign policy designed to reduce the risks of war. It cannot be the political centerpiece or the crucial barometer of U.S.-Soviet relationships, burdening arms control with a crushing political weight. It can hardly address such issues as the Soviet invasion of Afghanistan, the Iran-Iraq war, the Vietnamese invasion of Kampuchea³—which is the subject of our U.N. conference here this week—the Libyan invasion of Chad, or Cuban intervention in Africa and Latin America. Instead, arms control should be an element—a single element—in a full range of political, economic, and military efforts to promote peace and security.

Principles

The lessons of history and the facts of international life provide the basis for a realistic set of principles to guide a more effective approach to arms control. All of our principles are derived from a recognition that the paramount aim of arms control must be to reduce the risks of war. We owe it to ourselves and to our posterity to follow principles wedded exclusively to that aim.

Our first principle is that our arms control efforts will be an instrument of, not a replacement for, a coherent allied security policy. Arms control proposals should be designed in the context of the security situation we face, our military needs, and our defense strategy. Arms control should complement military programs in meeting these needs. Close consultation with our allies is an essential part of this process, both to protect their interests and to strengthen the Western position in negotiations with the Soviet Union.

If, conversely, we make our defense programs dependent on progress in arms control, then we will give the Soviets a veto over our defenses and remove their incentive to negotiate fair arrangements. Should we expect Moscow to respect parity if we demonstrate that we are not prepared to sacrifice to sustain it? Can we expect the Soviets to agree to limitations if they realize that, in the absence of agreement, we shall not match their efforts? In the crucial relationship

³See footnotes 12 and 13, Document 53.

between arms and arms control, we must not put the cart before the horse. There is little prospect of agreements with the Soviet Union that will help solve such a basic security problem as the vulnerability of our land-based missiles until we demonstrate that we have the will and the capacity to solve them without arms control, should that be necessary.

Our second principle is that we will seek arms control agreements that truly enhance security. We will work for agreements that make world peace more secure by reinforcing deterrence. On occasion it has been urged that we accept defective agreements in order "to keep the arms control process alive." But we are seeking much more than agreements for their own sake. We will design our proposals not simply in the interest of a speedy negotiation but so that they will result in agreements which genuinely enhance the security of both sides.

That is the greatest measure of the worth of arms control, not the money saved nor the arms eliminated. Indeed, valuable agreements can be envisioned that do not save money and that do not eliminate arms. The vital task is to limit and to reduce arms in a way that renders the use of the remaining arms less likely.

Just as arms control could not aim simply at reducing numbers, so it should not try simply to restrict the advance of technology. Some technological advances make everyone safer. Reconnaissance satellites, for instance, discourage surprise attacks by increasing warning and make verification of agreements possible. Submarines and other means of giving mobility to strategic systems enhance their survivability, reduce the advantage of preemptive strikes, and thus help to preserve the peace. Our proposals will take account of both the positive and the negative effects of advancing technology.

Whether a particular weapons system, and therefore a particular agreement, undermines or supports deterrence may change with the development of other weapons systems. At one time, fixed intercontinental ballistic missiles (ICBMs) were a highly stable form of strategic weapons deployments, but technological change has altered that. We need to design arms control treaties so that they can adapt flexibly to long-term changes. A treaty that, for example, had the effect of locking us into fixed ICBM deployments would actually detract from the objectives of arms control.

Our third principle is that we will seek arms control bearing in mind the whole context of Soviet conduct worldwide. Escalation of a crisis produced by Soviet aggression could lead to a nuclear war, particularly if we allowed an imbalance of forces to provide an incentive for a Soviet first strike. American foreign policy and defense policy, of which arms control is one element, must deter aggression, contain crisis, reduce sources of conflict, and achieve a more stable military balance—all for

the purpose of securing the peace. These tasks cannot be undertaken successfully in isolation one from the other.

Soviet international conduct directly affects the prospects for success in arms control. Recognition of this reality is essential for a healthy arms control process in the long run. Such “linkage” is not the creation of U.S. policy: It is a fact of life. A policy of pretending that there is no linkage promotes reverse linkage. It ends up by saying that in order to preserve arms control, we have to tolerate Soviet aggression. This Administration will never accept such an appalling conclusion.

Our fourth principle is that we will seek balanced arms control agreements. Balanced agreements are necessary for a relationship based on reciprocity and essential to maintaining the security of both sides. The Soviet Union must be more willing in the future to accept genuine parity for arms control to move ahead. Each agreement must be balanced in itself and contribute to an overall balance.

Quantitative parity is important, but balance is more than a matter of numbers. One cannot always count different weapons systems as if they were equivalent. What matters is the capacity of either side to make decisive gains through military operations or threat of military operations. Agreements that do not effectively reduce the incentives to use force, especially in crisis situations, do nothing at all to enhance security.

Our fifth principle is that we will seek arms controls that include effective means of verification and mechanisms for securing compliance. Unverifiable agreements only increase uncertainties, tensions, and risks. The critical obstacle in virtually every area of arms control in the 1970s was Soviet unwillingness to accept the verification measures needed for more ambitious limitations. As much as any other single factor, whether the Soviets are forthcoming on this question will determine the degree of progress in arms control in the 1980s.

Failure of the entire arms control process in the long run can be avoided only if compliance issues are clearly resolved. For example, there have been extremely disturbing reports of the use of chemical weapons by the Soviets or their proxies in Afghanistan and in Southeast Asia. With full Western support the United Nations is now investigating the issue of chemical weapons.⁴ Similarly, in the spring of 1979, there was an extraordinary outbreak of anthrax in the Soviet city of Sverdlovsk.⁵ Despite continued probing, we still await a serious Soviet

⁴ Reference is to A/RES/35/144 C, “Chemical and Bacteriological (Biological) Weapons,” adopted by the UN General Assembly on December 12, 1980, which requested the Secretary-General to investigate the alleged use of chemical weapons.

⁵ Reference is to the accidental release of anthrax from a military research facility in Sverdlovsk in April 1979. For additional information, see *Foreign Relations, 1977–1980*, vol. VI, Soviet Union, Documents 267, 269, 270, 290, 294, 297, 304, and 306.

explanation as to whether it was linked to activities prohibited under the biological weapons convention.⁶

Our sixth principle is that our strategy must consider the totality of the various arms control processes and various weapons systems, not only those that are being specifically negotiated. Each U.S. weapons system must be understood not merely in connection with a corresponding Soviet system, but in relation to our whole strategy for deterring the Soviets from exploiting military force in general. In developing our theater nuclear arms control proposals, for example, we should consider the relationship of theater nuclear forces to NATO's overall strategy for deterring war in Europe. We cannot overlook the fact that our European strategy has always compensated for shortfalls in conventional capability through a greater reliance on theater and strategic nuclear forces. If we are to rely less on the nuclear elements in the future, the conventional elements will have to be strengthened.

Prospects

What then are the prospects for arms control in the 1980s? We could achieve quick agreements and an appearance of progress if we pursued negotiation for its own sake or for the political symbolism of continuing the process. But we are committed to serious arms control that truly strengthens international security. That is why our approach must be prudent, paced, and measured.

With a clear sense of direction and a dedication to the serious objectives of arms control, this Administration will strive to make arms control succeed. We will put our principles into action. We will conduct negotiations based on close consultation with our allies, guided by the understanding that our objective is enhanced security for all of our allies, not just for the United States. We will work with the Congress to insure that our arms control proposals reflect the desires of our people, and that, once agreements are negotiated, they will be ratified and their implementation fully supported. We will comply with agreements we make, and we will demand that others do likewise.

By the end of the year, the United States will be embarked upon a new arms control endeavor of fundamental importance, one designed to reduce the Soviet nuclear threat to our European allies. The impetus for these negotiations dates back to the mid-1970s when the Soviets began producing and deploying a whole new generation of nuclear

⁶Reference is to the Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on their Destruction (26 UST 583), commonly known as the Biological Weapons Convention, signed in London, Washington, and Moscow on April 10, 1972, and entered into force on March 26, 1975. For additional information, see *Foreign Relations, 1969-1976*, vol. E-2, Documents on Arms Control and Nonproliferation, 1969-1972, Document 256.

systems designed not to threaten the United States—for their range was too short—but to threaten our European allies. These new weapons, and in particular the nearly 3,000-mile-range SS–20 missile, were not just modernized replacements for older systems. Because of their much greater range, their mobility, and above all their multiplication of warheads on each missile, these new systems presented the alliance with a threat of a new order of magnitude.

The pace of the Soviet buildup is increasing. Since the beginning of last year, the Soviets have more than doubled their SS–20 force. Already 750 warheads have been deployed on SS–20 launchers. The Soviet Union has continued to deploy the long-range Backfire bomber and a whole array of new medium- and short-range nuclear missiles and nuclear-capable aircraft. This comprehensive Soviet arms buildup is in no sense a reaction to NATO's defense program. Indeed, NATO did very little as this alarming buildup progressed.

In December 1979 the alliance finally responded in two ways. First, it agreed to deploy 464 new U.S. ground-launched cruise missiles in Europe and to replace 108 medium-range Pershing ballistic missiles already located there with modernized versions of greater range. Second, the alliance agreed that the United States should pursue negotiated limits on U.S. and Soviet systems in this category.

This two-track decision represents explicit recognition that arms control cannot succeed unless it is matched by a clear determination to take the defense measures necessary to restore a secure balance. On taking office, as one of its first foreign policy initiatives, this Administration announced its commitment to both tracks of the alliance decision—deployments and arms control. Last May, in Rome, we secured unanimous alliance endorsement of our decision to move ahead on both tracks and of our plan for doing so.⁷

Since then I have begun discussions in Washington with the Soviet Ambassador on this issue.⁸ When I meet with Soviet Foreign Minister Gromyko at the United Nations this September, I will seek agreement

⁷ See footnotes 3 and 6, Document 48.

⁸ In an undated memorandum to the President, Haig indicated that Dobrynin had delivered to him that day a letter from Brezhnev to Reagan, dated May 27. Haig noted that during their conversation, Dobrynin had expressed the Soviet desire to get the TNF talks underway. Haig continued, "I told him that the talks we will conduct between now and when Gromyko and I meet in September will be restricted to the modalities. I explained that the US had to engage in extensive consultations with its allies and prepare threat and requirement assessments so that when we begin negotiations we will know which systems will be involved. The TNF talks are not like the SALT talks where the US could act largely unilaterally. I argued that both we and the Soviets will be well served by these intensive preparations so that my discussions with Gromyko in September can be productive and businesslike." For the text of the memorandum and the text of Brezhnev's letter, see *Foreign Relations, 1981–1988*, vol. III, Soviet Union, January 1981–January 1983, Document 59.

to start the U.S.-Soviet negotiations on these weapons systems by the end of this year.⁹ We would like to see the U.S. and Soviet negotiators meet to begin formal talks between mid-November and mid-December of this year. We intend to appoint a senior U.S. official with the rank of Ambassador as our representative at these talks.

Extensive preliminary preparations for this entirely new area of arms control are already underway in Washington and in consultation with our NATO allies in Brussels. Senior U.S. and European officials will continue to consult after the beginning of U.S.-Soviet exchanges. We and our allies recognize that progress can only come through complex, extensive, and intensive negotiations.

We approach these negotiations with a clear sense of purpose. We want equal, verifiable limits on the lowest possible level on U.S. and Soviet theater nuclear forces. Such limits would reduce the threat to our allies and bring to Europe the security undermined today by the Soviet buildup. We regard the threat to our allies as a threat to ourselves, and we will, therefore, spare no effort to succeed.

We are proceeding with these negotiations to limit the theater threat within the framework of SALT—the Strategic Arms Limitation Talks designed to limit the nuclear threat to the United States and the Soviet Union. In this area, too, we have initiated intense preparations. These preparations must take into account the decisions we will take shortly on modernizing our intercontinental ballistic missiles and our strategic bombers.

In the course of 10 years of SALT negotiations, conceptual questions have arisen which must be addressed. For instance, how have improvements in monitoring capabilities, on the one hand, and new possibilities for deception and concealment, on the other, affected our ability to verify agreements and to improve verification? Which systems are to be included in a SALT negotiation, and which should be discussed in other forums? How can we compare and limit the diverse U.S. and Soviet military arsenals in the light of new systems and new technologies emerging on both sides?

In each of these areas there are serious and pressing questions which must be answered to insure the progress of SALT in the 1980s and beyond. Only in this way can SALT become again a dynamic process

⁹ Haig met with Gromyko during the UN General Assembly (Haig's speech is printed as Document 63) on September 23 and September 28. On September 23, they agreed that formal negotiations would begin in Geneva on November 30, with Nitze representing the United States and U.A. Kvitsinsky representing the Soviet Union. The memoranda of conversation are printed in *Foreign Relations, 1981-1988*, vol. III, Soviet Union, January 1981-January 1983, Documents 88-91.

that will promote greater security in the U.S.-Soviet relationship. We are determined to solve these problems and to do everything necessary to arrive at balanced reductions in strategic arsenals on both sides.

We should be prepared to pursue innovative arms control ideas. For example, negotiated confidence-building measures in Europe could provide a valuable means to reduce uncertainty about the character and purpose of the other side's military activities. While measures of this sort will not lessen the imperative of maintaining a military balance in Europe, they can reduce the dangers of miscalculation and surprise.

We are eager to pursue such steps in the framework of a European disarmament conference based on an important French proposal now being considered at the Madrid meeting of the Conference on Security and Cooperation in Europe.¹⁰ We call upon the Soviets to accept this proposal, which could cover Soviet territory to the Urals. As we proceed in Madrid, we will do so on the basis of a firm alliance solidarity, which is the key to bringing the Soviets to accept serious and effective arms control measures.

Our efforts to control existing nuclear arsenals will be accompanied by new attempts to prevent the spread of nuclear weapons. The Reagan Administration is developing more vigorous policies for inhibiting nuclear proliferation.¹¹ We expect the help of others in this undertaking, and we intend to be a more forthcoming partner to those who share responsibility for nonproliferation practices. Proliferation complicates the task of arms control: It increases the risk of preemptive and accidental war, it detracts from the maintenance of a stable balance of conventional forces, and it brings weapons of unparalleled destructiveness to volatile and developing regions. No short-term gain in export revenue or regional prestige can be worth such risks.

It may be argued that the "genie is out of the bottle," that technology is already out of control. But technology can also be tapped for the

¹⁰ Reference is to a French proposal, introduced at the CSCE Madrid review conference (see footnote 4, Document 48), which called for a conference on disarmament in Europe to discuss confidence building measures that would "apply to all of Europe from the Atlantic to the Urals." (Telegram 90145 to Moscow, Seoul, Tokyo, CINCPAC Honolulu, and CINCUNC Seoul, April 10; Department of State, Central Foreign Policy File, Electronic Telegrams, D810170-0334)

¹¹ On July 16, the White House released the President's statement on U.S. nuclear nonproliferation policy. In it, the President outlined the administration's "policy framework," containing basic guidelines for the pursuit of its policy, asserting: "We must reestablish this Nation as a predictable and reliable partner for peaceful nuclear cooperation under adequate safeguards. This is essential to our nonproliferation goals. If we are not such a partner, other countries will tend to go their own ways, and our influence will diminish. This would reduce our effectiveness in gaining the support we need to deal with proliferation problems." He directed that Haig, in concert with other agencies, work to "reestablish a leadership role for the United States in international nuclear affairs." (*Public Papers: Reagan, 1981*, pp. 630-631)

answers. Our policies can diminish the insecurities that motivate proliferation. Responsible export practices can reduce dangers. And international norms can increase the cost of nuclear violations. With effort we can help to assure that nuclear plowshares are not transformed into nuclear swords.

In sum, the United States has a broad agenda of specific arms control efforts and negotiations already underway or soon to be launched. The charge that we are not interested in arms control or that we have cut off communications with the Soviets on these issues is simply not true.

The approach I have discussed today stands in a long and distinguished American tradition. We are confident that it is a serious and realistic approach to the enduring problems of arms control. The United States wants a more secure and a more peaceful world. And we know that balanced, verifiable arms control can contribute to that objective.

We are also confident that the Soviet leaders will realize the seriousness of our intent. They should soon tire of the proposals that seek to freeze NATO's modernization of theater nuclear weapons before it has even begun, while reserving for themselves the advantages of hundreds of SS-20s already deployed. They should see that the propaganda campaign intended to intimidate our allies and frustrate NATO's modernization program cannot and must not succeed. Arms control requires confidence, but it also requires patience.

Americans dream of a peaceful world, and we are willing to work long and hard to create it. This Administration is confident that its stance of patient optimism on arms control expresses the deepest hopes and the clearest thoughts of the American people.

It is one of the paradoxes of our time that the prospects for arms control depend upon the achievement of a balance of arms. We seek to negotiate a balance at less dangerous levels but meanwhile we must maintain our strength. Let us take to heart John F. Kennedy's reminder that negotiations "are not a substitute for strength—they are an instrument for the translation of strength into survival and peace."¹²

¹² Then-Senator Kennedy made these remarks during a speech delivered in the Senate on June 14, 1960.

57. Editorial Note

On July 19, 1981, President Ronald Reagan, Secretary of State Alexander Haig, Secretary of the Treasury Donald Regan, and Counselor to the President Edwin Meese departed Washington for Ottawa to attend the Group of 7 (G-7) Economic Summit meeting. Prior to their departure, Haig briefed the press assembled in the Old Executive Office Building. Towards the end of his remarks, he said: "Let me conclude my brief presentation by summarizing what I believe to be our basic objectives at this summit—to get to know the other leaders personally, develop rapport with them, understand their concerns, and make clear our sensitivity to these concerns; to explain U.S. economic and foreign policy goals; to demonstrate to the other leaders our determination to create a strong U.S. economy with stable prices, accepting necessary short-term costs in this effort; to strengthen our defenses and to keep our commitment to international consultation and cooperation and to keep it solid and enduring; to discuss the East-West relations, as well as other major crises areas." (Department of State *Bulletin*, August 1981, page 3)

The summit meeting took place both in Montebello, Quebec and in Ottawa from July 19 until July 21. Participants, in addition to Reagan, included Prime Minister Pierre Elliott Trudeau of Canada, President Francois Mitterrand of France, Chancellor Helmut Schmidt of the Federal Republic of Germany, Prime Minister Zenko Suzuki of Japan, Prime Minister Margaret Thatcher of the United Kingdom, Prime Minister Giovanni Spadolini of Italy, and Gaston Thorn, President of the Commission of the European Communities. Documentation on the summit meeting is scheduled for publication in *Foreign Relations, 1981–1988*, vol. XXXVI, Trade; Monetary Policy; Industrialized Country Cooperation, 1981–1984. Related documentation is scheduled for publication in *Foreign Relations, 1981–1988*, volume VII, Western Europe, 1981–1984, and *Foreign Relations, 1981–1988*, volume XLVII, Part 1, Terrorism, January 1977–May 1985. The texts of the Ottawa Economic Summit declaration, issued on July 21; the Summary of Political Issues, issued to the press by Trudeau on July 21 on behalf of all participants; and a Statement on Terrorism, also issued to the press by Trudeau on July 21 on behalf of all participants; are printed in Department of State *Bulletin*, August 1981, pages 8–9, 14–16.

Following the last session of the summit, held the afternoon of July 21, the participants offered their concluding remarks at 5:05 p.m. in the Opera House of the National Arts Centre. After thanking Trudeau for his hospitality, the President commented: "Not long ago, the conventional wisdom was that our seven nations were more sharply divided than any time in years. Only three of us had attended

an economic summit before, and the rest of us are still in the first grade, the first-year class.

“To the outside world this looked like it would be a difficult summit. Inflation rates are running at incredible levels. Unemployment, I should say, disrupts the lives of millions of people, and new fears of protectionism are sweeping across our continents. The agenda of Montebello represented an enormous challenge for all of us. The true measure of these past 2 days, days filled with candid but always friendly talks, is that we leave with a true sense of common understanding and common purpose. We’ve discussed at great length how each one of us is addressing economic problems at home while working in concert to assure that we are sensitive to the impact of our actions upon our partners.

“I’m grateful to the other leaders here for their degree of understanding and support for the economic policies we’re embarked upon in the United States. We have also resolved that we shall resist protectionism and support an open, expanding system for multilateral trade. And, as you have been told by the Prime Minister, we shall work together in helping the developing nations move toward full partnership in that system.

“As Chancellor Schmidt has told us, our unity in economic matters is the best insurance we have against a return to the disastrous ‘beggar-thy-neighbor’ policies of another era. Economic unity and political unity are two great goals we must continue to pursue. All our nations share democratic institutions based on a belief in human dignity, freedom, and the preeminence of the individual. I believe that we depart with fresh confidence and optimism about the future of democratic values and our societies.

“Many uncertainties still lie ahead; much remains to be done. But, as an American, I would like to recall for you an inspiring story of my native land. It’s the story of young Franklin Roosevelt, who was struck down by polio in the prime of life and then, struggling to cover and to scale new heights. I mention it because much of that struggle took place on a little island not too far from here in New Brunswick, Canada, and the story is remembered by a very appropriate title, ‘Sunrise at Campobello.’

“Now, today, as we leave Montebello, I just can’t resist the suggestion that over the past few years our nations have suffered from an affliction too, an economic affliction. I hope sometime in the future people will look back and say that here, in these talks, we began to put our nations back on the road to economic recovery and that a new Sun rose at Montebello.

“That is a hope I know all of us share. Thank you very much.”
(*Public Papers: Reagan, 1981*, pages 639–640)

The concluding statements made by all heads of state are *ibid.*, pages 637–646.

Haig and Regan briefed the press on July 21 at the Skyline Hotel in Ottawa; for the text of their briefing, see Department of State *Bulletin*, August 1981, pages 17–22.

58. Memorandum From Secretary of State Haig to the Counselor to the President (Meese)¹

Washington, August 15, 1981

SUBJECT

FY 1982 Security and Development Assistance Legislation

With passage of the critical domestic economic legislation, it is imperative that we now turn our attention to enactment of the FY 1982 security and development assistance authorization and appropriations bills and raise these to the top of the White House legislative agenda.

The Administration has constructed an ambitious international security policy to sustain our leadership role and fortify the defense of our national interests. The credibility and success of this policy depend mainly on significant improvements in our defense posture and a parallel strengthening of allied and friendly forces. These two major and complementary objectives are of the highest priority; they require increased budgetary levels.

We are, however, confronted by the prospect of failure. Thus far, Congress has not enacted authorization and appropriations legislation for the FY 1982 foreign assistance program. For the third consecutive year the program is threatened with a continuing resolution which would provide substantially less than we need. The security assistance shortfall could be as much as \$1.5 billion below the \$6.8 billion program authority request.

Key Democrats including HFAC Chairman Zablocki are willing to approve most aspects of the program, but are unwilling to take the lead, as in previous years, without assurances of strong Republican support.

¹ Source: Reagan Library, Executive Secretariat, NSC Subject File, [Security Assistance] Foreign Aid, (May 1981–August 1981). Confidential. Also scheduled for publication in *Foreign Relations, 1981–1988*, vol. XXXVIII, International Economic Development; International Debt; Foreign Assistance.

Many Republican House members, however, do not yet believe that the White House is interested in the legislation and have not been willing to support it. This perception reinforces a traditional House antipathy toward foreign assistance.

If we cannot get foreign assistance bills this year, Israel will be about the only security assistance country program to survive in reasonable shape. Egypt, Turkey, Sudan, Kenya, Portugal, El Salvador, and Thailand among others, plus our initiatives for Military Assistance and Economic Support special requirements funds to meet unanticipated needs, will suffer irreparable damage. Key development assistance programs such as those in Africa and Central America will be reduced. A dangerous precedent would also be set for FY 1983 for which we are planning major augmentations.

In sum, if the resources necessary to carry out this Administration's foreign policy are to be available in FY 82, the Congress, particularly Republican members, must understand that the White House regards urgent passage of this program to be critical to its foreign policy objectives. Successful enactment will require the full resources of the White House staff. I strongly urge that you place foreign assistance legislation as one of the two or three highest congressional priorities of the Administration.²

²Haig wrote in the bottom margin of the memorandum: "Ed—I cannot over emphasize how critical this issue is becoming. There will be no hope of carrying the day unless the Pres. and the senior W.H. staff get behind this issue *now*. Thanks. Al."

59. Memorandum From Secretary of the Treasury Regan to President Reagan¹

Washington, August 27, 1981

SUBJECT

U.S. Economic Policy Toward Developing Countries and Global Negotiations

Our experience at the Ottawa Summit has underscored the importance of developing countries in international economic policy.² Your

¹Source: Reagan Library, Douglas McMinn Files, Subject Files, Mexico—speeches [3]. No classification marking. Copies were sent to Haig and Allen.

²See Document 57.

participation in the late October Cancun Summit with Heads of State from developed and developing countries will draw attention to outstanding issues in this area, especially with the global negotiations issue looming in the background.³ The September-October period would provide an excellent “window” for you to make a major policy speech to assert U.S. leadership in the international economic arena and dispel misimpressions of your Administration’s attitude toward developing countries.

Foreign assistance traditionally has been viewed as a stimulus to economic growth in developing countries. Domestically, your Administration has rejected the notion that government transfers and intervention provide a necessary impetus for business activity. Vigorous economic activity and growth result from allowing the market place to allocate scarce economic resources and determine appropriate kinds of productive activity. This basic proposition is no less valid in developing countries, although it is not always popular with their governments.

As in domestic economic policy, so in international economic policy, aggressive yet practical leadership to cope with economic ills brought on by inflation and slow growth has been lacking. Industrialized countries realize they cannot sustain ever-growing foreign aid levels while their domestic economies are weak. Developing nations must appreciate that accumulating debts to finance consumption merely mortgages their future and can be no substitute for sound domestic economic policies. Successful economic growth is based largely upon internal generation of capital and foreign private financial flows.

A major policy address—perhaps at the annual meeting of the World Bank and International Monetary Fund in late September—could bring these ideas together, put them in perspective, and supply the basis for U.S. leadership at Cancun and thereafter.

The speech could:

- underscore our concern and compassion for developing countries’ economic problems;
- stress that the fundamental issue, nevertheless, is for all to get their internal houses in order (as we are doing);

³ Reference is to the upcoming international meeting on cooperation and development, scheduled to take place in Cancun, October 22–23. Haig attended the third preparatory meeting of foreign ministers, which took place in Cancun, August 1–2. For Haig’s remarks to the press, made on his aircraft en route to Cancun on July 31, and his August 2 departure statement, see Department of State *Bulletin*, September 1981, pp. 33–34. Additional documentation and the notes of the Cancun preparatory meeting are scheduled for publication in *Foreign Relations, 1981–1988*, vol. XXXVIII, International Economic Development; International Debt; Foreign Assistance. For additional information about the summit preparations undertaken by the United States, see Document 65. For the President’s remarks concerning the Cancun summit objectives, see Document 66.

—emphasize the full range of U.S. (and other industrialized country) contributions to the economic betterment of developing countries via the private market (trade, investment, technology, private capital flows) as well as aid;

—confirm our commitment to provide foreign assistance to the poorer developing countries;

—reject the artificial division of the world along North-South lines and offer instead to examine concrete problems on a pragmatic basis (such as we are beginning to do in the Caribbean); and

—clearly state U.S. concern over the prospect of Global Negotiations undermining the integrity of existing institutions, which are fully competent to handle emerging problems.

As you are aware, the proposed U.N.-based Global Negotiations will be a major issue this fall.⁴ “GN”, which has been stalled primarily by U.S. objections, would create a central negotiating body under U.N. auspices to conduct—in some fashion yet to be determined—interrelated negotiations across a range of economic issues.

Our basic problem with Global Negotiations centers on the strong likelihood that the competence, integrity, and role of existing international institutions—especially the International Monetary Fund and the World Bank—would be undermined and distorted if they were allowed to proceed. A new international bureaucracy simply is not needed. The Fund, Bank, and other specialized international institutions are well equipped to handle the proposed topics for negotiation. Food, trade, development finance, and international monetary matters are the concern of established international organizations. Energy is the only proposed topic without such a forum.

Global Negotiations are a ‘no-win’ situation. Although the negotiations themselves are likely to follow a “consensus” approach, the sheer volume of developing country voting power in the U.N. (119 of 154 votes) would likely force us to choose between a highly damaging substantive outcome and blocking the conference. Thus, any favorable political atmosphere generated by a decision to move forward with Global Negotiations would soon dissipate.

Economic problems of developing countries—which are increasingly important in our trade and political relations—must be addressed. The United States should provide leadership to this end. The best approach, however, would be to redirect existing organizations to resolve concrete problems. We will gain nothing by encouraging political debates on these problems in the U.N. where inevitably the developing countries act and vote as a bloc. My own view is that it would be better, in effect, to break off the engagement now than be confronted

⁴ Documentation on Global Negotiations is scheduled for publication in *Foreign Relations*, 1981–1988, vol. XXXVIII, International Economic Development; International Debt; Foreign Assistance.

with a very costly divorce later on. You could signal your inclination to do so by an appropriate passage in the speech I am recommending.

Donald T. Regan

60. Editorial Note

On September 11, 1981, Secretary of State Alexander Haig departed Washington for Marabella, Spain, in order to meet with Deputy Prime Minister Crown Prince Fahd of Saudi Arabia on September 12. Haig then flew to Belgrade to meet with Yugoslavian President Sergji Kraigher and other Yugoslavian officials, September 12–13. On September 13, Haig addressed the Berlin Press Association in West Berlin, before departing for Bonn in order to meet with West German Foreign Minister Hans-Dietrich Genscher, September 13–14. Documentation on Haig's meetings with Fahd, Kraigher, and Genscher, are scheduled for publication in *Foreign Relations, 1981–1988*, volume XXII, Middle East Region; Arabian Peninsula; *Foreign Relations, 1981–1988*, volume X, Eastern Europe; and *Foreign Relations, 1981–1988*, volume VII, Western Europe, 1981–1984, respectively.

Earlier, in a September 8 memorandum to Department of State speechwriter Harvey Sicherman, Director of the Policy Planning Staff Paul Wolfowitz discussed Haig's upcoming address before the Berlin Press Association. He expressed his belief that it was "essential for the Berlin speech explicitly to reaffirm U.S. commitment to defend West Berlin and support for the Four-Power Agreement." He continued, "According to Reuters, August 21, a West German Government spokesman said Haig is 'expected to renew the U.S. commitment to West Berlin's freedom and security,' to 'stress the special ties between the United States and Berlin and affirm Washington's support for the 1971 Four-Power Agreement.' The Secretary himself is quoted in Saturday's [September 4] *New York Times* as saying 'When I go to Europe I'm going first to West Berlin and I will give a speech and it's designed to be a reaffirmation of the American commitment to the freedom of the city. That is a historic requirement and one which I take very seriously.'"

Before suggesting additional language to be inserted into the address, Wolfowitz stressed: "If the speech does not follow through on these promises, we will invite *extremely unwelcome* speculation. I understand that Genscher has specifically requested this point to be made." (Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the

Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons PW 9/1-10/81) Haig's comments about the upcoming address were made within the context of a September 3 interview, of which the *New York Times* printed excerpts on September 5. ("Excerpts From Views Expressed by Haig," *New York Times*, September 5, 1981, page 4)

Haig began his September 13 address by emphasizing the importance of individual rights and the "balance between individual freedom and the common good." Noting that the "democratic revolution" served as the "best hope for human progress," he claimed that the Western democracies "have a unique privilege—and a compelling obligation—to promulgate their own revolutionary doctrine throughout the world." The democratic revolution, however, faced multiple challenges: "a loss of faith" that democracies could address issues of the 1980s; the application of double standards for international conduct; and the posing of "a false dichotomy" between social progress and security.

After discussing these challenges in detail, Haig returned to the question of Germany and its place within the future of the democratic revolution. Having begun his remarks by characterizing the construction of the Berlin Wall in 1961 as "dramatic evidence" of "one view of the human condition," he emphasized: "We have recently observed the 20th anniversary of the Berlin Wall and the 10th anniversary of the signing of the Quadripartite Agreement on Berlin. The progress achieved in the decade between these two events was made possible by Western determination to maintain the security and the freedom of the city, while at the same time seeking practical improvements in the lives of its inhabitants.

"The Quadripartite Agreement is a reminder of what East and West can achieve by negotiation. And it is a reminder to us that such success can only be achieved by Western perseverance and unity. The unity of the Western allies, the Federal Republic of Germany, and the Berliners themselves, has been one of the major reasons for the continued freedom and prosperity of Berlin over the past 35 years. Americans are proud of their role in maintaining the freedom of Berlin and in protecting stability in and around the city. Our commitment in Berlin remains one of the cornerstones of American engagement in Europe.

"It has been said before that free Berlin is an island of liberty in a sea of totalitarianism. Here there is a free press; on the other side of that hideous wall there is none. Here there is freedom of speech; a few kilometers away there is none. In free Berlin, you elect those who are to govern; in East Berlin elections are a mockery. And here Berliners are free to assemble and to demonstrate on behalf of their beliefs; East Berliners could not conceive of such liberty.

"It has not escaped my notice that my presence here today has brought into the streets West Berliners who think less well of me and

my country than I would wish. In one sense I obviously regret those demonstrations. But in a far more important sense, we should all draw deep satisfaction from what they tell us about the strength of democracy and the commitment to democratic institutions in this part of Berlin. All the anguish, all the struggle, and all the determination of the allies, the Federal Republic of Germany, and West Berliners have expended over the years to keep this city free have been worth the price.

“Many years ago Voltaire, in speaking of another revolution, said, ‘I disagree with what you say, but I will defend to the death your right to say it.’ On behalf of my country—and on behalf of the several hundreds of thousands of my countrymen serving in our armed forces in Europe—let me close by saying that even when we disagree with what you say, we are prepared to defend to the death your right to say it.” (Department of State *Bulletin*, November 1981, pages 44–47)

Following his address, Haig took part in a question-and-answer session; for the text, see *ibid.*, pages 47–49. During a news conference in Bonn on September 14, following his conversation with Genscher, Haig underscored that his visit to the Federal Republic of Germany “also afforded me an opportunity yesterday in West Berlin to underline unequivocally the unswerving and continuing support of the United States of America and of President Reagan’s Administration for the continued freedom, vitality, and well-being of the free city of West Berlin.” (*Ibid.*, page 49)

61. Memorandum From Carnes Lord of the National Security Council Staff to the President’s Assistant for National Security Affairs (Allen)¹

Washington, September 14, 1981

SUBJECT

Haig’s Speech on Western Values

Secretary Haig’s Berlin speech² was supposed to be a definitive statement of this Administration’s understanding of the common moral

¹ Source: Reagan Library, Executive Secretariat, NSC Agency File, Department of State (09/14/1981–01/09/1982). Confidential. Copies were sent to Bailey, Pipes, and Stearman. National Security Council Executive Secretary Allen Lenz initialed the top right-hand corner of the memorandum.

² Attached at Tab I but not printed is a copy of Haig’s speech (see Document 60).

and political outlook that constitutes the West, and the centerpiece of our campaign to counter the propaganda of the international left. What we have been given instead is a poorly conceived and hastily written farrago of cliches which is unlikely to persuade anyone of anything.

The history of the Berlin speech as I understand it forms part of what is now a pattern: after protracted struggle within State (between the excellent speechwriters in S/P and the bureaus) a draft is prepared which is then almost wholly discarded by Harvey Sicherman, who proceeds to write his own version three or four days before the speech is to be given. The result is that there is no time for meaningful comment by other interested parties, but only for pro forma clearance. (I received Sicherman's draft of the Berlin speech exactly an hour and a half before comments were due.) This might be tolerable if Sicherman were terrific; he is not.

Apart from all this, though, the general thrust of the speech leaves much to be desired. It defines Western "values" almost wholly in terms of the freedom and "creativity" of the individual, with almost no attention to constitutionalism, the rule of law or human rights. Not only is such rhetoric vapid; it reflects the infiltration into American thought of relativist (ultimately Nietzschean) notions which are more supportive of the neo-left than of what this Administration is supposed to stand for. Particularly objectionable in my opinion is the virtual silence about human rights. This will not go unnoticed, and will only give fuel to the critics of Administration policy in this area. More generally, though, Sicherman's line is absolutely in error by the fact that it defines the West in terms of notions that are most peculiar to the West (and indeed to America) and least appealing to most of the world.

Given the poor quality of the speech, it is perhaps fortunate that press coverage of it was dominated by the toxin announcement as well as the local demonstrations. In any event, it is hardly an auspicious beginning to our ideological counteroffensive.³

³ An unknown hand placed a vertical line in the right-hand margin next to this paragraph.

62. Editorial Note

On September 17, 1981, Secretary of State Alexander Haig testified before the Senate Foreign Relations Committee concerning the Ronald Reagan administration's view on U.S. strategic interests. Committee

Chair Senator Charles Percy (R–Illinois) opened the hearing, noting that Haig would “focus his remarks on the region encompassing the nations which lie between Morocco and Pakistan.” He then called on the ranking minority member of the Committee—Senator Claiborne Pell (D–Rhode Island)—to make an opening comment. Pell expressed his hope that Haig would also touch on the “overall course” of U.S. foreign policy, as Pell remained concerned that he saw the United States “increasingly on a collision course with the Soviet Union and not being deflected from that.”

Haig began his statement by indicating that his appearance marked “a welcome opportunity to review our progress in foreign policy,” noting that he would focus on the Middle East. After reviewing several administration accomplishments and reiterating the strategic components of the administration’s policy, Haig continued: “Nowhere is the maintenance of balance among the different elements of our foreign policy more important than in the Middle East, that complex and unstable region in which we have so many important economic, political, strategic, and even spiritual interests. Let me cite just a few of the developments that challenge the United States today:

“The oilfields in the Persian Gulf today, so vital to the United States and our European and Japanese allies, are threatened by the military presence of the Soviet Union and its proxies in Afghanistan, South Yemen, Ethiopia, and Libya;

“The new entente between Libya, Ethiopia, and South Yemen—three of the Soviets’ closest friends in the area—is only the most recent of many threats to the security of our friends in the region;

“The Arab-Israel dispute divides some of our closest friends;

“Iran, which once served as a buffer between the Soviet Union and the Gulf and helped to maintain regional security, is torn by war and violence. The danger to Iran’s independence and integrity poses a threat to U.S. security that would make Iran’s own wanton assault on international order pale by comparison;

“Ancient poverty and sudden wealth, venerable tradition and modern progress, coexist uneasily;

“American interests in the Middle East can be protected only by a strategy that neglects neither regional complexities nor the threat of external intervention. As I explained in April during my visits to Cairo, Jerusalem, Amman, and Riyadh, the United States regards the peace process and the effort to counter Soviet and regional threats as mutually reinforcing. If our friends are more secure, they will be more able to take risks for peace. If there is progress in the peace process, security cooperation will be facilitated—cooperation that is essential to deter intervention by the Soviets and their proxies.

"We support Israel and Egypt not only as security partners, but as partners in the historic peace process that they themselves began. In his discussions with Prime Minister Begin last week and in his earlier discussions with President Sadat, President Reagan made clear the U.S. interest in the peace process and our commitment to the Camp David accords. A participation of U.S. troops in a Sinai peacekeeping force is one measure of our determination to see peace succeed. Phil Habib's efforts as the President's personal emissary to defuse the crisis in Lebanon constitutes another. We are pleased that Egypt and Israel have agreed to resume the autonomy talks now scheduled to start in Egypt on September 23 and 24.

"We welcome the restraint that Israel has shown under difficult circumstances, making it possible for Ambassador Habib to negotiate a cessation of hostilities on the Israeli-Lebanon border. We welcome the good offices provided by Saudi Arabia that facilitated this task. We hope that violence on that front can be avoided. We look forward to rapid movement in the autonomy negotiations, and we shall work diligently to restore stability to Lebanon.

"However, even the most rapid possible progress on the Arab-Israeli dispute would not do away with the many other conflicts in the Middle East, such as the Iran-Iraq war, the tension between the two Yemens, or possible anarchy in Iran. And we would not have removed the threat of intervention by the Soviet Union or its proxies in these conflicts.

"Our ability to protect our friends from the insecurities that these conflicts produce will make them bolder in the peace process. It is also essential to protect vital U.S. interests.

"Although we are building up U.S. military capabilities so that we can better contribute to the security of the region, the use of U.S. military force can only be considered as a last resort. And to deter major Soviet threats for which the U.S. role is indispensable, we also need the help of our friends, both in the region and outside it whose interests are engaged by the threat to Middle East security.

"That is the reason why we are pursuing intensified strategic cooperation with Israel, Egypt, Saudi Arabia, and many other concerned countries. The form and content of our cooperation is different in each case. We are sensitive to both the political and military limitation on the contributions that different countries can usefully make. We are not seeking to construct formal alliances or a massive structure of U.S. bases. We are pursuing a sophisticated strategy, one guided as well by a deep sense of urgency.

“Our broad strategic view of the Middle East recognizes the intimate connections between that region and adjacent areas: Afghanistan and South Asia, Northern Africa, and the Horn, and the Mediterranean and the Indian Ocean. We recognize that an instability in Iran or other areas of the region can influence the prospects for peace between Israel and its neighbors.

“Success will, therefore, require a very broad effort. We are working with our European allies for a strong Turkey, not only to strengthen the security of NATO’s southern flank, but also because Turkey is a strategic bridge between Europe and Southwest Asia. We are assisting Tunisia, the Sudan, and others that are targets of Qadhafi’s expansionism. And our renewed cooperation with Pakistan reflects not only our concern over turmoil in Iran and aggression in Afghanistan, but our appreciation of the role a secure Pakistan can play in promoting regional stability.

“Our proposals to enhance the security of Saudi Arabia are a key element in our Middle East policy. The proposed arms sales will increase the Saudis’ ability to defend themselves against local threats. They will directly assist U.S. forces deployed in the region, just as U.S. AWACS do today, and they demonstrate our commitment to assist the Saudis against even greater dangers.

“Our friendship with Saudi Arabia is not based solely on its role as an oil supplier. Saudi Arabia is proving itself an essential partner in our broader interests. Saudi assistance has been important in the past to states that broke away from the Soviet embrace. Saudi Arabia has provided important assistance to moderate states such as Sudan and Pakistan, and, indeed, more will be required. It has played an essential diplomatic role in negotiating the recent cease-fire in Lebanon. It has played a key leadership role in the newly formed Gulf Cooperation Council. We expect Saudi cooperation in fostering peace and stability to broaden as the Saudis feel themselves more secure.

“Security cooperation is not a commodity to be sold or haggled over, it is a process that must be based on mutual confidence and mutual security interests. The question is whether the necessary basis of cooperation can survive if the seriousness of our commitment to Saudi Arabia’s security is compromised. To deny Saudi Arabia this basic means of self-defense is to deny it the sovereign status and respect essential to an enduring partnership.

“Some suggest that there can be no security cooperation as long as there are deep divisions on other issues. There is no question that we have differences with Saudi Arabia on the peace process, just as we

have differences with Egypt and Israel on other issues. But American diplomacy in the Middle East has long been based on the need to work effectively with countries divided by deep differences.

“That is a difficult role to play; but it is the reason that the United States has played a uniquely positive role in the Middle East, a role that has not only served American interests but the interests of the moderate countries in the region and our European and Asian allies as well. It is an approach that emphasizes common concerns and seeks remedies to common problems.

“Our approach to Saudi Arabia has been shaped by the profound insecurity caused by events in the last 5 years, particularly the fall of the Shah. It has been influenced by discussions conducted by the previous administration with the Saudis and by previous U.S. actions, including the deployment of AWACS aircraft to Saudi Arabia during the Yemen crisis of 1979 and again during the Iran-Iraq war.

“Our approach has also been shaped, however, by an appreciation of Israeli concerns over the proposed Saudi package. We are taking steps to alleviate these concerns. We are determined to maintain the qualitative edge that is vital to Israel’s security. A stable regional balance, moreover, enhances deterrence against Soviet moves.

“Our discussions last week with Prime Minister Begin enhanced each side’s understanding of the other’s position on this and other issues. We are wholeheartedly and permanently committed to the security of Israel. Without a strong Israel, our hope to improve the prospects for peace and security in the region cannot be fulfilled. A secure Saudi Arabia and a strong United States-Saudi relationship are central to these same tasks.

“We must not let our friends’ worries about one another diminish our commitment to their security or hinder our plans to extend strategic cooperation with them. We are taking steps to assure that Israeli concerns are met, just as we are seeking to assure moderate Arab nations that our developing strategic cooperation with Israel is directed against Soviet intervention and not against the Arabs. But unless we are able to work effectively with all of our friends in the region, our security, the security of Israel, and peace itself will be endangered.

“Mr. Chairman, I could not overemphasize that last statement. Given the current dynamics of the peace process and the critical situation in Lebanon, these are what are at stake.” (*Persian Gulf Situation: Hearing Before the Committee on Foreign Relations, United States Senate, Ninety-Seventh Congress, First Session, September 17, 1981, pages 1–6*)

63. **Address by Secretary of State Haig Before the United Nations General Assembly¹**

New York, September 21, 1981

A New Era of Growth

The United Nations—this parliament of man—offers us a unique opportunity to examine the human condition. We are each called upon to declare our national purposes. And we are all obligated to address those problems that obstruct the vision of the charter.

Let us begin with the vision. The Charter of the United Nations reflects cherished dreams of a world distinguished by peaceful change and the resolution of international disputes without resort to force. The United States believes in these dreams. They offer the best chance of justice and progress for all mankind. They promise a world hospitable to the values of our own society including a certain idea of man as a creative and responsible individual; democracy; and the rule of law.

The ideals of the United Nations are, therefore, also American ideals. The charter embodies American principles. It will always be a major objective of our statecraft to make of the United Nations an instrument of peace.

We all know that the realization of our dreams cannot depend on hope alone. Obstacles to progress must be overcome through united efforts. The threats to peace are many, suspicions persist, and the price for inaction is great. Truly we face a difficult agenda.

As I make these comments, I am reminded that an observer once said of this annual debate: “Every year . . . a great and sacred orator . . . preaches before the assembly of nations a solemn sermon on the text of the charter.” Today, however, I would like to focus instead on an issue of compelling interest: international development.

International development reflects the worldwide search for economic progress, social justice, and human dignity. Short of war itself, no other issue before us will affect more people, for good or ill, than this search. And peace itself cannot be truly secured if the aspirations of mankind for a better life are frustrated.

Development is, therefore, an enduring issue. It has preoccupied the United Nations from the beginning. It will survive the agenda of this assembly and every assembly far into the future. And although

¹Source: Department of State *Bulletin*, October 1981, pp. 1–6. All brackets are in the original.

great progress has been made, we face today a crucial choice of strategy that will dramatically affect the prospects for future success.

A Choice for the 1980s

Since the Second World War, the progress of development has been uneven but nonetheless widespread. Enormous economic growth has been registered. For example, in the last three decades, average incomes have actually doubled. There have also been great advances in health. Life expectancy has increased dramatically even in the poorest countries and infant mortality has been reduced.

This experience, however, has not been fully shared by all countries and the prospect for the future is now clouded by recent trends. The pattern of increasing economic growth, critical for development, has been slowed by inflation, high energy prices, severe balance-of-payments problems, heavy debt, and slower growth of markets. Political turmoil and instability have diverted precious resources into arms and conflict. The necessary synthesis between traditional values and modernization, never easy to achieve, has grown more difficult under the impact of accelerating change.

Let us dispense with illusions. We must choose today between two futures: a future of sustainable growth, an expansion of world trade, and a reduction of poverty or a future of economic stagnation, rising protectionism, and the spread of poverty. As the World Bank has put it: "By the end of the century, the difference between the two cases amounts to some 220 million more absolutely poor people."²

Clearly, our task is to give fresh impetus to development by devising now a new strategy for growth. Such a strategy begins by recognizing the highly complex and difficult situation we face.

- The poorest developing countries require long-term and generous concessional aid from developed and other developing countries to raise productivity through broadly based education and training, improvements in health and nutrition, and better infrastructure. They also need sound economic policies, particularly in the agricultural sector. Ultimately, the objective must be to involve them in the international economic system, thereby strengthening opportunities and incentives for self-sustaining growth.

- The middle tier of developing countries have made significant progress. Nevertheless, they still suffer from widespread poverty. They are also acutely vulnerable to any economic downturn—especially volatile commodity markets—because of their narrow range of exports.

² Reference is to *World Development Report 1981* (Washington: World Bank, August 1981, p. 118).

These countries need foreign capital and assistance in developing the experience and credit worthiness to borrow on international capital markets. Technical support and manpower training are important to insure that their populations are productive and competitive. They also need an open international trading system to encourage export development.

- The more advanced of the developing countries are able to maintain living standards and economic performance comparable to what some of today's industrial countries achieved less than a generation ago. Their further development can be sustained best by a strong international economy with an open capital and trading system. They must be able to pursue national policies that take advantage of international opportunities and foster domestic adjustment. These countries also play a key role in helping poorer nations, both directly and as policy models.

- The capital-surplus, oil-exporting countries need a stable and prosperous international market for their oil exports and a favorable environment in which to invest their financial assets and to develop their domestic economies. The international system must continue to evolve to reflect the growing importance of these countries, as they assume increasing responsibility for the management of that system and for assisting poorer nations.

- Finally, the industrial countries are suffering from low rates of growth and high rates of inflation. They are trying to increase savings and investment in order to create employment, improve the environment, eliminate pockets of poverty, and adjust to the changing competitiveness of their exports. They must sell more abroad to pay for the increased cost of imported energy.

In a slowly growing world, these complex and diverse requirements would become potent sources of conflict. But the struggle for the world product can be avoided. The international economy can help all countries to achieve their objectives through a strategy of growth which creates the resources and the employment needed for progress. And this cannot be the task of any single nation.

As the report of the distinguished commission on international development issues, chaired by Willy Brandt, points out: "Above all, the achievement of economic growth in one country depends increasingly on the performance of others."³

³ Reference is to the Independent Commission on International Development Issues (ICIDI), chaired by former Chancellor of the Federal Republic of Germany Willy Brandt. The Brandt Commission Report, entitled *North-South: A Programme for Survival*, was released in 1980. See *Foreign Relations, 1977–1980*, vol. III, Foreign Economic Policy, Documents 345 and 351.

Principles for a Strategy of Growth

It is on this view of a differentiated and interdependent world that we must build a new strategy for growth. But our strategy must also be informed by the lessons of the past. Such lessons, extracted from hard experience, offer the basis for principles to guide us through these austere times.

First, development is facilitated by an open international trading system. Developed and developing countries together face the challenge of strengthening the GATT (General Agreement on Tariffs and Trade) and international trading system to create mutual export opportunities.

Today the trading system is under enormous stress—rising protectionist pressures, new and subtle types of import barriers, restrictive bilateral arrangements, export subsidies and investment policies which distort trade. These are especially troublesome in a period of slow growth. Unless they are reduced or eliminated, the international trading system will be seriously weakened. Such a setback to the world economy would inflict the most suffering on the developing countries.

The industrialized countries have a special responsibility to work for a more open trading system with improved rules. We also look to the more successful developing countries to play a fuller role in strengthening the trading system. It will be difficult for each of our countries individually to open markets further unless we are committed to doing so collectively.

For our part, the United States has long supported open markets. Despite current complications, America remains a strong advocate of free trade. Although our gross national product is only one-third of the Western industrialized group's total, the United States imports roughly one-half of all manufactured goods exported by developing countries. Earnings of non-OPEC developing countries from exports to the United States amount to \$60 billion—more than double the foreign aid coming from all Western developed countries.

We call upon all members of the international community to join in resisting growth in protectionism. Developing nations must have the greatest possible opportunity to sell their commodities and manufactured product. Let us also work together to achieve a successful conclusion of the multifiber agreement.

A dynamic and successful trading system requires a smoothly functioning international financial system. We must, therefore, continue to work with other countries to encourage their support for the International Monetary Fund and their constructive participation in the Fund's programs to facilitate adjustment. We will continue to

cooperate with our developing country colleagues to strengthen the Fund. We share the view that the responsibilities of developing countries should be increased to keep pace with their growing economic importance.

Second, foreign assistance coupled with sound domestic policy and self-help can facilitate the development process. The United States has long believed in assistance as an effective tool in helping to promote development. Over the last three decades the United States has given more than \$130 billion in concessional assistance. Over the last decade alone, the total has exceeded \$50 billion. In 1980, the American people provided \$7.1 billion, almost twice as much as any other donor.

The United States has also been the major force in the creation and support of the multilateral development banks. The banks represent an important, and to many countries essential, feature in the international financial system. In the last 5 years, the United States has authorized and appropriated an average of \$1.5 billion per year for support of the multilateral banks. There is no question about their value as development institutions. As intermediaries they help to mobilize the resources of international capital markets to lend to developing countries. The banks' loans for key projects are important catalysts for productive domestic and foreign private investment.

We recognize that many of the poorer developing countries must continue to rely heavily on concessional assistance for some time to come. Moreover, certain kinds of vital development programs will not pay the quick and direct financial returns needed to attract private capital. For this reason, a continuing bilateral assistance program and continuing support for the multilateral banks will be essential.

Given today's economic conditions and the limitation on aid budgets in many countries, it is especially important that concessional assistance be utilized as effectively as possible; that it focus on countries which need it most and use it best; and that it be a more effective catalyst for mobilizing other foreign and domestic resources. We must also recognize that a strategy for growth that depends on a massive increase in the transfer of resources from developed to developing countries is simply unrealistic.

Third, regional cooperation and bilateral consultations can be effective in promoting development. The United States is working with other regional states to promote economic progress in the Caribbean area.⁴ We are convinced that the example of the recent multinational cooperation in

⁴See footnote 11, Document 53.

the case of Jamaica and the broader Caribbean Basin initiative holds promise for other regions.⁵

We are already committed to a close working relationship with ASEAN [Association of Southeast Asian Nations]. We have benefited considerably from a better understanding of ASEAN's views on multi-lateral issues and ways to strengthen our bilateral commercial ties. The U.S.-ASEAN Business Council is a model of how our private sectors can work together for mutual benefit.

In Africa we look forward to a close working relationship with the Economic Community of West African States, as it attempts to strengthen economic ties within the region. Constructive consultations on trade and investment issues have already occurred. We believe that mutually beneficial cooperation can be strengthened to our common benefit. Similar consultations with the developing countries of southern Africa are desirable. We have a strong interest in the economic health and stability of these nations. Commercial relationships along with foreign assistance will help us to attain that objective.

The United States has also worked with the capital-surplus members of the Organization of Petroleum Exporting Countries on both a bilateral and multilateral basis. We have been able to combine resources to attack development problems of common interest, such as food production. This cooperation should be continued and expanded.

Finally, we plan to make bilateral consultative groups between our government and those of developing countries more effective and to give full support to similar private sector arrangements. The U.S. Chamber of Commerce and its counterparts in many developing countries have developed particularly good relationships. We fully support these efforts and those of the private voluntary agencies; we are searching for means to work more closely with them.

In all of these cases, the United States recognizes the need to be sensitive to the diverse character of the societies involved and to the international circumstances in which development must occur.

⁵ It is unclear as to Haig's reference to Jamaica. Presumable references are to the March decision of eight international banks to establish a \$70 million credit to the Government of Jamaica and the IMF's decision to approve a \$640 million loan for Jamaica. (Robert A. Bennett, "8 Major Banks Agree On Jamaica Credit Program," *New York Times*, March 31, 1981, p. D1, and "I.M.F. Jamaica Loan," *New York Times*, April 15, 1981, p. D6) In his remarks made en route to Cancun on July 31 (see footnote 3, Document 59), Haig referenced multilateral cooperation regarding Jamaica, stating: "Take for example the pilot program that has been developed for Jamaica, which is broadly based and involves investment—the private sector. It involves multinational participation in the critical country which is both regional and worldwide in context." (Department of State *Bulletin*, September 1981, p. 33)

Fourth, growth for development is best achieved through reliance on incentives for individual economic performance. The individual is the beginning, the key element, and the ultimate beneficiary of the development process. The greatest potential for development lies in the hard work and ingenuity of the farmer, the worker, and the entrepreneur. They need incentives to produce and the opportunity to benefit from their labors.

Suppression of economic incentives ultimately suppresses enthusiasm and invention. And the denial of personal freedom can be as great an obstacle to productivity as the denial of reward for achievement. History cautions against regimes that regiment their people in the name of ideals yet fail to achieve either economic or social progress. Those governments that have been more solicitous of the liberties of their people have also been more successful in securing both freedom and prosperity.

The United States can offer what it knows best from its own experience. We have seen that policies which encourage private initiatives will promote better resource allocation and more rapid economic growth. Within a framework basically hospitable to market incentives, foreign private investment can supplement indigenous investment and contribute significantly to development.

But our goal is not to impose either our economic values or our judgments on anyone. In the final analysis, each country's path to development will be shaped by its own history, philosophy, and interests.

Fifth, development requires a certain measure of security and political stability. Political insecurity is a major barrier to development. Fear and uncertainty stifle the productivity of the individual. Scarce resources are squandered in conflict. The close relationship between security and development cannot be ignored. We are, therefore, committed to maintain and, where possible, to increase programs essential to deter international aggression and to provide the domestic security necessary to carry out sound economic policies. We have no intention of providing foreign assistance, moral comfort, or the prestige of international political platforms to countries that foster international violence.

The United Nations has a key role to play in resolving conflict and promoting international stability. We welcome the Secretary General's effort to promote intercommunal talks and a just settlement on Cyprus.⁶ We support a continuing role by the Secretary General's representative in the Iraq-Iran conflict.⁷ And South Korea's attempt to initiate a dialogue with the north epitomizes the search for peaceful settlement that is the heart of the charter.

⁶ Reference is to the intercommunal talks between Greek and Turkish Cypriots under the chairmanship of the UN Secretary General's Special Representative on Cyprus Hugo Gobbi.

⁷ Palme served as UN Special Representative to Iran and Iraq from 1979 until 1982.

One of the greatest dangers to the charter today and to development itself is the willful violation of the national integrity of both Afghanistan and Kampuchea by the Soviet Union and Vietnam. Their behavior challenges the basic rights of all sovereign states. The world's hopes for peace, for security, and for development will be jeopardized if "might makes right" becomes the law of nations.

The United States will continue to support security and stability as essential to progress. This is the basis of our active and continuing efforts to strengthen and expand the cease-fire in southern Lebanon.⁸ We shall also assist the negotiations specified by Resolutions 242 and 338 in order to bring a just and lasting peace to the Middle East.⁹ Our policy is to remain a credible and reliable party in the negotiations to bring independence to Namibia on the basis of U.N. Resolution 435¹⁰ and in a fashion acceptable to both the nations concerned and the international community.

The United States also believes that efforts to control arms, either among regional states or between the superpowers, can make an important contribution to the security that facilitates development. But these efforts do not occur in a vacuum. The international community has tended to overestimate the beneficial effects of the Strategic Arms Limitation Talks in dampening regional conflict. We have also tended to underestimate the impact of such conflict on the negotiations themselves.

The United States is strongly committed to balanced and verifiable arms control. We are equally committed to the peaceful resolution of regional disputes. Clearly, the restraint implied by arms control must become a more widespread phenomenon if such agreements are to survive and to make their proper contribution to a more secure environment for development.

In Pursuit of Growth

The United States is confident that a strategy for growth guided by these principles can succeed. We believe that three areas of action deserve immediate international attention.

First, a global expansion of trade. Plans could be formulated for the 1982 GATT ministerial with the special concerns of growth in mind.¹¹

⁸ See footnote 6, Document 53.

⁹ UN Security Council Resolution 242 (S/RES/242), adopted on November 22, 1967, affirmed that the fulfillment of the UN Charter required the establishment of a just and lasting peace in the Middle East. UN Security Council Resolution 338 (S/RES/338), adopted on October 22, 1973, called for negotiations among Egypt, Israel, Jordan, and Syria aimed toward establishing a just and durable peace in the Middle East.

¹⁰ UN Security Council Resolution 435 (S/RES/435), adopted on September 29, 1978, reaffirmed the United Nation's legal authority over Namibia.

¹¹ The contracting parties to the General Agreement on Tariffs and Trade (GATT) were scheduled to meet at the ministerial level in Geneva in November 1982.

A major priority should be to integrate more fully the developing countries into the international trading system on the basis of shared responsibilities and benefits.

Second, an increase in investment. Our common objective should be to stimulate domestic and international private investment. We must encourage and support the individual investor.

Third, stronger international cooperation in food and energy. The recent U.N. Conference on New and Renewable Sources of Energy recommended that the developing countries be assisted in assessing their energy resources and determining the best way to exploit them.¹² The U.N. Development Program and the World Bank have important followup responsibilities. And we must all work to engage more effectively private participation in exploration and production in oil-importing developing nations.

Domestic and international action must also go hand in hand to achieve food security. The United States continues to be the largest donor of food aid and places a paramount emphasis on its bilateral program to help developing countries increase food production. Greater attention should be given to scientific and technological research that will yield more bountiful food supplies.

I have outlined today the broad principles that guide America's approach to new strategy for growth. In the immediate future, and prior to the Cancun summit,¹³ we will announce specific proposals to deal with this and other issues of development.

Dialogue for the Future

These broad principles reflect our view that the United States can and will continue to make an essential contribution to the process of development. We do not claim to have all of the answers. But we do believe that our collective responsibilities for the future allow no more time to be lost in sterile debates and unrealistic demands. The time has come for a reasoned dialogue with promise for the future.

¹² In A/RES/33/148, "United Nations Conference on New and Renewable Sources of Energy," adopted by the UN General Assembly on December 20, 1978, the United Nations called for a conference to analyze the effectiveness and feasibility of ten new and renewable energy sources. The UNCNRSE took place in Nairobi, August 10–21, 1981. Special Representative to the President Stanton Anderson headed the U.S. delegation to the conference and addressed the delegates on August 13. For the text of his address, see Department of State *Bulletin*, January 1982, pp. 63–66. On August 21, conference delegates adopted a program of action, known as the Nairobi Plan of Action. For the plan, consisting of an introduction and three chapters, see *Report on the U.N. Conference on New and Renewable Sources of Energy, Nairobi, August 10–21, 1981, U.N. New York, 1981 (A/Conf. 100/11) (E. 81, I. 24)*. For additional information about U.S. preparations and participation at the conference, see *United Nations Conference on New and Renewable Sources of Energy (UNCNRSE) and U.S. Delegation Participation, Report Submitted to the Committee on Foreign Affairs, U.S. House of Representatives, March 29, 1982, Committee Print, 97th Congress, 2d Session (Washington: Government Printing Office, 1982)*.

¹³ See footnote 3, Document 59.

The search for economic progress, social justice, and human dignity has always been supported by the American people, themselves an example of successful development. Our initiatives and resources, through bilateral programs, the United Nations and other multilateral agencies, have made major contributions to the process of modernization throughout the world. For the United States, support of development constitutes a practical imperative.

At the Ottawa summit the United States reaffirmed its willingness to join its partners in exploring all avenues of consultation and cooperation with developing countries. In October, President Reagan will go to the summit meeting in Cancun, Mexico. He looks forward to a genuine and open exchange of views on questions of economic development and international cooperation. The Cancun summit offers a novel opportunity to gain fresh understanding of the problems we face together. The United States will join in a constructive and cooperative spirit.

Our objective is to bring about a new era of growth. But the purpose of both growth and development goes beyond materialism. As Winston Churchill said: "Human beings and human societies are not structures that are built, or machines that are forged. They are plants that grow and must be treated as such."

Despite the difficulties of the moment, we should go forward in a spirit of optimism. We have the *vision* bequeathed to us by the charter. We have the *potential* of the peoples represented in this room. Let us go forward together to achieve a new era of growth for *all* mankind.

64. Information Memorandum From the Assistant Secretary of State for European Affairs (Eagleburger) to Secretary of State Haig¹

Washington, September 25, 1981

SUBJECT

Western Political Offensive

Our strategy for a Western Political Offensive is off to a good start. We are getting the "critical mass" in September which we planned

¹ Source: Department of State, P Files, Subject File—Lawrence Eagleburger Files: Lot 84D204, Chron—September 1981. Secret; Sensitive. Also scheduled for publication in *Foreign Relations, 1981–1988*, vol. VII, Western Europe, 1981–1984.

several months ago. With your speeches in Berlin,² and at the UNGA,³ and the President's letter to Brezhnev,⁴ we have taken the high ground for the first time in years. Gromyko's speech was an unplanned but positive dividend.⁵ We are beginning to *create* favorable international conditions rather than simply *reacting* to events.

As you know, these are only the first events in our plan. We have many more initiatives for the coming weeks and months.

I. Security Dimension

—Secretary Weinberger's report on the Soviet military threat will be released on *September 29th*.⁶ This is the beginning of a major informational campaign to educate Western publics on the military threat.

—The *other unclassified materials* we will be giving to the Europeans early in October include: a good JCS paper on the East-West military balance; a set of CIA graphics on TNF and other systems; a paper relating nuclear deterrence to peace; and a TNF threat assessment.⁷

—All of this is leading up to the release of a *NATO White Paper on the military balance at the December Ministerial*. We're beginning to look *beyond December* to the May Ministerial/Summit to devise ways to focus public attention on and generate support for *specific alliance military needs*.

—I'm also planning a major speech in Europe in October on the fundamental elements of Alliance security; to complement your Berlin speech on values.⁸

II. Soviet Covert Action and Reciprocity

—Timed to undermine the Oct. 10th demonstrations in Bonn, on October 7th we will be releasing to the press a major unclassified *report on Soviet "active measures"*

—disinformation, covert actions, propaganda, manipulation of Europeans on ERW, TNF, etc. We have encouraged the Allies to make public information of their own. We are placing stories on this in

² See Document 60.

³ See Document 63.

⁴ Reference is to the President's April 24 letter to Brezhnev; see *Foreign Relations, 1981–1988*, vol. III, Soviet Union, January 1981–January 1983, Documents 46 and 47.

⁵ Gromyko addressed the UN General Assembly on September 22; see *Foreign Relations, 1981–1988*, vol. III, Soviet Union, January 1981–January 1983, Document 88, footnote 4.

⁶ See John F. Burns, "Moscow Says the Pentagon Booklet is Unbalanced," *New York Times*, September 30, 1981, p. A13.

⁷ None found.

⁸ Eagleburger addressed the North Atlantic Assembly in Munich on October 15. For the text of his address, see Department of State *Bulletin*, January 1982, pp. 36–40.

European papers. And we are hoping to surface in Europe for the press a former KGB specialist in “active measures”. The British are giving the Scandinavians a similar paper on Soviet efforts in that area and we’re trying to get it published.

—On October 23 experts are meeting in NATO to elaborate further steps to expose Soviet covert action, to discuss reciprocity initiatives, and prepare a report for the December Ministerial.⁹

III. North-South

—We must ensure that the *President goes ahead with a speech* on October 14 laying out the specific proposals on North-South policy deleted from your speech—*most importantly* our proposal for an international *Conference on Growth*.¹⁰ This will be a major sequel to your Berlin (political Idea) speech and UNGA address. We should go further with our economic “Idea” offensive: the key element here will be to stress the necessity of eliminating the internal and external barriers to growth. A new era of growth can come from private initiatives and incentives, upward mobility, freer trade, investment. This will subtly move the focus of development strategy from solely redistributionist solutions.

—The Cancun Summit where the President can keep on the offensive with the growth idea.

IV. Values and Soviet Aggression in Third World

—*We need additional speeches* by you and the President on *Western values and institutions* as the wave of the future to rival Marxist historical view so prevalent in Europe and Third World. Since the real thrust of our offensive is based on the conceptual framework defined by these values, such speeches (each with a slightly different focus) should remain a constant item on our agenda. They will continually remind our publics that we have values worth defending, show the world the superiority of our political order, and add the moral force that is essential to the credibility and strength of our deterrent. *The Presidential trip to Europe* next May-June which you have recommended, perhaps emphasizing the 35th anniversary of the Marshall Plan will provide a good forum for such speeches.

—We could give Western policies and publics a real boost by holding an *Afghanistan and Freedom Day in the U.S.*, Europe and the Islamic countries. This could be done Saturday, May 15th—just before the President arrived in Europe. This could be a major exercise in mass

⁹ In telegram 6618 from the Mission to the North Atlantic Treaty Organization, October 26, the Mission transmitted information concerning the October 23 political committee meeting on active measures and reciprocity. (Department of State, Central Foreign Policy File, Electronic Telegrams, D810506-0218)

¹⁰ The President delivered a speech on October 15; see Document 66.

politics—a field in which partisans of freedom and democracy have been seriously deficient. It's impact would *go far beyond Afghanistan to help create the right climate for defense spending, attention to other Soviet/proxy aggressions, etc.* (see attached)

In sum, we have a number of initiatives underway to sustain momentum in our offensive. We will have further ideas to propose to you in the months ahead.

Attachment

Paper Prepared in the Department of State¹¹

Washington, undated

A STRATEGY FOR AFGHANISTAN DAY

Afghanistan Day is to be a major international expression of public outrage against the Soviet occupation of Afghanistan and moral support for the struggle of the Afghan freedom fighters. It is to be a day of many events that will attract the participation and attention of millions of people world-wide. Most important it has implications and utility going well beyond the Afghan issue.

We set forth here: 1) what it would achieve; 2) what would happen on such a day; and 3) what needs to be done to organize it.

Why Afghanistan Day is Important

—It is a much needed expression of mass *public* opposition to Soviet aggression, countering and offsetting recent and upcoming public demonstrations in Europe and elsewhere which are basically anti-American.

—*It will help create the right climate for other issues:* defense spending, opposition to Soviet/proxy activities elsewhere, etc. At the same time, Afghanistan itself is the only example of Soviet aggression about which there is sufficient consensus to organize such a day.

—It will *coopt large portions of the Left* in Europe, America and elsewhere. The honest Left will be compelled to support it. Those members of the Left who profess adherence to freedom who fail to support it will expose themselves as dishonest and pursuing a double standard.

—It will be an *essential element in our overall policy of reciprocity* toward the USSR. Soviet propaganda and front organizations conduct

¹¹ Secret. No drafting information appears on the paper.

similar massive public demonstrations against the U.S. It is time we responded in kind.

—Some will object that the exercise will be useless and will fail to force the Soviets out of Afghanistan, because the Kremlin is not subject to the same public pressure as are democratic societies. These objections miss the point. *The Soviets can be deterred from further aggression and dissuaded from continuing the same levels of aggression in Afghanistan if they see that their actions are presenting them with political defeat and growing public support for defense spending and other concrete measures of opposition to Soviet aggression.*

—Most important, such a day would be much needed *tonic for the West*. It would be a massive celebration of freedom and opposition to repression. *It would unite the American people, Europeans and others and do so behind the basic foreign policy thrust of this Administration.*

The Agenda for "Afghanistan Day"

Afghanistan Day should be observed in as many countries as possible. Most importantly, it should be observed in Europe and America, so as to strengthen the defense of the West. It would be highly desirable to see it observed all over the Third World—and especially in the Islamic world. It should involve the following elements and more:

—Parades, concerts, theatrical events, symposia and academic conferences.

—Corporate participation through funding of events and placing advertisements in newspapers and TV.

—Op-ed articles, truth squads, Afghanistan information offices, church sermons, petitions, Congressional resolutions, etc.

—TV specials: e.g., three-hour special covering the day's events, President's speech, concerts and *films on Afghanistan*.

How Afghanistan Day Will be Organized

Afghanistan Day will be a massive organizational challenge. It will require the cooperation of many countries and of many groups within each country.

—The first step is to secure President Reagan's support. We will draft a memo from Secretary Haig to the President for this purpose with interagency input and clearances.

—Then we must *get a private group in another country to take the public lead*. We think an all-party group in the FRG could be formed for this purpose. Several members of the Bundestag suggested this approach and are willing to do it. *Only after the Germans have visibly launched their organizing effort will we begin to do anything.*

—Then we need to get organized 1) within the USG; 2) within the US, including the Congress and private groups; and 3) internationally.

—The national organizing committees would then “seek” the cooperation of their national governments in this effort. Appearances here must be that this is a collective private effort initiated in Europe and outside of the government. Hence, the American organizing committee would “approach” the President and request his support of the effort.

—The focus of the effort must be more on the *problem* of the Soviet invasion than on the *solutions*, which may be divisive.

65. Memorandum From Secretary of State Haig to President Reagan¹

Washington, October 8, 1981

SUBJECT

A Strategy for Cancun

We need a carefully constructed strategy to achieve US objectives at Cancun. A number of countries are already working in informal caucuses (France, Mexico, India and Sweden) to gain their objectives which are not necessarily ours.

The US has multiple objectives to achieve at Cancun.

1. To use the Summit to develop personal relationships between you and other heads of state or government that can be useful in achieving bilateral and regional objectives;

2. To emphasize that the US is sensitive to the economic development problems and concerns of the developing countries, that it has a

¹Source: Reagan Library, Edwin Meese Files, Cabinet and Cabinet Councils Material, Cabinet Matters Files, Cancun Summit Meeting 10/21/1981–10/23/1981—Preparation Materials [2 of 7]. Secret. Also scheduled for publication in *Foreign Relations* 1981–1988, vol. XXXVIII, International Economic Development; International Debt; Foreign Assistance. On October 5, the President, Haig, Meese, Baker, Deaver, Anderson, Kirkpatrick, Brock, Darman, Fuller, Bush, Allen, Nau, Tyson, and Gergen met in the Cabinet Room from 3:19 until 4:34 p.m. to discuss the Cancun summit. (Reagan Library, President’s Daily Diary) According to Gergen’s handwritten notes of the meeting, Haig stated: “Need finite decision today for bureaucracy to move fwd re Cancun. There are some legitimate differences between depts. 5 initiatives have been developed at the departmental level. Each one alone subj. to criticism but together, very positive. USSR & Cuba have alienated 3rd world. The 3rd world is up for grabs. Should seize the initiative. —If we do less, will leave us in tepid waters. Will isolate us w/3rd world & Europeans will side w/3rd world.” (Reagan Library, David Gergen Files, Subject File, Cancun—[Summit])

positive record of support and that it is committed to further efforts by itself and in concert with others.

3. To demonstrate that we have a positive, substantive program for addressing the problems of the developing nations—one which integrates foreign assistance, trade, investment, and technical assistance;

4. To explain our foreign economic policy toward developing countries and launch, if possible, a cooperative international effort toward a “new era of growth;”

5. To arrive at a satisfactory solution to the issue of Global Negotiations,² including a follow-on consultative process if necessary; and

6. To reinforce our bilateral relationship with Mexico by contributing to Lopez Portillo’s prestige³ and having the conference end successfully.

A majority of the countries attending Cancun views it as an opportunity to apply political leverage to the more conservative countries (UK, FRG, Japan and Saudi Arabia) but especially to the US. They want the US:

a) To accept a commitment to assist in the economic development of the developing world through concessional assistance, technical help, and support for their objective of increasing exports and investment, without an overlay of East/West over North/South;

b) To accept a commitment to negotiations in the political framework of the UN (i.e. Global Negotiations),

c) To accept a commitment for immediate help on the pressing problems of financing energy production and imports, providing adequate food security, and increasing assistance to the very poor countries who participate only marginally in the world economy.

The objectives of the majority can best be achieved in multilateral political meetings. The US objectives are best achieved in the multilateral functional organizations (GATT, IMF, World Bank), regionally, and bilaterally. We therefore need a strategy that emphasizes multilateral functional, regional, and bilateral contacts over multilateral political participation.

² In A/RES/34/138, “Global Negotiations Relating to International Economic Co-Operation for Development,” adopted by the UN General Assembly on December 14, 1979, the United Nations endorsed the initiation of Global Negotiations on development and international economic relations to take place during its 1980 special session. For additional information, see *Yearbook of the United Nations*, 1979, p. 465. Documentation on the negotiations is also printed in *Foreign Relations, 1977–1980*, vol. III, Foreign Economic Policy, Documents 338, 344, and 348–350.

³ Reference is to Lopez Portillo’s role as chair of the summit meeting.

A Bilateral Strategy

While the plenary meeting will be at center stage at Cancun and your statements there will be the major element of your presentation, the bilateral meetings will enable you to carry the US position and your commitment to development cooperation in a more personal manner. Given time limitations, you will need to focus your time on the participants from developing countries. I suggest you see all developing country heads of state or government for at least a courtesy meeting. You can spend more time with key developing countries (China, India, Tanzania, Algeria, and Nigeria) for discussion of bilateral and multilateral issues. These key countries should be seen first on Wednesday, October 21, to stress, bilaterally, our key multilateral objectives.

The US will attempt to hold the multilateral aspects of the meeting within the agreed procedures of the August 1–2 preparatory meeting; An open and informal meeting with no agenda and no communique.⁴ A summary of the conference will be provided by the co-chairmen, on their own responsibility, soon after its close on October 23.⁵

A Press Strategy

The press will be frozen out of the conference hotel, and all contacts must be made elsewhere. We are setting up an American press center. There will be little coverage of the multilateral meeting until the final press conference by Lopez Portillo and Kreisky. The press will be hungry. We plan to arrange some way for the bilaterals to be covered by press and photographers so a constant stream of US meetings is the news from Cancun. Secondly, frequent press briefings by US spokesmen on the multilateral meeting should follow the pattern established in Ottawa.⁶

Your Speech on or About October 14

This speech should put you in a forward posture, advocating a positive and specific program and seeking international cooperation.⁷ It should contain specific elements and your substantive approach, since you will not have the time to spell this out at Cancun.

The speech should be oriented toward a domestic audience and stress US interests (economic, political and humanitarian) in developing countries. It should explain the link between domestic economic recovery and a healthy world economy. (One in eight jobs is tied to US

⁴ See footnote 3, Document 59.

⁵ Trudeau was the honorary co-chairman of the summit meeting with Lopez Portillo. Their October 23 summary statement, released at the conclusion of the summit, is printed in Department of State *Bulletin*, December 1981, pp. 5–9.

⁶ Reference is to the July 20–21 G–7 Economic Summit meeting; see Document 57.

⁷ Reference is to the President's October 15 remarks before the World Affairs Council of Philadelphia; see Document 66.

exports; the product from one in every three acres harvested is sold abroad.) You are, therefore, going to Cancun to establish the basis of a “new era of growth” for the mutual benefit of all countries. Key to this program in the US view are open trade, increased investment flows, access to energy, and adequate food supplies. Concessional aid will be important for the poorest countries and for projects which cannot be financed by the private sector.

Your speech to the IMF/IBRD annual meetings,⁸ Don Regan’s speech to the same group,⁹ and my presentation to the UNGA lay out our general policy.¹⁰ The October 14 speech would put flesh on these bones and explains to the public why you are committing your time to the Cancun meeting.

Statement for the Opening Session at Cancun

Timing of the statement will be important.¹¹ This can be arranged with the Mexicans and Austrians. The statement will be the keynote off of which others will respond. I would suggest that you speak in third or fourth position, after the Mexican introductory statement.

The statement should express our sensitivity to LDC problems, explain our record, and lay out our policy, including the desire to establish a new “era of growth.” This new era must be built on certain basic elements (trade, investment, energy, food, and concessional assistance to the poorer nations). Our initiative package is tied to these basic elements (see attachment).¹²

The statement should also contain our first public word on the issue of Global Negotiations. I don’t believe an earlier announcement of our position would be useful. We will not satisfy everyone, and an early disclosure of the position will just set us up for criticism.¹³

⁸ The President spoke during the opening session of the annual meeting of the International Monetary Fund (IMF), the International Bank for Reconstruction and Development (World Bank), the International Development Association (IDA), and the International Finance Corporation (IFC) at the Sheraton Washington Hotel on September 29. For the text of his remarks, see *Public Papers: Reagan, 1981*, pp. 854–856.

⁹ Regan addressed the meeting on September 30. For additional information, see Hobart Rowen, “Regan Predicts Growing Industrial-World Strength,” *Washington Post*, October 1, 1981, pp. D11, D16.

¹⁰ See Document 63.

¹¹ See Document 68.

¹² Attached but not printed is an undated paper entitled “Summary of Possible Initiatives.”

¹³ Under an October 13 covering memorandum, Darman and Fuller circulated to Bush, Haig, Regan, Meese, Brock, Kirkpatrick, James Baker, Deaver, Allen, Anderson, and Gergen a memorandum setting forth the U.S. policy on Global Negotiations and a summary of “substantive themes and initiatives” regarding the administration’s approach to development. (Reagan Library, Executive Secretariat, NSC Trip File, President Reagan’s Participation in the International Meeting on Cooperation and Development, Cancun, Mexico 10/21/1981–10/23/1981 Bilateral Meetings—The President (Binder) (2); NLR-755-2-33-32-0)

66. Remarks by President Reagan¹

Philadelphia, October 15, 1981

Remarks at a Luncheon of the World Affairs Council of Philadelphia
in Philadelphia, Pennsylvania

Drew Lewis, thank you very much for an introduction that—I couldn't have written it for myself, but—[laughter]—thank you. Governor Thornburgh, Mayor Green, Mr. Chairman,² the distinguished guests here on the dais and you, ladies and gentlemen:

All in all, I really rather would be in Philadelphia.

I'm grateful for this opportunity to appear before your distinguished group and to share with you our administration's views on an important, upcoming event. I'll be traveling next week to Cancún, Mexico, to participate in a summit³ that will bring together leaders of two-thirds of the world's population. And the subject of our talks will be the relationships among the developed and the developing nations and, specifically, I hope we can work together to strengthen the world economy and to promote greater economic growth and prosperity for all our peoples.

U.S. foreign policy proceeds from two important premises: the need to revitalize the United States and world economy as a basis for the social and economic progress of our own and other nations, and the need to provide adequate defenses to remain strong, safe, in a precarious period of world history. In this context, U.S. relations with developing countries play a critical role. These countries are important partners in the world economy and in the quest for world peace.

We understand and are sensitive to the diversity of developing countries. Each is unique in its blend of cultural, historical, economic,

¹ Source: *Public Papers: Reagan, 1981*, pp. 937–944. The President offered these remarks at a luncheon of the World Affairs Council of Philadelphia, speaking at 1:50 p.m. in the Grand Ballroom of the Bellevue Stratford Hotel. All brackets are in the original. The Department transmitted the text of the President's remarks to all diplomatic posts in telegram 275404, October 15. (Department of State, Central Foreign Policy File, Electronic Telegrams, D810487–0567) In his personal diary entry for October 15, Reagan wrote: "Addressed Foreign Relations Council in Phil. The speech was really meant for the nations going to Cancun to plant the idea we weren't going to buy their idea of a new international bureaucracy empowered to share the wealth. Speech well received. A couple of hecklers got into the balcony—seems they don't like nuclear weapons." (Brinkley, ed., *The Reagan Diaries*, vol. I, January 1981–October 1985, p. 75)

² References are to Governor Richard Thornburgh (R–Pennsylvania), Philadelphia Mayor William Green, and Chairman of the World Affairs Council of Philadelphia Donald Meads.

³ See Document 68.

and political characteristics, but all aspire to build a brighter future. And they can count on our strong support.

We will go to Cancún ready and willing to listen and to learn. We will also take with us sound and constructive ideas designed to help spark a cooperative strategy for global growth to benefit both the developed and developing countries.

Such a strategy rests upon three solid pillars:

—First, an understanding of the real meaning of development, based on our own historical experience and that of other successful countries;

—Second, a demonstrated record of achievement in promoting growth and development throughout the world, both through our bilateral economic relations and through the concentration—or cooperation with our partners in the specialized international institutions, such as the World Bank, the International Monetary Fund;

—And third, practical proposals for cooperative actions in trade, investment, energy, agriculture, and foreign assistance, that can contribute to a new era of prosperity and abundance exceeding anything we may dream possible today.

We very much want a positive development dialog, but sometimes this dialog becomes oversimplified and unproductive. For example, some people equate development with commerce, which they unfairly characterize as simple lust for material wealth. Others mistake compassion for development and claim massive transfers of wealth somehow miraculously will produce new well-being. And still others confuse development with collectivism, seeing it as a plan to fulfill social, religious, or national goals, no matter what the cost to individuals or historical traditions.

All of these definitions miss the real essence of development. In its most fundamental sense, it has to do with the meaning, aspirations, and worth of every individual. In its ultimate form, development is human fulfillment, an ability by all men and women to realize freely their full potential to go as far as their God-given talents will take them.

We Americans can speak from experience on this subject. When the original settlers arrived here, they faced a wilderness where poverty was their daily lot, danger and starvation their close companions. But through all the dangers, disappointments, and setbacks, they kept their faith. They never stopped believing that with the freedom to try and try again, they could make tomorrow a better day.

[Referring to demonstrators shouting in the background] You know, I spoke here in 1975⁴ and there wasn't an echo. [Laughter]

In 1630, John Winthrop predicted that we would be a city upon a hill with the eyes of all people upon us. By 1836, Alexis de Tocqueville was calling America "a land of wonders," where every change seems like an improvement, and what man has not yet done was simply what he hadn't yet attempted to do.⁵ And in 1937, Walter Lippmann could draw the lesson that America, for the first time in history, gave men "a way of producing wealth in which the good fortune of others multiplied their own."⁶

Free people build free markets that ignite dynamic development for everyone. And that's the key, but that's not all. Something else helped us create these unparalleled opportunities for growth and personal fulfillment: a strong sense of cooperation, free association among individuals, rooted in institutions of family, church, school, press, and voluntary groups of every kind. Government, too, played an important role. It helped eradicate slavery and other forms of discrimination. It opened up the frontier through actions like the Homestead Act⁷ and rural electrification. And it helped provide a sense of security for those who, through no fault of their own, could not support themselves.

Government and private enterprise complement each other. They have, they can, and they must continue to coexist and cooperate. But we must always ask: Is government working to liberate and empower the individual? Is it creating incentives for people to produce, save, invest, and profit from legitimate risks and honest toil? Is it encouraging all of us to reach for the stars? Or does it seek to compel, command, and coerce people into submission and dependence?

Ask these questions, because no matter where you look today, you will see that development depends upon economic freedom. A mere handful of industrialized countries that have historically coupled personal initiative with economic reward now produce more than one-half

⁴ Reagan delivered an address before the World Affairs Council at the Bellevue Stratford Hotel on October 21, 1975. For additional information, see James T. Wooten, "Reagan Berates Third-World Governments Over 'Hostility' to U.S.," *New York Times*, October 22, 1975, p. 22.

⁵ Presumable reference to *Democracy in America* (*De La Democratie en Amerique*), based on de Tocqueville's 1831–1832 travels throughout the United States and Canada, published in two volumes in 1835 and 1840.

⁶ Reference is to *The Good Society* (New York: Little, Brown, and Co., 1937).

⁷ Signed into law by President Lincoln on May 20, 1862, the Homestead Act provided settlers with 160 acres of land in exchange for homesteaders completing 5 years of continuous residence before receivership. Additional homestead acts passed during the late 19th and early 20th centuries also promoted land ownership in the southern states during Reconstruction and in states west of the Mississippi River.

the wealth of the world. The developing countries now growing the fastest in Asia, Africa, and Latin America are the very ones providing more economic freedom for their people—freedom to choose, to own property, to work at a job of their choice, and to invest in a dream for the future.

Perhaps the best proof that development and economic freedom go hand-in-hand can be found in a country which denies freedom to its people—the Soviet Union. For the record, the Soviets will not attend the conference at Cancún. They simply wash their hands of any responsibility, insisting all the economic problems of the world result from capitalism, and all the solutions lie with socialism.

Well, the real reason they're not coming is they have nothing to offer. In fact, we have just one question for them: Who's feeding whom? I can hardly remember a year when Soviet harvests have not been blamed on "bad weather," and I've seen a lot of harvest seasons, as the press keeps reminding me. [*Laughter*] They've had quite a long losing streak for a government which still insists the tides of history are running in its favor.

The Soviets, of course, can rely on farmers from America and other nations to keep their people fed. But ironically, they have a reliable source of nourishment right in their own country—the 3 percent of all cultivated land that farmers in the Soviet Union are allowed to farm on their own and market. Those who farm that 3 percent of land produce nearly 30 percent of the meat, milk, and vegetables in Russia, 33 percent of the eggs, and 61 percent of the potatoes.

Now, that's why this isn't a question of East versus West, of the U.S. versus the Soviet Union. It's a question of freedom versus compulsion, of what works versus what doesn't work, of sense versus nonsense. And that's why we say: Trust the people, trust their intelligence and trust their faith, because putting people first is the secret of economic success everywhere in the world.

Now I want to talk about the second part of our message at Cancún—our record and that of the international economic system itself in helping developing countries generate new growth and prosperity. Here again, it's time to speak out with candor. To listen to some shrill voices, you'd think our policies were as stingy as your Philadelphia Eagles' defense. [*Laughter*] There is a propaganda campaign in wide circulation that would have the world believe that capitalist United States is the cause of world hunger and poverty.

And yet each year, the United States provides more food assistance to developing nations than all the other nations combined. Last year, we extended almost twice as much official development assistance as any other nation.

The spirit of voluntary giving is a wonderful tradition that flows like a deep, mighty river through the history of our Nation. When Americans see people in other lands suffering in poverty and starvation, they don't wait for government to tell them what to do. They sit down and give and get involved; they save lives. And that's one reason we know America is such a special country.

All that is just one side of the coin. The other, only rarely acknowledged, is the enormous contribution we make through the open, growing markets of our own country. The United States buys approximately one-half of all the manufactured goods that non-OPEC developing countries export to the industrialized world, even though our market is only one-third of the size of the total industrialized world's. Last year, these same developing countries earned twice as much from exports to the United States than they received in aid from all other countries combined. And in the last 2 years alone, they earned more from exports to the United States than the entire developing world has received from the World Bank in the last 36 years.

Even as we work to strengthen the World Bank and other international institutions, let us recognize, then, the enormous contribution of American trade to development.

The barriers to trade in our markets are among the lowest in the world. The United States maintains few restrictions on our custom procedures, and they are very predictable. In 1980, 51 percent of our imports from developing countries entered this country duty free. American capital markets are also more accessible to the developing countries than capital markets anywhere else in the world.

From all this, two conclusions should be clear: Far from lagging behind and refusing to do our part, the United States is leading the way in helping to better the lives of citizens in developing countries. And a major way that we can do that job best, the way we can provide the most opportunity for even the poorest of nations, is to follow through with our own economic recovery program to ensure strong, sustained noninflationary growth. And that's just what we're determined to do.

Every 1 percent reduction in our interest rates, due to lower inflation, improves the balance of payments of developing countries by \$1 billion. By getting our own economic house in order, we win, they win, we all win.

Now, just as there is need for a clearer focus on the real meaning of development and our own development record, there's a similar need to be clear about the international economic system. Some argue that the system has failed; others that it's unrepresentative and unfair. Still others say it is static and unchanging, and then a few insist that it's so sound it needs no improvement. Well, we need a better understanding than that.

As I recalled recently before the annual meeting of the World Bank and the IMF, the post-war international economic system was created on the belief that “the key to national development and human progress is individual freedom—both political and economic.”⁸ This system provided only generalized rules in order to maintain maximum flexibility and opportunity for individual enterprise and an open international trading and financial system.

The GATT, the World Bank, the International Monetary Fund represent free associations of independent countries who accept both the freedom and discipline of a competitive economic system. Let’s look at the record of international growth and development under their auspices.

From 1950 to 1980, gross national product, per capita, in 60 middle-income countries increased twice as fast as in the industrial countries when real purchasing power is taken into account. In 1951 to 1979, industry and manufacturing in developing countries also expanded at a faster rate than their counterparts in the industrial countries. Since 1960, export volume for the developing countries, excluding OPEC, grew between 6 and 7 percent a year. Growth was particularly strong in manufactured exports, and even some low-income oil importers participated in this trend. And, concessional assistance grew by 50 percent in real items during the 1970’s.

By any standard, this is a remarkable record. It’s not a basis for complacency, however. We recognize that despite the progress, many developing nations continue to struggle with poverty, minorities, and the lack of infrastructure, and are seriously affected by disruption in the international economy.

But while much progress remains to be made, we can take pride in what has been accomplished—pride in the efforts of those countries that did most to utilize effectively the opportunities of the system and pride in the system itself for being sufficiently flexible to ensure that the benefits of international commerce flow increasingly to all countries.

Progress is also evident in the evolution of the international institutions themselves. Today approximately two-thirds of the members of GATT are developing countries, whereas only one-half were developing countries when it was created. Also, the resources of both the World Bank and the IMF have increased dramatically, as has the participation of developing country members.

Certainly, the record of the international system is not perfect, but people flirt with fantasy when they suggest that it’s a failure and unfair. We know that much must still be done to help low-income countries

⁸ See footnote 8, Document 65.

develop domestic markets, strengthen their exports. But the way to do that is not to weaken the system that has served us so well, but to continue working together to make it better.

Now, this brings me to the third and final part of our message in Cancún—a program for action. This summit offers the leadership of the world an opportunity to chart a domestic course for—a strategic course, I should say, for a new era of international economic growth and development. And to do this, all countries, developed and developing alike, demonstrate the political will to address the real issues, confront the obstacles, and seize the opportunities for development wherever they exist.

To cite that old proverb: “Give a hungry man a fish and he’ll be hungry tomorrow; teach him how to fish and he’ll never be hungry again.”

The principles that guide our international policies can lead to the cooperative strategy for global growth that we seek. The experience of our own country and others confirms the importance of strategic principles:

—first, stimulating international trade by opening up markets, both within individual countries and between countries;

—second, tailoring particular development strategies to the specific needs and potential of individual countries and regions;

—and third, guiding assistance toward the development of self-sustaining productive capacities, particularly in food and energy;

—fourth, improving in many of the countries the climate for private investment and the transfer of technology that comes with such investment;

—and fifth, creating a political atmosphere in which practical solutions can move forward, rather than founder on a reef of misguided policies that restrain and interfere with the international marketplace or foster inflation.

Developing countries cannot be lumped together under the title as if their problems were identical. They’re diverse, with distinct resource endowments, cultures, languages, and national traditions. The international system is comprised of independent, sovereign nations whose separate existence testifies to their unique qualities and aspirations.

What we will seek to do at Cancún and elsewhere in subsequent meetings is examine cooperatively the roadblocks which developing countries’ policies pose to development and how they can best be removed. For example: Is there an imbalance between public and private sector activities? Are high tax rates smothering incentives and precluding growth in personal savings and investment capital? And then we must examine the obstacles which developed countries

put in the way of development and how they, in turn, can best be removed. For example: Are industrial countries maintaining open markets for the products of developing countries? Do they permit unrestricted access by developing countries to their own capital markets? And finally, we must decide how developed and developing countries together can realize their potential and improve the world economy to promote a higher level of growth and development.

Our program of action includes specific, practical steps that implement the principles I've outlined.

First, stimulating international trade by opening up markets is absolutely essential. Last year, non-OPEC developing nations, by selling their products in American markets, earned \$63 billion—just last year. This is more than twice the amount of total development assistance provided to all developing countries in that same year. It's time for all of us to live up to our principles by concrete actions and open markets and liberalized trade.

The most meaningful action that we could take to promote trade with developing nations in the early 1980's is to strengthen the GATT. It is through a shared, reciprocal effort within GATT that further liberalization of industrial nations' trade regimes is most likely to be achieved. This will benefit developing countries more than any other single step.

The United States will work for a successful GATT ministerial meeting in 1982.⁹ We'll launch an extensive round of consultations with all countries, including developing countries, to prepare for the GATT meeting. We will join with developing countries in working for an effective safeguards code that reflects our mutual concerns and interests. In addition, we'll continue to support the generalized system of preferences,¹⁰ and we'll take the lead in urging other developing countries to match us in expanding developing nations' access to markets.

Trade's contribution to development can be magnified by aligning trade opportunities more closely with private investment, development assistance, technology sharing. At Cancún, we will make it clear that we're ready to cooperate with other nations in putting in place this kind of integrated, complementary effort.

Actually, we're already doing so, which brings me to the second part of our program—tailoring particular development strategies to the specific needs and potential of individual countries and regions. In our own hemisphere, the United States has joined together with Mexico,

⁹ See footnote 11, Document 63.

¹⁰ The Trade Act of 1974 authorized the President to establish a Generalized System of Preferences under which tariffs on specific imports from Lesser Developed Countries (LDCs) could be eliminated.

Venezuela, and Canada to begin developing flexible, imaginative, and cooperative programs linking trade, investment, finance, foreign assistance, and private sector activities to help the nations in the Caribbean and to help them help themselves.

We met initially in Nassau in July.¹¹ Consulting then took place with the Central American countries and Panama in Costa Rica, and with the Caribbean countries in Santo Domingo. By year end, we expect to complete consultation and move forward with efforts that are tailored to specific situations in individual countries.

Third, guiding our assistance toward the development of self-sustaining productive activities, particularly in food and energy.

Increasing food production in developing countries is critically important; for some, literally, it's a matter of life or death. It's also an indispensable basis for overall development. The U.S. has always made food and agriculture an important emphasis of its economic assistance programs. We have provided massive amounts of food to fight starvation, but we have also undertaken successful agricultural research, welcomed thousands of foreign students for instruction and training at our finest institutions, and helped make discoveries of the high-yielding varieties of the Green Revolution available throughout the world.¹²

Looking to the future, our emphasis will be on the importance of market-oriented policies. We believe this approach will create rising agricultural productivity, self-sustaining capacity for research and innovation, and stimulation of job-creating entrepreneurship in rural areas.

Specifically, we've encouraged policies which reduce or eliminate subsidies to food consumers and provide adequate and stable price incentives to their agricultural sectors to increase production.¹³ We'll emphasize education and innovative joint research and development activities throughout the United States and developing countries' institutions. We will also encourage rural credit, improved storage and distribution facilities, and roads to facilitate marketing.

¹¹ See footnote 11, Document 53.

¹² The Green Revolution relied on the use of chemical fertilizers, pesticides, and improved seed hybrids to produce higher crop yields during the late 1960s and early 1970s.

¹³ Presumable reference to the administration's 4-year omnibus farm bill. The Reagan administration favored price support increases for various commodities at a much lower level than the Carter administration. At the time of the President's remarks in Philadelphia, debate over the bill was ongoing in the House of Representatives. Reagan subsequently signed the Agriculture and Food Act of 1981 (S. 884; P.L. 97-98; 95 Stat. 1213) into law on December 22. For additional information, see *Congress and the Nation*, vol. VI, 1981-1984, pp. 487-493.

Now, that's a lot. But we need to do more. The focus will be on raising the productivity of the small farmer, building the capacity to pursue agricultural research, and stimulating productive enterprises that generate employment and purchasing power.

We will emphasize: new methods of plant improvement to develop crops that tolerate adverse soils and climatic conditions, insects, and diseases; research to increase the efficiency of using irrigation water; systems for the production of several crops per year in the humid tropics; and methods of human and animal disease control to remove such serious problems as the tsetse fly in Africa, which bars agricultural production on vast areas of potentially productive land.

Addressing the energy problems of developing countries is also vital to their sustained economic growth. Their net oil bill in 1980 was \$46 billion, up from only \$4 billion in 1973. This puts tremendous pressure on their balance of payments and threatens development.

The U.S. will emphasize funding for energy-related activities in the years ahead, especially for private efforts and the mobilization of developing countries' resources. Our energy bilateral aid program must stress technical assistance rather than resource transfers. We will support energy lending by multilateral institutions, provided the projects are economically viable and they expand developing country energy production through greater private investment.

We will also support selected elements of the programs of action of the U.N. conference on new and renewable resources of energy.¹⁴ They include intensified energy training programs for technicians from developing countries and efforts to help developing countries assess and more efficiently utilize their resources.

Fourth, improving the climate for private capital flows, particularly private investment. Investment is the lifeblood of development. Private capital flows—commercial lending and private investment—can account for almost 70 percent of total financial flows to developing countries. It's impractical, not to mention foolish, to attack these flows for ideological reasons.

We call upon all our partners in finance and development—business, banks, and developing countries—to accelerate their cooperative efforts. We seek to increase co-financing and other private financing with the multilateral development banks. We want to enhance the international activities which foster private sector debt and equity financing of investments in the developing countries. Its program is increasing in both size and diversity and the bulk of IFC [International

¹⁴ See footnote 12, Document 63.

Finance Corporation] projects are privately financed in the developing countries from domestic and external sources.

We will explore the development of further safeguards for multilateral investment and ways to build upon successful bilateral experiences with these countries. We believe it is important to identify impediments to investment and trade such as conditions of political instability and the threat of expropriation. Working in concert with our trading partners, we'll seek to remove these impediments.

We will attempt to promote a general agreement of investment allowing countries to harmonize investment policies and to negotiate mutually beneficial improvements in the investment climate. Finally, we'll make an effort to identify developed and developing country tax measures which might increase market-oriented investment from both external domestic sources and in the developing countries.

Fifth, and finally, let me turn to the question of how we work together. To a remarkable degree, many nations in the world have now entered into an economic dialog. The choice before us is how to organize and conduct it. Do we persist in contentious rhetoric, or do we undertake practical tasks in a spirit of cooperation and mutual political will? I think our country has signaled the answer to that question.

We go to Cancún with a record of success and contributions second to none—determined to build on our past, ready to offer our hand in friendship as a partner in prosperity. At Cancún we will promote a revolutionary idea born more than 200 years ago, carried to our shores in the hearts of millions of immigrants and refugees, and defended by all who risked their lives so that you and I and our children could still believe in a brighter tomorrow. It's called freedom, and it works. It's still the most exciting, progressive, and successful idea the world has ever known.

In closing, I want to tell you about something a friend of yours and mine said in a speech in Washington not too long ago. Being a man of vision, with a great admiration for America, he explained that he had come on a mission from his native land—a mission to secure economic progress for his people. And he told his audience:

I am dreaming. Really I am dreaming of a drive like the drive of your grandfathers, the drive to the West. Water we have, land we have, climate we have, farming we have. But we need technology, we need know-how, new ways of irrigation, new ways of agriculture. All this one can find here in America.

And then he pleaded:

Come and be my partners . . . be pioneers like your grandfathers who opened the West and built in 200 years the most powerful country, the richest country, the great United States of America.

Those words were spoken at the U.S. Chamber of Commerce in March 1979, by Anwar Sadat.¹⁵ This courageous man of peace and hope and love has now been taken from us. But his mission, his dream remain. As we proceed to Cancún, can we not join together so that the good he wanted for all people of the world would finally become theirs and his to share? Thank you very much.

¹⁵ Sadat spoke at a March 27, 1979, dinner meeting of the Egypt-U.S. Business Council at the U.S. Chamber of Commerce headquarters; he was Washington to sign the Egyptian-Israeli peace treaty (see footnote 2, Document 17). For additional information, see Bernard Gwertzman, "Concessions in West Bank and Gaza Pledged—Begin and Sadat Hailed on Capitol Hill," *New York Times*, pp. A1, A12, and Robert G. Kaiser and Mary Russell, "Begin, Sadat Pay Visit to Capitol Hill: Both Take Occasion To Warn on Soviets In the Middle East," *Washington Post*, pp. A1, A20; both March 28, 1979.

67. Briefing Memorandum From the Director of the Policy Planning Staff (Wolfowitz) to Secretary of State Haig¹

Washington, October 16, 1981

SUBJECT

The Near Term Need for a Comprehensive Middle East Policy Speech²

Credible reports are reaching us from the Hill to suggest that we are *in danger of losing the critical "battle of perceptions"* on Middle East

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons PW 10/11–20/81. Secret. Drafted by Fortier. Haig's stamped initials appear in the top right-hand corner of the memorandum. In the top right-hand corner of the memorandum, an unknown hand wrote: "Woody tasked Paul W. on this on 10/18/81." Bremer initialed the memorandum at the top and wrote "10/16". McManaway returned the memorandum to Wolfowitz and Velities under an October 19 covering memorandum, indicating that Haig had agreed with the speech proposal: "The Secretary has indicated a desire to make such a speech before the AWACS vote and has requested a draft outline with the latest on the MFO by COB Tuesday [October 20]." (Ibid.) Under an October 24 memorandum, Wolfowitz sent Haig a "second draft" of the proposed speech. (Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons PW 10/21–31/81) Roche sent Wolfowitz, in Korea, a third draft in telegram 291709 to Seoul, October 31. (Department of State, Central Foreign Policy File, Electronic Telegrams, D810517–0080)

² Haig drew a line from the subject line to the top right-hand corner of the memorandum and wrote: "Agree Paul-Nick see me—why not before AWACS vote? get draft outline w/MFO—news by next Tues. [October 27] PM."

policy. It is not surprising, of course, that self-serving, partisan complaints continue to abound. What is disturbing, however, is that many of those whose support we need profess to doubts about whether we really do have a viable and coherent “political strategy” for the region.³

Our friends on the Hill are said to wonder about our concrete plan for the peace process, and in fact suggest that the apparent absence of such a plan (or at least of highly visible U.S. involvement) undercuts efforts to gain support for the Sinai MFO.⁴ They wonder if we really do have the resources to back up a proliferating series of commitments—the individual importance of which they do not dispute. They wonder what we will do if AWACS fails, or equally important, if it wins.⁵ They remain *skeptical* about the wisdom of other crucial initiatives like aid to Pakistan,⁶ and ignorant of other vital facts, such as the importance of Turkish aid to our Persian Gulf plans. Finally, they wonder why the White House has not yet mobilized Republican leadership support for

³ Haig underlined “coherent ‘political strategy’ for the region” and at the end of the sentence wrote: “Agree!”

⁴ Haig drew a line from the end of this sentence to the upper margin and wrote: “we have this now!” The 1979 Egyptian-Israeli peace treaty called for the presence of a peacekeeping force and observers to ensure that the terms of the treaty were met and perform functions to enhance “mutual confidence” of the parties. On August 3, 1981, Evron and Gorbali signed the protocol for the establishment of the Sinai Multinational Force and Observers organization; Haig signed as a witness. The text of Haig’s identical August 3 letters to Shamir and Ali and the protocol and its annex and appendix are printed in Department of State *Bulletin*, September 1981, pp. 44–50. On October 7, the Senate approved S. Rept. 97–197, which authorized U.S. participation in the peacekeeping force. Subsequently, the House adopted H.J. Res. 349 (H. Rept. 97–310) on November 19, which placed limits on the number of U.S. soldiers participating in the peacekeeping force and also authorized U.S. expenditures. On December 16, both houses cleared a joint resolution (S.J. Res. 100), which permitted the President to send 1,200 U.S. military personnel and spend \$125 million during FY 1982. (*Congress and the Nation*, vol. VI, 1981–1984, pp. 140–141) The President signed P.L. 97–132 into law on December 29. For the text of his statement made at the signing ceremony, see *Public Papers: Reagan, 1981*, p. 1208.

⁵ On October 7, the House Foreign Affairs Committee approved H. Con. Res. 194 (H. Rept. 97–268) disapproving the AWACS package. The full House, on October 14, voted 301–111 to adopt the Committee’s resolution. The next day, the Senate Foreign Relations Committee approved S. Con. Res. 37 (S. Rept. 97–249) disapproving the package. (*Congress and the Nation*, vol. VI, 1981–1984, p. 131) The full Senate vote on the package was scheduled to take place on October 28.

⁶ See footnote 15, Document 55. The proposed economic and military aid package for Pakistan, including the proposed F–16 sale, was part of the broader 1981 foreign aid authorization bill—the International Security and Development Cooperation Act—then pending in the Senate. Subsequently, both the Senate Foreign Relations Committee and the House Foreign Affairs Committee rejected veto resolutions (S. Con. Res. 48 and H. Con. Res. 211) on November 17 and 19, respectively. See Don Oberdorfer, “Votes Stall Effort to Block Sale: Hill Panels Back F16s for Pakistan,” November 18, 1981, p. A28, and “House Committee Votes Approval For Sale of F16 Jets to Pakistan,” November 20, 1981, p. A4; both *Washington Post*.

the Foreign Assistance package,⁷ if that package is as vital as we say it is to our regional strategy.

We are working with Bud to devise ways *to engage critical members and Hill staffers in a more sustained and deeper policy level dialogue on the reinforcing dimensions of our strategy*. Genuine long term support will depend on our effectiveness in finding ways to enable Hill leaders to put their imprint on and develop a personal stake in our policy. We cannot expect dividends from this effort overnight. For the near term, *a comprehensive Middle East speech could help to restore confidence in our general approach*.⁸ If it were possible to orchestrate closely sequenced, mutually-reinforcing speeches by yourself and the President, we could take a good deal of the steam out of the “no policy” criticism.

To achieve maximum effect, such a speech should come after the AWACS vote, and either prior to—or in concert with—the announcement of any new initiatives. As important as your Hill AWACS statements were in providing a context for that issue, they—by themselves—do not constitute the kind of complete policy address which is now required—an address which would serve to break new ground and also prevent old ground from eroding.⁹

What is especially critical is that the speech *provide an organized framework for explaining the relevance, interrelationship, and essential continuity of the various new initiatives*—peace process plans; emergency security assistance supplemental; possible Libyan oil embargo; force deployments in region—now under consideration. Indeed it would be highly desirable *to formally announce* such new measures as we are prepared to take in the speech itself. In this way, we can a) help to dramatize the fact that these actions are part of a *well-considered whole*—not just hasty, isolated improvisations; b) *better control the terms in which the initiatives are debated*; c) demonstrate that both the *peace and security* discussion of our policy are *backed up by concrete actions*, and not just more rhetoric. Nothing could be more fatal than to announce a series of new

⁷ Presumable reference to the International Security and Development Cooperation Act (S.1196; P.L. 97-113; 95 Stat. 1519; 22 U.S.C. 2151), which authorized appropriations for FY 1982 and 1983 for security and development assistance programs or the Foreign Assistance and Related Programs Appropriation Act (H.R. 4559; P.L. 97-121; 95 Stat. 1647), which made appropriations for FY 1982 foreign assistance and related programs. The President signed both acts into law on December 29. For the text of his statement made at the signing ceremony, see *Public Papers: Reagan, 1981*, pp. 1202-1204.

⁸ Haig drew a line from the end of this sentence to the margin below and wrote: “Right.”

⁹ See Document 62. Haig also testified before the Senate Foreign Relations Committee on October 1 and October 5. For the texts of his statements, see *Arms Sales Package to Saudi Arabia: Hearings Before the Committee on Foreign Relations, United States Senate, Ninety-Seventh Congress, First Session, on The AWACS and F-15 Enhancements Arms Sales Package to Saudi Arabia, Part 1, October 1, 5, 6, 14, and 15, 1981* (Washington: Government Printing Office, 1981), pp. 10-14 and 184-186.

initiatives randomly and without simultaneously attempting to revive confidence in the basic strategy from which any new actions spring.

We should think about hard news that such a speech might generate so as to underscore both the *peace* and *security* dimensions of our policy. In my opinion, you should consider using such a speech to announce initiatives on:

1. *The Peace Process*: Perhaps an announcement about your personal participation in the autonomy negotiations or the announcement of a special negotiator;

2. *Opposing Soviet Proxies*: A dramatic announcement on some action on Libya, perhaps the announcement of an oil embargo, would be a good way to underscore this theme.¹⁰

¹⁰ Haig did not make a major speech on the Middle East before the Senate voted 52 to 48 on October 28 to reject the veto proposal, which would have prevented the AWACS sale. (John M. Goshko, "Vote of 52 to 48 Is Major Victory," *Washington Post*, October 29, 1981, pp. A1, A8) On October 29, Haig offered comments and took part in a question and answer session at the Department with the attendees of the National Foreign Policy Conference for Editors and Broadcasters. During his introductory remarks, Haig reiterated that the President "does, indeed, have a foreign policy, and, like any sound foreign policy, it is built on a bedrock of American values and ideas." Later, he discussed the AWACS sale, noting: "We are, as you know, very gratified by the outcome of that vote. I want to emphasize, however, that this was an issue in which serious people differed—serious, well-motivated people differed. It is an issue which is now behind us, and I think in a constructive way, because it will inevitably contribute to the stability and peace process in the region." (Department of State *Bulletin*, December 1981, pp. 29–30)

68. Editorial Note

On October 21, 1981, at 8:31 a.m., President Ronald Reagan addressed reporters assembled at the South Portico of the White House before his departure for Cancun to attend the International Meeting on Cooperation and Development, also known as the Cancun Summit. In his remarks, the President outlined the U.S. objectives for the meeting: "Our message at Cancun will be clear. The road to prosperity and human fulfillment is lightened by economic freedom and individual incentive. As always, the United States will be a friend and an active partner in the search for a better life.

"We take with us a solid record of support for development and a positive program for the 1980s. Free people build free markets that ignite dynamic development for everyone. We will renew our commitment to strengthen and improve international trading, investment, and financial relations, and we will work for more effective cooperation to help developing countries achieve greater self-sustaining growth.

“Cancun is a unique undertaking in world affairs. Never have so many nations gathered from so many parts of the globe for a summit conference on economic growth. With cooperation and good will, this summit can be more than just another shattered dream. It can be the beginning of new hope and a better life for all.” (*Public Papers: Reagan, 1981*, pages 978–979)

The Cancun Summit took place October 22–23. Participants in addition to Reagan included President Sergej Kraigher of Yugoslavia, President Julius Nyerere of Tanzania, Prime Minister Margaret Thatcher of the United Kingdom, Prime Minister Zenko Suzuki of Japan, Executive President Forbes Burnham of Guyana, President Francois Mitterrand of France, Prime Minister Indira Gandhi of India, President Alhaji Shehu Shagari of Nigeria, Prime Minister Thorbjorn Falldin of Sweden, President Luis Herrera Campins of Venezuela, Acting President Abdus Sattar of Bangladesh, Foreign Minister Simeon Ake of Cote d’Ivoire, Foreign Minister Hans-Dietrich Genscher of the Federal Republic of Germany, Deputy Prime Minister Crown Prince Fahd of Saudi Arabia, Foreign Minister Willibald Pahr of Austria, Foreign Minister Ramiro Saraiva Guerreiro of Brazil, Premier Zhao Ziyang of China, President Ferdinand Marcos of the Philippines, United Nations Secretary-General Kurt Waldheim, Prime Minister Pierre Elliott Trudeau of Canada, and President Jose Lopez Portillo y Pacheco of Mexico. Documentation on the summit meeting is scheduled for publication in *Foreign Relations, 1981–1988*, volume XXXVIII, International Economic Development; International Debt; Foreign Assistance.

Prior to the plenary session, the President was scheduled to conduct bilateral meetings with Lopez Portillo, Zhao, Gandhi, Shagari, Herrera Campins, and Kraigher. In an undated memorandum to the President, his Assistant for National Security Affairs Richard Allen asserted that these meetings “will probably be more important to the outcome of this meeting than your bilaterals were to the outcome of the Ottawa Summit.” Allen explained that the meetings were scheduled “to take place before the plenary sessions begin in order to give you an early opportunity to influence these leaders. Their support is essential to a successful outcome at the Summit.” After offering guidance specific to each of the six meetings, Allen added: “The other bilaterals are also important to the outcome of the meeting, but more by way of limiting damage. The meetings on Friday with Algeria, Tanzania and Guyana may create some anticipation that will favorably influence the positions these countries take in the plenary sessions. Bangladesh is likely to play a moderate role, and the bilateral meeting will reinforce this. The Philippines and Saudi Arabia are key U.S. partners in the quest for peace. While they may not be unusually helpful to us in the plenary meetings, they are also unlikely to take the lead against our interests. We

have not scheduled separate bilaterals with industrial countries both to emphasize the developing country focus of the meeting and to avoid any appearance of needing a go-between with developing countries or of ganging up on the developing countries.” (Reagan Library, Executive Secretariat, NSC Trip File, President Reagan’s Participation in the International Meeting on Cooperation and Development Cancun, Mexico 10/21/1981–10/23/1981 Bilateral Meetings—Mr. Allen (Binder) (1); NLR–755–2–34–8–6)

The first plenary session of the summit took place on October 22. During the plenary the President read a statement, beginning his remarks by acknowledging both the differences and the commonalities of the participants in relation to economic policy. Reagan then stressed: “We recognize that each nation’s approach to development should reflect its own cultural, political, and economic heritage. That is the way it should be. The great thing about our international system is that it respects diversity and promotes creativity. Certain economic factors, of course, apply across cultural and political lines. We are mutually interdependent, but, above all, we are individually responsible.

“We must respect both diversity and economic realities when discussing grand ideas. As I said last week in Philadelphia, we do not seek an ideological debate; we seek to build upon what we already know will work.

“History demonstrates time and again, in place after place, economic growth and human progress make their greatest strides in countries that encourage economic freedom.

“Government has an important role in helping to develop a country’s economic foundation. But the critical test is whether government is genuinely working to liberate individuals by creating incentives to work, save, invest, and succeed.

“Individual farmers, laborers, owners, traders, and managers—they are the heart and soul of development. Trust them. Because whenever they are allowed to create and build, wherever they are given a personal stake in deciding economic policies and benefiting from their success, then societies become more dynamic, prosperous, progressive, and free.

“With sound understanding of our domestic freedom and responsibilities, we can construct effective international cooperation. Without it, no amount of international good will and action can produce prosperity.”

After discussing the U.S. efforts toward development efforts in the Third World and support for participation in the process of Global Negotiations, the President continued: “But our main purpose in coming to Cancun is to focus on specific questions of substance, not

procedural matters. In this spirit, we bring a positive program of action for development, concentrated around these principles:

“—stimulating international trade by opening up markets, both within individual countries and among countries;

“—tailoring particular development strategies to the specific needs and potential of individual countries and regions;

“—guiding our assistance toward the development of self-sustaining productive activities, particularly in food and energy;

“—improving the climate for private capital flows, particularly private investment; and

“—creating a political atmosphere in which practical solutions can move forward, rather than founder on a reef of misguided policies that restrain and interfere with the international marketplace or foster inflation.

“In our conversations, we will be elaborating on the specifics of this program. The program deals not in flashy new gimmicks, but in substantive fundamentals with a track record of success. It rests on a coherent view of what’s essential to development—namely political freedom and economic opportunity.

“Yes, we believe in freedom. We know it works. It’s just as exciting, successful, and revolutionary today as it was 200 years ago.

“I want to thank our hosts for arranging this historic opportunity. Let us join together and proceed together. Economic development is an exercise in mutual cooperation for the common good. We can and must grasp this opportunity for our people and together take a step for mankind.” (*Public Papers: Reagan, 1981*, pages 980–982)

In his personal diary entry for October 22, the President wrote: Met with Pres.’s (1 on 1) of Austria & Yrega Slooci [Sergej Kraicher]. Then 1st session devoted to speeches by each of 22 delegates. I know everyone was waiting for mine—possibly with chip on shoulder. We fooled them—it was well received.” (Brinkley, ed., *The Reagan Diaries*, volume I, January 1981–October 1985, page 77; brackets are in the original)

On October 23, during a question and answer session with reporters held in his suite at the Cancun Sheraton Hotel, the President was asked if any of the other delegates had “said anything to cause you to change your thinking about foreign aid or how you could help the poor people of the world?” Reagan responded, “No, but you have to remember that there’s no one at that table that has done more in the line of foreign aid than has the United States. And we’re concerned, have been for some time, that our foreign aid would be as effective as it can be. And many times for a program that gigantic, and over the years, you know that it can fall into ruts. And the aid is being delivered, but you want to make sure that it’s getting to the people that it’s intended to help.

“So, we had a very good discussion yesterday on food and agriculture for the countries that have that problem. And I think we’ve made a contribution to them, in proposals as to how we could go in—you might say that that’s a task force route—and find out exactly how their own agricultural output could be improved.” (*Public Papers: Reagan, 1981*, page 983)

On that same day, Lopez Portillo and Trudeau, issued on their own behalf, a summary of the sessions. The text of the summary is printed in Department of State *Bulletin*, December 1981, pages 5–9.

In remarks made on October 24 at Andrews Air Force Base upon his return to Washington, Reagan referred to the motivations guiding the United States in contributing toward economic development, which he had previously outlined in his Philadelphia remarks (see Document 66): “At Cancun, we stressed many of those same important themes and the commitment of the United States to work with those countries in their development efforts. There was broad agreement on steps which had to be taken by the developing countries themselves, and by developed and developing countries together, to stimulate the process of growth. There was broad acceptance of many of the approaches proposed in Philadelphia and a strong desire to work with the United States in these areas.

“All participants recognized the fact that economic prosperity in any country or group of countries depends both on individual countries own efforts and on close international economic cooperation. We didn’t waste time on unrealistic rhetoric or unattainable objectives. We dealt with pragmatic solutions to the problems of growth—efforts to improve food security and agricultural development.

“There was agreement with our proposal that task forces should be sent to developing countries to assist them in finding new agricultural techniques and transmitting to farmers techniques now in existence. I have directed the Agency for International Development to coordinate these U.S. efforts and to report to us on the progress made.

“We also discussed ways to increase trade and industrialization, and there was strong support for working together at the GATT Ministerial. In addition, ways were discussed in which the developing nations can increase their energy production, and monetary and financial issues were reviewed.

“I return home reminded again of the importance of American leadership in the world. At Cancun, we made a good beginning toward more constructive and mutually beneficial relations among developed and developing nations and toward a more prosperous world. We have an enormous opportunity now to advance mutually beneficial economic relations with our developing country partners.

“I look forward to continuing our efforts in the constructive spirit that characterized the Cancun discussions. By sustaining that spirit, the American people, the people of the developing nations, and the entire world will be better.” (*Public Papers: Reagan, 1981*, pages 986–987)

69. Remarks by President Reagan¹

Washington, November 18, 1981

Remarks to Members of the National Press Club on Arms Reduction and Nuclear Weapons

Officers, ladies and gentlemen of the National Press Club and, as of a very short time ago, fellow members:

Back in April while in the hospital I had, as you can readily understand, a lot of time for reflection. And one day I decided to send a personal, handwritten letter to Soviet President Leonid Brezhnev² reminding him that we had met about 10 years ago in San Clemente, California, as he and President Nixon were concluding a series of meetings that had brought hope to all the world.³ Never had peace and good will seemed closer at hand.

¹ Source: *Public Papers: Reagan, 1981*, pp. 1062–1067. The President spoke at 10 a.m. at the National Press Club building. His remarks were broadcast live on radio and television. The Department transmitted the text of the address to all diplomatic posts in telegram 306352, November 18, 1218Z. (Department of State, Central Foreign Policy File, Electronic Telegrams, D810619–0897; D810575–0221; D810546–0823) Documentation concerning the drafting of the speech, including a draft with the President’s handwritten additions and comments, is in the Reagan Library, WHORM: Subject File, Speeches, SP 563, Foreign Policy Address, National Press Club, Washington, DC, 11/18/1981, 050500–050999. In his personal diary entry for November 18, the President wrote: “Today was the big day—the speech to the world at the Nat. press club. It really was to the world. I’m told it was the largest network ever put together—all of Europe, China & I don’t know how many other places. It has been wonderfully received worldwide except for Russia—Tass is screaming bloody murder. I asked Russia to join us in total elimination of all medium range nuclear weapons in Europe. Funny—I was talking peace but wearing a bullet proof vest. It seems Kadaffi put a contract on me & some person named Jack was going to try for me at the speech. Security was very tight.” (Brinkley, ed., *The Reagan Diaries*, vol. I, January 1981–October 1985, p. 85)

² See *Foreign Relations, 1981–1988*, vol. III, Soviet Union, January 1981–January 1983, Documents 46 and 47.

³ Reference is to Brezhnev’s visit to the United States in June 1973. He and Nixon engaged in a series of talks June 16–23 in Washington; Camp David, Maryland; and San Clemente, California. Records of these conversations are printed in *Foreign Relations, 1969–1976*, vol. XV, Soviet Union, June 1972–August 1974, Documents 123–127 and 130–132. At the time of the visit, Reagan was Governor of California.

I'd like to read you a few paragraphs from that letter. "Mr. President: When we met, I asked if you were aware that the hopes and aspirations of millions of people throughout the world were dependent on the decisions that would be reached in those meetings. You took my hand in both of yours and assured me that you were aware of that and that you were dedicated with all your heart and soul and mind to fulfilling those hopes and dreams."

I went on in my letter to say: "The people of the world still share that hope. Indeed, the peoples of the world, despite differences in racial and ethnic origin, have very much in common. They want the dignity of having some control over their individual lives, their destiny. They want to work at the craft or trade of their own choosing and to be fairly rewarded. They want to raise their families in peace without harming anyone or suffering harm themselves. Government exists for their convenience, not the other way around.

"If they are incapable, as some would have us believe, of self-government, then where among them do we find any who are capable of governing others?

"Is it possible that we have permitted ideology, political and economic philosophies, and governmental policies to keep us from considering the very real, everyday problems of our peoples? Will the average Soviet family be better off or even aware that the Soviet Union has imposed a government of its own choice on the people of Afghanistan? Is life better for the people of Cuba because the Cuban military dictate who shall govern the people of Angola?

"It is often implied that such things have been made necessary because of territorial ambitions of the United States; that we have imperialistic designs, and thus constitute a threat to your own security and that of the newly emerging nations. Not only is there no evidence to support such a charge, there is solid evidence that the United States, when it could have dominated the world with no risk to itself, made no effort whatsoever to do so.

"When World War II ended, the United States had the only undamaged industrial power in the world. Our military might was at its peak, and we alone had the ultimate weapon, the nuclear weapon, with the unquestioned ability to deliver it anywhere in the world. If we had sought world domination then, who could have opposed us?

"But the United States followed a different course, one unique in the history of mankind. We used our power and wealth to rebuild the war-ravished economies of the world, including those of the nations who had been our enemies. May I say, there is absolutely no substance to charges that the United States is guilty of imperialism or attempts to impose its will on other countries, by use of force."

I continued my letter by saying—or concluded my letter, I should say—by saying, “Mr. President, should we not be concerned with eliminating the obstacles which prevent our people, those you and I represent, from achieving their most cherished goals?”

Well, it’s in the same spirit that I want to speak today to this audience and the people of the world about America’s program for peace and the coming negotiations which begin November 30th in Geneva, Switzerland.⁴ Specifically, I want to present our program for preserving peace in Europe and our wider program for arms control.

Twice in my lifetime, I have seen the peoples of Europe plunged into the tragedy of war. Twice in my lifetime, Europe has suffered destruction and military occupation in wars that statesmen proved powerless to prevent, soldiers unable to contain, and ordinary citizens unable to escape. And twice in my lifetime, young Americans have bled their lives into the soil of those battlefields not to enrich or enlarge our domain, but to restore the peace and independence of our friends and Allies.

All of us who lived through those troubled times share a common resolve that they must never come again. And most of us share a common appreciation of the Atlantic Alliance that has made a peaceful, free, and prosperous Western Europe in the post-war era possible.

But today, a new generation is emerging on both sides of the Atlantic. Its members were not present at the creation of the North Atlantic Alliance. Many of them don’t fully understand its roots in defending freedom and rebuilding a war-torn continent. Some young people question why we need weapons, particularly nuclear weapons, to deter war and to assure peaceful development. They fear that the accumulation of weapons itself may lead to conflagration. Some even propose unilateral disarmament.

I understand their concerns. Their questions deserve to be answered. But we have an obligation to answer their questions on the basis of judgment and reason and experience. Our policies have resulted in the longest European peace in this century. Wouldn’t a rash departure from these policies, as some now suggest, endanger that peace?

From its founding, the Atlantic Alliance has preserved the peace through unity, deterrence, and dialog. First, we and our Allies have stood united by the firm commitment that an attack upon any one of us would be considered an attack upon us all. Second, we and our Allies have deterred aggression by maintaining forces strong enough

⁴ On September 23, Haig and Gromyko agreed to begin the INF negotiations in Geneva starting November 30; see footnote 9, Document 56. For Haig’s November 30 statement upon the opening of negotiations, see Department of State *Bulletin*, January 1982, p. 30.

to ensure that any aggressor would lose more from an attack than he could possibly gain. And third, we and our Allies have engaged the Soviets in a dialog about mutual restraint and arms limitations, hoping to reduce the risk of war and the burden of armaments and to lower the barriers that divide East from West.

These three elements of our policy have preserved the peace in Europe for more than a third of a century. They can preserve it for generations to come, so long as we pursue them with sufficient will and vigor.

Today, I wish to reaffirm America's commitment to the Atlantic Alliance and our resolve to sustain the peace. And from my conversations with allied leaders, I know that they also remain true to this tried and proven course.

NATO's policy of peace is based on restraint and balance. No NATO weapons, conventional or nuclear, will ever be used in Europe except in response to attack. NATO's defense plans have been responsible and restrained. The Allies remain strong, united, and resolute. But the momentum of the continuing Soviet military buildup threatens both the conventional and the nuclear balance.

Consider the facts. Over the past decade, the United States reduced the size of its Armed Forces and decreased its military spending. The Soviets steadily increased the number of men under arms. They now number more than double those of the United States. Over the same period, the Soviets expanded their real military spending by about one-third. The Soviet Union increased its inventory of tanks to some 50,000, compared to our 11,000. Historically a land power, they transformed their navy from a coastal defense force to an open ocean fleet, while the United States, a sea power with transoceanic alliances, cut its fleet in half.

During a period when NATO deployed no new intermediate-range nuclear missiles and actually withdrew 1,000 nuclear warheads, the Soviet Union deployed more than 750 nuclear warheads on the new SS-20 missiles alone.

Our response to this relentless buildup of Soviet military power has been restrained but firm. We have made decisions to strengthen all three legs of the strategic triad: sea-, land-, and air-based.⁵ We have proposed a defense program in the United States for the next 5 years

⁵ Reference is to the U.S. strategic weapons program. On October 2, in remarks made to reporters in the East Room at the White House, the President indicated that the administration's plan to revitalize U.S. strategic forces "is a comprehensive one. It will strengthen and modernize the strategic triad of land-based missiles, sea-based missiles, and bombers. It will end longstanding delays in some of these programs and introduce new elements into others. And just as important, it will improve communications and control systems that are vital to these strategic forces." (*Public Papers: Reagan, 1981*, p. 878)

which will remedy the neglect of the past decade and restore the eroding balance on which our security depends.⁶

I would like to discuss more specifically the growing threat to Western Europe which is posed by the continuing deployment of certain Soviet intermediate-range nuclear missiles. The Soviet Union has three different type such missile systems: the SS-20, the SS-4, and the SS-5, all with the range capable of reaching virtually all of Western Europe. There are other Soviet weapon systems which also represent a major threat.

Now, the only answer to these systems is a comparable threat to Soviet threats, to Soviet targets; in other words, a deterrent preventing the use of these Soviet weapons by the counterthreat of a like response against their own territory. At present, however, there is no equivalent deterrent to these Soviet intermediate missiles. And the Soviets continue to add one new SS-20 a week.

To counter this, the Allies agreed in 1979, as part of a two-track decision, to deploy as a deterrent land-based cruise missiles and Pershing II missiles capable of reaching targets in the Soviet Union. These missiles are to be deployed in several countries of Western Europe. This relatively limited force in no way serves as a substitute for the much larger strategic umbrella spread over our NATO Allies. Rather, it provides a vital link between conventional shorter-range nuclear forces in Europe and intercontinental forces in the United States.

Deployment of these systems will demonstrate to the Soviet Union that this link cannot be broken. Deterring war depends on the perceived ability of our forces to perform effectively. The more effective our forces are, the less likely it is that we'll have to use them. So, we and our allies are proceeding to modernize NATO's nuclear forces of intermediate range to meet increased Soviet deployments of nuclear systems threatening Western Europe.

Let me turn now to our hopes for arms control negotiations. There's a tendency to make this entire subject overly complex. I want to be clear and concise. I told you of the letter I wrote to President Brezhnev last April. Well, I've just sent another message to the Soviet leadership.⁷ It's a simple, straightforward, yet, historic message. The United States proposes the mutual reduction of conventional intermediate-range nuclear and strategic forces. Specifically, I have proposed a four-point agenda to achieve this objective in my letter to President Brezhnev.

⁶ Weinberger outlined the major components of the administration's proposed defense program in his January 28 statement before the Senate Armed Services Committee; see Document 24.

⁷ Reference is to the President's November 17 letter to Brezhnev, printed in *Foreign Relations, 1981-1983*, vol. III, Soviet Union, January 1981-January 1983, Document 103.

The first and most important point concerns the Geneva negotiations. As part of the 1979 two-track decision, NATO made a commitment to seek arms control negotiations with the Soviet Union on intermediate range nuclear forces. The United States has been preparing for these negotiations through close consultation with our NATO partners.

We're now ready to set forth our proposal. I have informed President Brezhnev that when our delegation travels to the negotiations on intermediate range, land-based nuclear missiles in Geneva on the 30th of this month, my representatives will present the following proposal: The United States is prepared to cancel its deployment of Pershing II and ground-launch cruise missiles if the Soviets will dismantle their SS-20, SS-4, and SS-5 missiles.⁸ This would be an historic step. With Soviet agreement, we could together substantially reduce the dread threat of nuclear war which hangs over the people of Europe. This, like the first footstep on the Moon, would be a giant step for mankind.

Now, we intend to negotiate in good faith and go to Geneva willing to listen to and consider the proposals of our Soviet counterparts, but let me call to your attention the background against which our proposal is made.

During the past 6 years while the United States deployed no new intermediate-range missiles and withdrew 1,000 nuclear war-heads from Europe, the Soviet Union deployed 750 warheads on mobile, accurate ballistic missiles. They now have 1,100 war-heads on the SS-20s, SS-4s and 5s. And the United States has no comparable missiles. Indeed, the United States dismantled the last such missile in Europe over 15 years ago.

As we look to the future of the negotiations, it's also important to address certain Soviet claims, which left unrefuted could become critical barriers to real progress in arms control.

The Soviets assert that a balance of intermediate range nuclear forces already exists. That assertion is wrong. By any objective measure, as this chart indicates,⁹ the Soviet Union has developed an increasingly overwhelming advantage. They now enjoy a superiority on the order of six to one. The red is the Soviet buildup; the blue is our own. That is 1975, and that is 1981.

⁸ The record of the November 12 National Security Council meeting, at which the U.S. negotiating position (the "zero option") was determined, is scheduled for publication in *Foreign Relations, 1977–1980*, vol. V, European Security, 1977–1983.

⁹ The text of the President's remarks printed in *Public Papers: Reagan, 1981*, does not include the chart the President references. The text printed in *American Foreign Policy: Current Documents, 1981*, includes the chart, entitled "Balance of Comparable US and Soviet Intermediate Range Nuclear Forces." (*American Foreign Policy: Current Documents, 1981*, pp. 177–182)

Now, Soviet spokesmen have suggested that moving their SS-20s behind the Ural Mountains will remove the threat to Europe. Well, as this map demonstrates, the SS-20s, even if deployed behind the Urals, will have a range that puts almost all of Western Europe—the great cities—Rome, Athens, Paris, London, Brussels, Amsterdam, Berlin, and so many more—all of Scandinavia, all of the Middle East, all of northern Africa, all within range of these missiles which, incidentally, are mobile and can be moved on shorter notice.¹⁰ These little images mark the present location which would give them a range clear out into the Atlantic.

The second proposal that I've made to President Brezhnev concerns strategic weapons. The United States proposes to open negotiations on strategic arms as soon as possible next year.

I have instructed Secretary Haig to discuss the timing of such meetings with Soviet representatives. Substance, however, is far more important than timing. As our proposal for the Geneva talks this month illustrates, we can make proposals for genuinely serious reductions, but only if we take the time to prepare carefully.

The United States has been preparing carefully for resumption of strategic arms negotiations because we don't want a repetition of past disappointments. We don't want an arms control process that sends hopes soaring only to end in dashed expectations.

Now, I have informed President Brezhnev that we will seek to negotiate substantial reductions in nuclear arms which would result in levels that are equal and verifiable. Our approach to verification will be to emphasize openness and creativity, rather than the secrecy and suspicion which have undermined confidence in arms control in the past.

While we can hope to benefit from work done over the past decade in strategic arms negotiations, let us agree to do more than simply begin where these previous efforts left off. We can and should attempt major qualitative and quantitative progress. Only such progress can fulfill the hopes of our own people and the rest of the world. And let us see how far we can go in achieving truly substantial reductions in our strategic arsenals.

To symbolize this fundamental change in direction, we will call these negotiations START—Strategic Arms Reduction Talks.

The third proposal I've made to the Soviet Union is that we act to achieve equality at lower levels of conventional forces in Europe. The defense needs of the Soviet Union hardly call for maintaining more

¹⁰ The text of the President's remarks printed in *Public Papers: Reagan, 1981*, does not include the map the President references. The text printed in *American Foreign Policy: Current Documents, 1981*, includes the map, entitled "Coverage of Europe From SS-20 Bases East of the Urals." (*American Foreign Policy: Current Documents, 1981*, pp. 177-182)

combat divisions in East Germany today than were in the whole Allied invasion force that landed in Normandy on D-Day. The Soviet Union could make no more convincing contribution to peace in Europe, and in the world, than by agreeing to reduce its conventional forces significantly and constrain the potential for sudden aggression.

Finally, I have pointed out to President Brezhnev that to maintain peace we must reduce the risks of surprise attack and the chance of war arising out of uncertainty or miscalculation.

I am renewing our proposal for a conference to develop effective measures that would reduce these dangers. At the current Madrid meeting of the Conference on Security and Cooperation in Europe, we're laying the foundation for a Western-proposed conference on disarmament in Europe.¹¹ This conference would discuss new measures to enhance stability and security in Europe. Agreement in this conference is within reach. I urge the Soviet Union to join us and many other nations who are ready to launch this important enterprise.

All of these proposals are based on the same fair-minded principles—substantial, militarily significant reduction in forces, equal ceilings for similar types of forces, and adequate provisions for verification.

My administration, our country, and I are committed to achieving arms reductions agreements based on these principles. Today I have outlined the kinds of bold, equitable proposals which the world expects of us. But we cannot reduce arms unilaterally. Success can only come if the Soviet Union will share our commitment, if it will demonstrate that its often-repeated professions of concern for peace will be matched by positive action.

Preservation of peace in Europe and the pursuit of arms reduction talks are of fundamental importance. But we must also help to bring peace and security to regions now torn by conflict, external intervention, and war.

The American concept of peace goes well beyond the absence of war. We foresee a flowering of economic growth and individual liberty in a world at peace.

At the economic summit conference in Cancún, I met with the leaders of 21 nations and sketched out our approach to global economic growth.¹² We want to eliminate the barriers to trade and investment which hinder these critical incentives to growth, and we're working

¹¹ See footnote 10, Document 56. The review conference had recessed on July 28 and resumed on October 27. The French proposal regarding the disarmament conference and CBMs was introduced prior to the recess; see James M. Markham, "After Months Marked by Discord, Madrid Parley Sounds Optimistic," *New York Times*, July 18, 1981, p. 5.

¹² See Document 68.

to develop new programs to help the poorest nations achieve self-sustaining growth.

And terms like “peace” and “security”, we have to say, have little meaning for the oppressed and the destitute. They also mean little to the individual whose state has stripped him of human freedom and dignity. Wherever there is oppression, we must strive for the peace and security of individuals as well as states. We must recognize that progress and the pursuit of liberty is a necessary complement to military security. Nowhere has this fundamental truth been more boldly and clearly stated than in the Helsinki Accords of 1975.¹³ These accords have not yet been translated into living reality.

Today I’ve announced an agenda that can help to achieve peace, security, and freedom across the globe. In particular, I have made an important offer to forego entirely deployment of new American missiles in Europe if the Soviet Union is prepared to respond on an equal footing.

There is no reason why people in any part of the world should have to live in permanent fear of war or its spectre. I believe the time has come for all nations to act in a responsible spirit that doesn’t threaten other states. I believe the time is right to move forward on arms control and the resolution of critical regional disputes at the conference table. Nothing will have a higher priority for me and for the American people over the coming months and years.

Addressing the United Nations 20 years ago, another American President described the goal that we still pursue today. He said, “If we all can persevere, if we can look beyond our shores and ambitions, then surely the age will dawn in which the strong are just and the weak secure and the peace preserved.”¹⁴

He didn’t live to see that goal achieved. I invite all nations to join with America today in the quest for such a world.

Thank you.¹⁵

¹³ See footnote 4, Document 48.

¹⁴ Reference is to Kennedy’s September 25, 1963, address before the UN General Assembly. The text of the address is printed in *Public Papers: Kennedy, 1963*, pp. 618–626.

¹⁵ In a November 21 memorandum to the President, Haig provided a summary of global reaction to the President’s remarks: “Overseas reaction to your speech—which was viewed by a world audience estimated at 250 million people—is overwhelmingly positive. Virtually every Western head of state, foreign minister and political leader, has welcomed the speech as a clear and effective statement of America’s foreign policy and commitment to peace.” (Reagan Library, European and Soviet Affairs Directorate, NSC Records, Subject File, State of the Union Speech (1 of 4)) Under a November 25 covering memorandum, Allen sent Haig’s memorandum to the President, noting: “In general, we accomplished what we intended in the speech, and it should provide a solid basis on which to begin talks with the Soviets next week.” Reagan initialed Allen’s memorandum, which also bears a stamped notation indicating that Reagan saw it on December 1. (Ibid.)

70. **Memorandum From Henry Nau of the National Security Council Staff to Members of the National Security Council Staff¹**

Washington, November 25, 1981

SUBJECT

Charges of Foreign Policy Disarray

For whatever it is worth, I have set down some thoughts about the charge that Reagan Administration foreign policy is in disarray. I had the benefit of participating in some of the general foreign policy planning activities during the transition. Moreover, in rereading the first two planning documents produced by Richard Beal's office (one in January and one in April—see attached),² I was struck by the extent to which the evolution of our foreign policy has followed a deliberate and discernible, albeit rough, set of assumptions and guidelines. The charge that this Administration has no foreign policy is, I think, flatly wrong. The charge reflects a failure to understand the intimate connection between domestic and foreign policy affairs.

In that spirit, let me lay out the elements of the Reagan Administration's foreign policy design, illustrated by examples of our early successes, which I have used to good effect in my off-the-record speaking.

1. *Our priority foreign policy objective has been to restore the domestic capabilities (both economic and military) and credibility (political will and self-confidence) of America's foreign policy leadership.* Hence, neglect of foreign policy due to a preoccupation with domestic policy is not a valid criticism of this Administration. Domestic and foreign policy are intimately linked (a favorite premise of liberal analysts) and this Administration understands that restored domestic vitality—economically, militarily and politically—is the essential foundation of an effective foreign policy.

Successes:

A. Passage of Economic Recovery Act of 1981—already unprecedented action on tax, regulatory and expenditure policies.³ Continued success depends on political capability to sustain coalition for further

¹ Source: Reagan Library, European and Soviet Affairs Directorate, NSC Records, Subject File, Presidential Speeches/Interviews; NLR-170-12-16-5-7. No classification marking.

² It is unclear if the paper printed here as the attachment to Nau's memorandum is the January planning document or the April planning document. Only one planning document was found attached to Nau's memorandum.

³ See footnote 4, Document 55.

budget cuts, clearly impaired by Stockman affair but not irreparable.⁴ Even if further cuts cannot be made, fight Congressional elections next year on this theme, since alternatives—tax increases or loosened money policy—are failed policies of the past.

B. Defense decisions—demonstrated President's commitment to close window of vulnerability in its broadest sense without taking premature decisions on basing modes for land missiles which would only invite a massive escalation of USSR warheads targeted on the U.S. with no resultant improvement in U.S. missile force survivability.⁵ (We should exploit the pro-arms control aspects of this decision. The President chose a path which takes away the rationale for a massive escalation of Soviet weaponry to which we would then be compelled to respond.)

C. AWACS decision—demonstrated this President's capability to command a domestic consensus on a very controversial aspect of U.S. foreign policy.⁶ It has done more than a thousand doctrines (e.g., the Carter Doctrine)⁷ to restore foreign perceptions in the Middle East/Persian Gulf of the credibility of American commitments.

D. Self-confident, non-apologetic expression and defense of American values and institutions in the international system—the President's development speeches at the World Bank and Philadelphia⁸ called American foreign policy back to a clear vision of this country's purpose and our belief in the principles and ideals of political freedom and economic opportunity (as he promised to do early in the campaign in his Chicago speech of March 1980).⁹

2. *While restoring domestic vitality to American foreign policy, this Administration has sought to address foreign policy problems in limited, specific and pragmatic ways, emphasizing bilateral and regional rather than global or grand strategic approaches.* Hence, to criticize this Administration for the absence of foreign policy pronouncements, which is often equated in the press with the absence of a foreign policy itself, is to confirm the

⁴Stockman criticized the Reagan administration's economic recovery program during a series of interviews scheduled for publication in *The Atlantic Monthly* in December. For additional information, see "Stockman Appears on Capitol Hill: Works With Lawmakers for the First Time Since Rebuke," *New York Times*, November 22, 1981, pp. 1, 32.

⁵See footnote 5, Document 69.

⁶See footnote 10, Document 67.

⁷See Document 5 and footnote 2 thereto.

⁸See footnote 8, Document 65 and Document 66.

⁹Presumable reference to Reagan's March 17, 1980, address before the Chicago Council on Foreign Relations. According to the *New York Times*, Reagan had outlined "a 'grand strategy' based on three principles: 'firm convictions' in the rightness of America's cause; a 'strong economy based on a free market,' and America's 'unquestioned capability' to keep the peace through superior weaponry." (Steven V. Roberts, "Reagan, in Chicago Speech, Urges Big Increases in Military Spending," *New York Times*, March 18, 1980, p. B8)

Administration's success in holding foreign policy pronouncements to a minimum while domestic capabilities and credibility are being strengthened and the yawning gap between America's strategic proclamations and real capabilities is being closed.

Successes:

A. At NATO Ministerial in May and Ottawa Summit in July,¹⁰ obtained allied agreement to hold firm on NATO defense decisions of December 1979, including Schmidt's publicly-stated willingness to stake his political future on these decisions. (Would he have done that under Carter?)

B. Middle East—AWACS sale is not an isolated arms transfer but a major step forward in reestablishing strategic confidence in the U.S.-Saudi relationship and reinforcing Saudi Arabia's new activist foreign policy in Lebanon ceasefire,¹¹ in the Arab-Israeli dispute (Fahd's peace plan),¹² in the work of the Gulf Cooperation Council,¹³ and in OPEC (the new Saudi-engineered long-term OPEC pricing strategy).¹⁴ This more aggressive Saudi foreign policy, coupled with the U.S.-led effort to isolate the radical Arabs (Libya, etc.) is probably the key to the next step forward in the peace process, slowly bringing the Saudis, Jordanians and moderate Palestinians into some relationship (perhaps not formal) with the Camp David process. U.S. leadership is also about to produce a Sinai peacekeeping force which includes European contingents that identify European governments in a more visible way than ever before with the evolving Camp David process.¹⁵

C. Central America—Initially addressed a serious, specific situation in El Salvador (where admittedly our rhetoric at times got out of control) but quickly proceeded to wrap the El Salvador problem into

¹⁰ See footnote 2, Document 43 and Document 57.

¹¹ See footnote 6, Document 53.

¹² Reference is to Fahd's eight-point peace proposal issued by the Government of Saudi Arabia on August 8. For the text of the statement, see *American Foreign Policy: Current Documents, 1981*, p. 704.

¹³ Established in 1981, the members of the Gulf Cooperation Council included the Governments of Saudi Arabia, Kuwait, the United Arab Emirates, Bahrain, Qatar, and Oman. The Council promoted regional cooperation on a variety of issues. In telegram 1648 from Abu Dhabi, May 27, the Embassy transmitted the text of a communiqué issued at the conclusion of the Gulf Cooperation Council's May 25–26 summit held in Abu Dhabi. (Department of State, Central Foreign Policy File, Electronic Telegrams, D810248–0163) For additional information about the Council, see John Kifner, "Arabs May Question Oman's Military Ties to U.S.," *New York Times*, November 11, 1981, p. A9.

¹⁴ Reference is to the Saudi proposal for a unified pricing system for OPEC oil. On October 29, OPEC members meeting in Geneva agreed to set a base price of \$34 per barrel. (Douglas Martin, "OPEC Members Unite to Freeze Oil Price at \$34: Saudis' \$2-a-Barrel Rise Means Increase in U.S.," *New York Times*, October 30, 1981, pp. A1, D13)

¹⁵ See footnote 4, Document 67.

a broader strategic design for all of Central America and Caribbean, including both *security* measures to blunt Cuban and Nicaraguan subversion and *economic* measures to attack the primary problems of poverty and despair (the Caribbean Basin Initiative).¹⁶

D. Southern Africa—Took on a hopelessly deadlocked situation and devised a controversial but now visibly successful effort to bring South Africa into a mutually acceptable process promising significant progress in 1982.¹⁷

E. Economic Summits—At both Ottawa and Cancun, United States stressed realistic, pragmatic approaches to fundamental problems of stagflation in the industrial world and poverty in the developing world, giving priority to domestic, bilateral and regional commitments to solve economic problems while deemphasizing pie-in-the-sky global solutions such as international management of interest and exchange rates or new global institutions to promote the global dialogue (Global Negotiations)¹⁸ or energy development (World Bank Energy Affiliate).¹⁹

F. North American Relations—Development of close personal relations with the leaders of our two neighbors which accounts in part for the success of the two Economic Summits (one chaired by Trudeau, the other by Trudeau and Lopez Portillo) and the containment thus far of severe bilateral problems, particularly investment policies with Canada and trade policies with Mexico.

3. *While avoiding grand strategic pronouncements, U.S. policy toward the Soviet Union has recognized the fundamentally competitive character of our two societies and established very clear objectives of restoring in Europe and elsewhere the perception (which implies psychological as well as military aspects) of balance in U.S.-Soviet strategic relations and an expectation*

¹⁶The President outlined the broad contours of the proposed Caribbean Basin Initiative in both his October 15 remarks in Philadelphia (see Document 66) and in his various statements made during the Cancun Summit (see Document 68).

¹⁷ Presumable reference to the late October proposals regarding Namibian independence transmitted by the Contact Group to the Government of South Africa on October 26. During the October 29 question and answer session with attendees of the National Foreign Policy Conference for Editors and Broadcasters (see footnote 10, Document 67) Haig responded to a question regarding the Reagan administration's "official policy toward South Africa," indicating that "South Africa has come to accept 435, to accept the U.N. presence in Namibia, and we have just completed drafting a set of broad principles on about a page and a half which would be reinforcing the provisions of 435. It is currently being negotiated by the contact group with the front-line states and with South Africa. That represents progress, hopeful progress." (Department of State *Bulletin*, December 1981, p. 32)

¹⁸ See footnote 2, Document 65.

¹⁹ Presumable reference to McNamara's 1980 proposal to establish an affiliate to promote lending for energy projects undertaken by developing nations. The Reagan administration rejected the proposal in August 1981. For additional information, see Clyde H. Farnsworth, "U.S. Rejects Proposal to Form World Bank Energy Affiliate," *New York Times*, August 13, 1981, p. D15.

of restraint and reciprocity in Soviet foreign policy. The means to achieve these objectives have been primarily domestic (sending signals of a new activist U.S. foreign policy through the economic and defense programs) and bilateral or regional (e.g. El Salvador or building a strategic consensus against the Soviet threat in the Middle East and Persian Gulf). Meanwhile, global diplomacy toward the Soviet Union (and China, for that matter) has been muted, at least compared to the Kissinger and Carter years. To some extent, the emphasis on domestic capabilities and deemphasis of global diplomacy have contributed to the criticism that U.S. policy is too militaristic (i.e. too oriented toward capabilities and insufficiently oriented toward psychology and politics, particularly in Europe). But, given the Reagan emphasis on foreign policy fundamentals (domestic resources and specific problems), diplomacy understood as global maneuvering and posturing (US–USSR Summits, triangular diplomacy, etc.) becomes less necessary at least in the short-term. When U.S. capabilities were in full retreat after the Vietnam War, diplomacy was all the United States had left to work with. Now, with U.S. capabilities being refurnished, diplomacy does not need to carry the entire burden.

Successes:

A. Have achieved a reaffirmation of NATO defense decisions and taken unprecedented domestic defense decisions *before* beginning formal process of arms control talks with Soviets (thereby ensuring that NATO and domestic defense decisions would not easily become hostage to arms control bargaining).

B. Have focused international attention on Soviet-inspired terrorism and subversion in Central America, Indo-China (including Soviet use of poison gases), and in Europe.

C. Have deliberately (thereby lowering expectations) initiated arms control discussions with the Soviet Union.

D. Have initiated effort to show shallowness of Soviet diplomacy by countering Soviet peace offensive in Europe and by pointing to Soviet absence from Cancun and the developing world (except as an arms supplier).

I have sometimes used the metaphor of an edifice to relate the three principal aspects of U.S. foreign policy underscored above.

—The foundation of the edifice is represented by the domestic efforts of U.S. foreign policy to restore economic, military and political vitality to American society.

—The pillars of the edifice are our specific bilateral and regional policies grounded in the realities of our capabilities, rather than the

rhetoric of expansive doctrines, and essential to support the global superstructure of U.S. foreign policy.

—The superstructure is the U.S.-Soviet relation which is neither the centerpiece (or foundation) of all American foreign policy, as it seemed to be under Nixon, nor simply one issue like all others, as Carter implied through his initial deemphasis of US-Soviet relations in favor of so-called third tier countries (India, Brazil, etc.).

I would appreciate any comments you might have on these thoughts.

Attachment

Paper Prepared in the National Security Council Staff²⁰

Washington, undated

FOREIGN POLICY AT THE BEGINNING

US Confidence, Leadership and the Margin of Safety

Nothing would contribute more to international stability and to domestic revitalization in the United States, including economic recovery, than the United States' recovering its confidence, leadership and margin of safety in world affairs.

Unfortunately, the prevailing sense among many Americans, and the country's allies and adversaries, is that the United States is uncertain of its national interests and role in world affairs. United States foreign policy has recently been fraught with ambiguity, uncertainty, and inconsistency. Worse still is the growing view that America has grown weak in its foreign policy resolve, in its defense posture, and in its ability to respond to security threats around the globe.

The principal policy objectives of the foreign and defense policy of the new administration in the initial phase are to establish the President's credibility and leadership in foreign affairs and the country's commitment to peace through a new margin of safety. This objective will signal the American people and the rest of the world that President Reagan is committed to giving directions and consistency to America's foreign policy, thereby enabling the country to play a constructive role in world affairs.

The credibility of the US is predicated upon a reversal of the adverse force imbalances and upon the creation of a new margin of

²⁰No classification marking. No drafting information appears on the paper.

safety. This in turn is achieved by being willing to commit sufficient resources to rearm in the areas of defense, intelligence, information and foreign assistance. Clear signals must be sent out early that while the Reagan administration recognizes military power is not a policy panacea, it also recognizes that military power is vital. The message must be unambiguously conveyed—the United States does not intend to confront the international challenges of the 1980s poorly armed or hesitant to use military force when appropriate. Supplemental budget increases are essential to augment the readiness of our conventional forces, to reduce vulnerabilities in our deterrent forces, and to improve the collection and analysis activities, as well as morale, of our intelligence community. The effect will be to increase the confidence of friends and the deterrence of foes.

These budget increases are manageable if prepared with wisdom, proper targeting and exacting cost-efficiency. They contrast with the sobering cuts in spending on the domestic side and therefore must be managed with care. But this contrast increases their significance as a signal to the domestic public, allies and foes alike. Domestic budget requirements cannot be an excuse for insufficient defense and foreign policy commitments. After all, that is precisely the excuse our allies use. Where then, is the demonstration of new American leadership?

Presenting a budget that cuts spending in many entitlement programs while increasing spending in defense areas is precisely the approach public opinion currently supports. It is essential to seize this opportunity early. The impact on the psychology of the American people in the two most important areas of current concern—foreign policy and economic conditions—will be dramatic. And in energy, one area in particular, the perception of a stronger American defense commitment in the Middle East may go a long way to reassure oil producers (e.g., Kuwait, Saudi Arabia, etc.) in this area to sustain high levels of oil production and to prevent another major world and domestic oil price increase arising from the Iran–Iraq war.

Strategic Policies

The Administration can meet the requirement to reestablish confidence, leadership and muscle in US foreign policy and defense programs through the following long-range policies:

—Restore the margin of safety in US security by laying out a long-range defense program.

—Rearm US foreign policy by revitalizing intelligence, information and foreign assistance programs.

—Respond vigorously and assertively to the challenges of Soviet power, Allied and Third World diversity, and interdependence,

managing crises (hostages, Poland, Central America, etc.) in a context of confidence and conviction.

—Establish a strong collaborative relationship with US Allies, emphasizing a division-of-labor concept as the springboard for conducting foreign relations.

—Establish a regional security framework in the Middle East/Persian Gulf to deter Soviet adventurism, local instability and conflict, and the cutoff of vital oil supplies to the West.

Policy Additions

—Ensure political flexibility in the event of significant interruption of oil supplies (and/or strategic minerals) by a comprehensive national security energy policy including stockpiling, domestic allocation and international agreements.

—Develop a national policy for using the strength of American agriculture in support of US foreign policy goals. Policy should address production as well as distribution of foodstuffs.

Rationale for Additions

—Oil dependence of US, Western Europe and Japan will continue in the future.

—Competition for oil will turn fierce when USSR becomes net importer in the 1980s.

—Same holds true for cobalt, manganese, chromium.

—World food shortage is on us; will get worse.

Strategic Objectives

To secure US vital interests and in order to meet effectively the varied threats to these interests, the Administration must maintain a clear focus on the following long-range strategic objectives:

—Establish a sound domestic base. A stable economic foundation with a clear commitment to a robust defense program is a precondition for a successful foreign policy.

—Restore a level of strategic nuclear warfighting capabilities so that the United States is not vulnerable to crisis intimidation.

—Counter growth of Soviet military capabilities and surge of Soviet power into areas vital to US and Western security interests.

71. **Memorandum From Secretary of State Haig to President Reagan**¹

Washington, undated

SUBJECT

Preempting Brezhnev—A strategy for Sustaining our Momentum and Balance in Europe

Your November 18th speech clearly took the initiative away from the Soviets in Europe.² Now the challenge is to sustain our momentum and our balance. We need to focus attention both on real threats to peace and on US policy initiatives. This will preclude the extremes of detente atmospherics or undiluted confrontation.

To keep the initiative, we need to combine policy and public drama—as you did so effectively on November 18th. With that in mind, we propose four Presidential initiatives over the next six months.

1. *Global Program for Peace*. To avoid imbalance, we need to present the broader part of the threat picture and our policy agenda. Beyond arms control, there are the critical issues of southern Africa, Middle East, Afghanistan, Kampuchea, the Caribbean and Central America. This is important for Europe (which is involved in all of them, but tends to consider them less important than arms control) and for a broader audience as well. You could present this Global Program for Peace in a State of the World-type address in February, following the State of the Union.

2. *Afghanistan Day*. Of all these geopolitical issues, Afghanistan offers the best single opportunity for building European and global opposition to Soviet expansionism. As the demonstrations in Bonn during Brezhnev's visit proved, Afghanistan is our best issue among younger Europeans.³ And the vote in the UN for this year's Afghanistan resolution was even larger than last year's (116 vs. 111). With our encouragement, both the European Parliament and U.S. Congress are

¹ Source: Department of State, P Files, Subject File—Lawrence Eagleburger Files: Lot 84D204, Chron—December 1981. Secret; Sensitive. Drafted by Palmer; cleared by Holmes, Niles, Gompert, and Scanlan. Palmer initialed for all clearing officials. Printed from a copy not initialed by Haig. Eagleburger sent the memorandum to Haig under a December 1 typewritten note, writing: "The attached memo for the President outlines a strategy to sustain the momentum in Europe which his speech helped to generate. It is clear the President can provide a special dimension, particularly in the area of political drama. We have designed the strategy to space four initiatives over a six month period not to overload his schedule." (Ibid.) Also scheduled for publication in *Foreign Relations*, 1981–1988, vol. VII, Western Europe, 1981–1984.

² See Document 69.

³ November 22–24.

moving forward resolutions to establish a world-wide “Afghanistan Day” for March 21st. Your personal involvement can make a critical difference in building American and international support as the “Day” approaches. We will be sending you a strategy paper.

3. *Dramatizing the Start of START*. Setting a date to begin START and, more importantly, coming up with a serious and attractive approach can also be used to our advantage.⁴ While we need to avoid placing START back as the centerpiece of US-Soviet relations, and while the soundness of our approach is far more important than the drama with which we field it, we should seek to ensure—e.g., with another speech (hopefully by the end of March)—that we get credit for breathing new life into hopes for meaningful strategic arms control.

4. *Trip to Europe*. A presidential visit acts traditionally to focus public attention in both Europe and the United States on the deeper foundations of the Atlantic relationship. There will be a number of things to celebrate—Spain’s entry into NATO, the 25th anniversary of the European Community, the 35th anniversary of the Marshall Plan. We could combine a NATO Summit for late May with an Economic Summit early in June—which President Mitterrand has written asking you to confirm. Chancellor Schmidt has been pressing you to visit the Federal Republic and there are other bilateral stops of importance. This might be the right time and setting for a major speech on freedom as the dominant force of the future.

Conclusion. I will be sending you memoranda on each of these four initiatives in coming weeks.⁵ We wanted you to see them now in the context of an overall program to sustain our momentum in Europe, and to keep the balance between threat and solution, and between arms control and geopolitical issues.

I would like to discuss your trip privately and in a preliminary fashion with the French, Germans, and British during the NATO Ministerial next week.⁶ This is important if we are to control planning already underway for the spring NATO meeting and the Economic Summit.

Recommendation:

That I be authorized to discuss, in principle, a trip to Europe when I meet with key Allied leaders next week.⁷

⁴ On May 31, 1982, the administration announced that the United States and the Soviet Union would begin formal negotiations on the limitation and reduction of strategic arms in Geneva on June 29. (*Public Papers: Reagan, 1982*, Book I, p. 710) See footnote 14, Document 99.

⁵ None found.

⁶ Scheduled to take place in Brussels, December 9–13.

⁷ The President did not approve or disapprove the recommendation.

72. **Action Memorandum From the Director of the Policy Planning Staff (Wolfowitz) to Secretary of State Haig¹**

Washington, December 8, 1981

SUBJECT

Memo to the President on Speeches

Issue for Decision/Essential Factors

It is important to move swiftly to build on the favorable reception at home and abroad of the Press Club speech.² We agreed with EUR that the Presidential speeches most needed over the next six months are the following:

1) A speech on *American Values and Foreign Policy* to emphasize the moral components of our policies and try to build allied support and domestic bipartisan foreign consensus around the themes of peace and freedom.

2) A speech on *Resources for Peace and Security* to gather Congressional support and diminish public skepticism over our foreign assistance program.

3) A speech (perhaps keyed to Sinai withdrawal/autonomy progress/Namibia progress) setting forth our concrete program for peace as regards *Regional Conflicts* to capitalize on progress and rally support for our much criticized approaches.

The Press Club speech showed what an indispensable asset the President is in putting Administration policy across, particularly by putting his personal imprint on it.

The attached memo would recommend and describe to the President the three speeches suggested in your memo to him on Opportunities for Presidential Leadership.³

Recommendation

That the attached memo be sent to the President.

Approve_____ Disapprove_____ Other_____⁴

¹ Source: Reagan Library, Donald Fortier Files, Subject File, Speeches/Writing/S/P Memos 08/01/1981–12/31/1981. Confidential. Drafted by Fortier, Tarcov, and Lenczowski; cleared by Palmer. Tarcov initialed for Palmer.

² See Document 69.

³ See Document 74.

⁴ Haig did not approve or disapprove the recommendation.

Attachment**Memorandum From Secretary of State Haig to
President Reagan⁵**

Washington, undated

SUBJECT

Presidential Foreign Policy Speeches

It is important to build on the favorable reception at home and abroad of your Press Club speech. Your personal presentation is an irreplaceable asset in defining and defending your foreign policy. We know it is necessary not to waste that asset, but to apply it only to the most essential tasks. Here is a description of the three Presidential speeches recommended in my recent memo on Presidential opportunities.

1) Speech on American Values and Foreign Policy

Among our allies, a growing body of opinion sees no moral difference between East and West. At home, we are accused of abandoning traditional American moral concerns for power politics. Leaving these perceptions uncorrected not only swells allied and domestic opposition to your policies (e.g., INFs, El Salvador), but wastes our opportunities for attracting allied and bipartisan support. Only you can most effectively emphasize the moral components of our efforts and try to build allied support and domestic bipartisan foreign policy consensus on that basis.

It is generally recognized that your Administration's domestic policies represent a restoration of traditional American ideals. This must be made clear in foreign policy as well. Such a speech would emphasize both your appreciation of the traditionally peace-loving character of the American people and your dedication to the principles of individual rights and dignity that this nation was founded on and that unite the West.

Fuller description in Attachment 1.⁶

⁵ Confidential. Printed from an uninitialed copy. In Wolfowitz's December 15 covering memorandum attached to Haig's undated memorandum to the President, Wolfowitz informed Haig that he had "removed requests for Presidential speeches. You need to make some early decisions about which Presidential speeches are your highest priorities, but this memo is probably not the vehicle to do so. We (along with EUR) have given you a separate memo on Presidential speeches and Tom Enders has also spoken to you on the subject." (Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons PW 12/11-20/81)

⁶ Attached but not printed is an undated paper entitled, "Speech on American Values and Foreign Policy."

2) *Speech on Foreign Assistance*

Time and again this year we have felt the sting of inadequate foreign assistance resources. In the aftermath of Sadat's assassination⁷ we wanted to reassure friends against radical and proxy threats, but were unable to provide more than token support. Moreover, as a result of stockpile limitations and other resource constraints, the help we give is often poorly tailored to meet the threat. This is not only embarrassing for a great power, but positively dangerous at a time when our security hinges on enhancing the strength of friendly countries in vital parts of the world.

As our economic position improves we will have to devote more resources to foreign assistance. For this some groundwork must be laid. But now substantial efforts are required simply to secure Congressional support for the very lean request we are preparing. To succeed on the Hill, we must diminish public skepticism about foreign assistance—by explaining what assistance consists of, where it goes, and the concrete national security interests it serves.

When I was supporting your foreign assistance program before the House Republican Conference the other day, members stressed how much an explicit Presidential imprimatur can lessen their political burdens.⁸

Fuller description in Attachment 2.⁹

3) *Speech on Regional Conflicts*

This speech would show that the peace issue is ours as regards not only arms control, but regional conflicts as well. It would address the criticism that we are blinded to regional complexities by our East/West focus and capitalize on the real progress we are making in several regions. It could emphasize diplomatic activity and defuse the claim that our solutions are exclusively military. Unlike a speech on one region, it would indicate we have a general approach.

The timing could be keyed to progress on the Sinai, autonomy, and/or Namibia.

Fuller description in Attachment 3.¹⁰

⁷ Sadat was assassinated on October 6.

⁸ According to *Washington Post* reporter William Chapman, Haig went to Congress on December 8 "to urge traditionally reluctant Republican members" to support the administration's two pending foreign assistance bills. ("Reagan, Haig Ask Bipartisan Support on Foreign Aid," December 9, 1981, p. A10) For additional information regarding Haig's appearance, see *Congress and the Nation*, vol. VI, 1981–1984, pp. 133–134. For additional information about the pending legislation, see footnote 7, Document 67.

⁹ Attached but not printed is an undated paper entitled, "Resources for Peace, Growth, and Security."

¹⁰ Attached but not printed is an undated paper entitled, "American Foreign Policy, Regional Conflicts and World Peace."

73. Minutes of a National Security Council Meeting¹

Washington, December 8, 1981, 10:15–11:30 a.m. and 2:20–3:35 p.m.

SUBJECT

Global Negotiations and FY83 Foreign Assistance Budget

PARTICIPANTS

The President

The Vice President

State:

Secretary Alexander M. Haig, Jr.

Dep. Sec. William P. Clark

Under Sec. James L. Buckley

Under Sec. Richard T. Kennedy

Treasury:

Secretary Donald T. Regan

OSD:

Dep. Sec. Frank C. Carlucci

Justice:

Attorney Gen. William French Smith

OMB:

Dir. David Stockman

Mr. Edward Harper

Mr. William Schneider

CIA:

Dir. William J. Casey

USUN:

Amb. Jeane Kirkpatrick

JCS:

Acting Chairman

Thomas B. Hayward

Lt. Gen. Paul F. Gorman

AID:

Admin. Peter McPherson

White House:

Mr. Edwin Meese III

Mr. James A. Baker III

Mr. Michael K. Deaver

Admiral James W. Nance

Admiral Daniel Murphy

Mr. Richard Darman

Mr. Craig Fuller

Mr. Edward Hickey

NSC:

R. Adm. John Poindexter

Major Robert Kimmitt

Mr. Henry R. Nau

OPD:

Dir. Martin Anderson

[Omitted here is the portion of the meeting devoted to Global Negotiations.]

¹ Source: Reagan Library, Executive Secretariat, NSC Meeting File, NSC 00029 12/08/1981 [Global Negotiations, Libya, Foreign Assistance, Budget, Terrorism]; NLR-750-3-1-11-2. Secret. The meeting took place in the Cabinet Room. No drafting information appears on the minutes. The minutes of the morning session on Global Negotiations is scheduled for publication in *Foreign Relations, 1981–1988*, vol. XXXVIII, International Economic Development; International Debt; Foreign Assistance.

FY 83 Foreign Assistance Budget

Admiral Nance opened the discussion by quoting from NSDD-5, in which the President stated that conventional arms transfers are a vital component of our foreign policy and an important complement to our defense policy.² He noted that the security assistance budget, which undergirds arms transfers, has fallen from 10% to 2% the size of the defense budget in outlay terms since the late 1950s. What was needed at this time was reconfirmation of the importance of security assistance as a national security instrument. There currently exists a \$1.1 billion difference between the State request and the ceiling established by OMB. If we stick to the OMB mark, we need to decide where cuts must occur; if we stick to the State mark, we must determine where the additional money above the ceiling is to be found.

The President stated that he met yesterday with Republican Congressmen who were inclined to vote against foreign aid.³ He said that he, too, had spoken out against foreign aid that is merely a “give-away” or “rat hole.” However, he stressed to these Congressmen the fact that the security assistance component of the foreign assistance budget is vital to our national security, and he sought their support for the FY 82 request at its enhanced level. He noted that he often speaks to foreign leaders about assistance that the U.S. might provide in military terms, and he told the Congressmen that he must have adequate resources to respond appropriately during these conversations. Thus, as he looks at this budget, he will try to determine how much of it is “give-away” foreign aid and how much is in fact vital to our national interest.

Admiral Nance interjected that not all of the \$1.1 billion difference between State and OMB was in security assistance, and he asked Under Secretary Buckley to describe the overall budget to the President.

Under Secretary Buckley said that about two-thirds of the FY 83 request is for security assistance, all of which had been targeted to specific programs of interest to the U.S. Twenty-two percent of the budget is in the form of bilateral aid, half of which is targeted to countries in which we have strong security interests.

Mr. McPherson stressed that we have been very careful with this year’s foreign aid request and have tried to eliminate unnecessary programs wherever possible. He noted that there is a security orientation even for development assistance.

² Reference is to NSDD 5, “Conventional Arms Transfer Policy,” issued on July 8. It is scheduled for publication in *Foreign Relations, 1981–1988*, vol. XL, Global Issues I.

³ The President met with members of the “Core Group”—members of the House of Representatives who endorsed the President’s candidacy—in the Cabinet Room on December 7, from 4:47 until 5:40 p.m. (Reagan Library, President’s Daily Diary)

Under Secretary Buckley then sketched the consequences of a budget at the OMB level, describing in detail the countries and programs that would be adversely affected by the lower level.

Secretary Haig remarked that the budget situation was even more skewed than it appeared, since the majority of funds are going to Israel, Egypt and the base rights countries, and while Congress makes annual cuts, it always leaves the Israeli program intact or enhanced. Thus, it is the "little guys" with whom the President has met who suffer most from an austere budget. He had been on the Hill today talking to Republican House members,⁴ and the chances for averting a disaster on the FY 82 budget are slim. He remarked that State had taken all the cuts that OMB had mandated throughout the year. He also noted that, in the FY 83 budget, a \$400 million difference exists on the State authorization, and the lower level would require closing 40 installations, some of which are important to CIA and Defense requirements. On security assistance, he noted that we are talking about only a decimal point of the Defense budget and, in his view, \$2 billion in security assistance buys more than does \$10 billion in the Defense budget. In sum, he said that we appeared to be losing our sense of balance and that we risk gutting the President's foreign policy by not allocating adequate resources that are carefully tailored to meeting foreign policy objectives. As an example of careful tailoring, he called attention to the fact that we are cutting IDA from 23% to 14%.

Mr. Stockman said that the central issue was the ceiling under which he was operating, a planning ceiling that the President had approved in September for all agencies. Either the ceiling is wrong or the agency request is too high, and without resolving this fundamental question, we will in effect have no budget process whatever on foreign assistance. He noted that most of these programs are slow-spending and that, while there is a major difference this year, the gap will grow even wider in future years. He stated that while he recognized the pressures on the State budget, it must be realized that we are looking at a 16% increase in FY 83, 18% in FY 84, and 12% in FY 85. Thus, we are faced with changing the ceiling or changing priorities to meet legitimate security assistance needs. He also remarked that in addition to the difference in the FY 83 budget outlay figures, there is also a considerable difference in the off-budget account, as well as a \$1 billion supplemental planned for FY 82 to cover Polish and Caribbean initiatives. In sum, he stated that we face a major budgetary difference, one that cannot be resolved simply by making changes at the margin.

Secretary Haig agreed that the difference is fundamental, but he noted that excessive rigidity now will make adjustment even more difficult later in the year when unforeseen contingencies may arise. He

⁴ See footnote 8, Document 72.

remarked that he was not happy with what happened this year when the State Department tried to play ball and in effect got double-dipped for cuts during the budget process.

The President interjected that he had just finished a major budget overview session prior to the NSC meeting, and that the table was still warm because of the heated discussion during that session.⁵

Secretary Haig remarked that today had also been difficult for him, since he was on the Hill speaking to House members when word of the increased budget deficit leaked out.

The Vice President then asked when we needed to decide the FY 83 security assistance question.

Mr. Meese replied that we did not need to decide the question at this meeting. Rather, it had been raised as an NSC agenda item so that the question could be viewed in policy as well as budgetary terms. He also thought it important for members of the NSC to have a better idea of requirements down the road because of the budget stringencies we face. He remarked that because of major differences that exist and will exist, we might need to consider more carefully the notion of contingency funding.

Secretary Haig reminded the President that unless we secure passage of the FY 82 budget in its current form, we will face a major backlog in a number of critical accounts, including Egypt.

Mr. Stockman responded that it is difficult for him to understand how we can come in with a budget request in FY 83 40% higher than the FY 82 budget for which Congressional approval looks risky at best.

Deputy Secretary Carlucci said that he agreed with Secretary Haig about the importance of the security assistance budget and noted that this budget “carries the freight” for us during our important base negotiations.

Admiral Hayward said that the Joint Chiefs of Staff did not wish to get into specific numbers, but they would like to support the basic policy arguments made by Secretary Haig and Deputy Secretary Carlucci. He noted, in fact, that if anything the JCS believed the program, even at the State level, is underfunded.

Secretary Haig noted that we also have a problem with extremely high interest rates on FMS loans. He said that it is incongruous to go to financially strapped countries in the Caribbean with offers of military equipment at a 16% interest rate.

⁵In his personal diary entry for December 8, the President wrote: “A full day. First a meeting to hear the 1st 1983 budget review. We who were going to balance the budget face the biggest budget deficits ever. And yet percentage wise they’ll be smaller in relation to G.N.P. We have reduced Carter’s 17% spending increase to 9%. The recession has added to costs & reduced revenues however so even with that reduction in govts. size we face a large deficit.” (Brinkley, ed., *The Reagan Diaries*, vol. I, January 1981–October 1985, p. 90)

Deputy Secretary Carlucci noted that the rate is now down to about 13%, but that was still too high for most countries, including important Mideast countries like Tunisia.

The President remarked that King Hussein told him that one reason he intended to buy Russian air defense missiles was that they were one-third the cost of those available from the U.S.

Secretary Haig said that we must bear in mind that, in the security assistance field, we are picking up the pieces from the Carter Administration's policy that was prejudiced against arms sales.

Secretary Regan said that he agreed with Secretary Haig, particularly insofar as excessively high interest rates are concerned.

Deputy Secretary Carlucci then noted that the security assistance budget helps to fund arms sales that themselves keep the defense production base warm.

The President replied that he understood that point.

Mr. Meese then asked whether there were any place in the budget to come up with additional funds, perhaps in the form of contingency funds.

Mr. Stockman replied that there were programs that could be cut, but not enough to make up for the major difference that now exists. He noted, for instance, that there is \$200 million in aid allocated for OPEC countries, and that on the MDBs, we appear to be heading toward the Carter level in the next round of negotiations.

Mr. McPherson interjected that most of the money for OPEC countries was intended for specific programs, such as population control, in Indonesia and Ecuador.

Under Secretary Buckley noted that the budget proposes a \$75 million ESF contingency fund and a \$50 million contingency for the Caribbean Basin Initiative, both of which are too small.

The President then asked the amount of the IDCA check that Mr. McPherson had presented to him earlier in the year.

Mr. McPherson replied that it was for \$28 million.

Mr. Meese then stated that the policy question had been well presented, and it was now time for OMB to make its decisions against the backdrop. Further issues can be raised after the initial OMB decisions have been made.

Mr. Stockman replied that he cannot go higher than the ceilings that were approved in September. Thus, it will be difficult to make adjustments on a program-by-program basis, and that, even with adjustments, the results may not be satisfactory to Secretary Haig. He thus recommended that we review the planning ceiling, then go through the pass-back exercise, or else we would arrive again at a stalemate.

Secretary Haig responded that we are already at a crisis point, that we cannot meet the President's foreign policy commitments at the projected levels. He also noted that Congress would not let the State

Department close 40 installations, and thus adjustments were also necessary in the State budget.

Mr. Stockman interjected that OMB had worked hard to help hold to State's FY 82 level during Congressional considerations, in spite of the fact that many Congressmen wanted major cuts, including some from the State budget.

Admiral Nance summarized for the President by noting that this meeting was not intended to produce a decision, but rather to provide the President the necessary information on this major policy question. It should now be clear to the President that a major problem does exist and will have to be addressed later.

The President ended the meeting by stating that he had learned quite a bit, perhaps more than he could use at this point, and that he was prepared to revisit this issue in the future.

74. Memorandum From Secretary of State Haig to President Reagan¹

Washington, undated

SUBJECT

U.S. Foreign Policy for the Coming Year—Opportunities for Presidential Leadership

Winston Churchill once said that “the pessimist sees a danger in every opportunity and the optimist sees an opportunity in every

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons PW 12/11–20/81. Secret. Printed from an uninitialed copy. Drafted by Kaplan and Libby on December 15 and cleared by Wolfowitz. Wolfowitz sent the memorandum to Haig under a December 15 covering note. (Ibid.) A November draft of the memorandum, with Haig's handwritten comments, is in the Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons PW 11/11–20/81. Wolfowitz sent Haig a revised draft, incorporating Haig's revisions, under a December 5 covering memorandum, indicating that Eagleburger, McFarlane, Veliotis, Hormats, Buckley, and Stoessel had approved in substance the earlier versions of the memorandum. (Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons PW 12/1–10/81) Adams returned the attached version of the revised draft with Haig's extensive handwritten revisions under a December 15 covering note in which he requested that Wolfowitz “redo the memo, adding the Secretary's edits.” (Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, Pres. Leadership Memo (drafts, etc.)

danger." This memorandum highlights dangers we face, identifies areas where we need your help, and notes opportunities for you to advance U.S. interests in the coming year.

The success of our policies depends primarily on your leadership and involvement. However, we will bear in mind the importance of your domestic program and will seek your aid only on vital matters.

I. Western Unity and Relations with the Soviet Union

The dramatic events still unfolding in Poland² are likely to have strong and unpredictable effects on our relations with our allies and the Soviets. Regardless of the outcome of the Polish crisis, three other issues will be of great importance to Western unity and East-West relations.

The peace issue must be ours and be met head on. Your Press Club speech³ has put the Russians on the defensive, but we must build on that foundation in the Geneva INF talks⁴ and with an early announcement of a new approach on START.⁵ We should also continue to focus European attention on Soviet actions in Afghanistan. Upcoming political hurdles include the German SPD Party Congress next April and the start of site construction for our new INF deployments.

Growing tensions arising from the economic problems faced by every industrialized country could become a serious threat to the unity of the Western alliance.

Finally, the United States itself does not yet have a policy that provides effective leverage over the Soviet Union through trade and technology transfer, much less a policy for the Western allies as a whole.

Where We Need Your Help

We will need decisions from you on a position for opening START negotiations early next year and on East-West trade policy.

Presidential leadership will be needed on Poland. The Soviets must not mistake our resolve, nor should the deeply anti-Soviet Polish experiment fail for want of American understanding of the significance of the new situation.

A trip by you to key Western European capitals next spring, built around the Paris Economic Summit⁶ or a special NATO summit,

² Reference is to the imposition of martial law in Poland on December 13, as well as the earlier action by the Government of Poland to disband Solidarity and the ongoing humanitarian crisis.

³ See Document 69.

⁴ See footnote 9, Document 56 and footnote 4, Document 69.

⁵ See footnote 4, Document 71.

⁶ Scheduled to take place at Versailles, June 5–6, 1982. In June 1982, the President traveled to Paris and Versailles, June 2–7 and June 5–6, respectively; Rome and Vatican City, June 7; London, June 7–9; Bonn, June 9–11; and West Berlin, June 11. For the President's address before the British Parliament, see Document 104.

preferably both, would permit you to promote better understanding of our policies and ease political pressures on Allied leaders.

At Paris, you might also launch an “Industrial Democracies Economic Action Program” that would combine public and private efforts to solve reindustrialization, productivity, energy and development problems.

II. Financial Resources, Trade and Development

We cannot run a first-class foreign policy with second-class resources. A healthy U.S. economy is the best solution. However, we urgently need resources even before our economic problems are solved.

Our defense and foreign assistance programs must pass if we are to maintain our credibility in Soviet eyes, help our friends resist Soviet pressures, increase U.S. political influence in the developing world, and carry out both the Caribbean Basin Initiative and the development policy that you set forth at Cancun. In addition, the Department’s own resources have been seriously constrained for several years. We are in danger of losing the vital capacity to represent our nation’s interests effectively and report and analyze developments abroad.

The Administration’s defense and foreign assistance programs both face difficult Congressional opposition. Conservatives in general and Republicans in particular oppose foreign assistance almost as a reflex action. The Democrats will work to embarrass us, as they did with the attempted foreign assistance cut in the Continuing Resolution that you brilliantly vetoed.⁷ The preferable legislation subsequently passed confirms again that strong presidential leadership greatly increases our leverage.

We anticipate rising protectionist pressures that could threaten your Caribbean Basin Initiative and your program to promote development through freer trade, as well as our relations with our industrial allies.

⁷ Presumable reference to the President’s veto of H.J. Res. 357, the continuing resolution providing appropriations for FY 1982, on November 23, which led to a temporary shutdown of the federal government. On November 24, Congress passed and Reagan signed a short-term spending bill, authorizing expenditures through December 15. (Lee Lescaze, “Federal Shutdown Ends as Reagan, Hill Agree,” *Washington Post*, November 24, 1981, pp. A1, A7) The House and Senate approved a revised version of the resolution—H.J. Res. 370—on December 10 and 11, respectively. The President signed P.L. 97–92 (95 Stat. 1183), which authorized additional continuing appropriations for FY 1982, into law on December 15. (*Congress and the Nation*, vol. VI, 1981–1984, p. 45) At the December 15 signing ceremony, Reagan indicated that the continuing resolution provided appropriations for “most of the government” through March 31, 1982. He noted his preference for separate appropriations bills, adding, “But the continuing resolution I’m signing today is far better than those of recent years and better than the one I vetoed 3 weeks ago.” (*Public Papers: Reagan, 1981*, p. 1156)

Where We Need Your Help (continued)

Only you can persuade our political allies that a Reagan foreign policy requires Reagan budgets and Reagan legislation.

We will also be coming to you soon for decisions to flesh out the 4-point approach you presented at Cancun, in order to maintain the initiative and keep control of the world economic dialogue.

You could demonstrate your personal support for free and open international trade by publicly participating in preparations for next fall's Ministerial Meeting of the GATT.⁸

III. Regional Trouble Spots

No region has so many obvious dangers, from Iran to Morocco, as the *Middle East-Persian Gulf*. The next six months will be crucial for our entire position in the Middle East as we pursue our interdependent goals of peace and security.

Your decision to commit U.S. forces to the Sinai Peace-keeping Force looks particularly farsighted today.⁹ It has become the key to assuring Israeli withdrawal from the Sinai and Egyptian fidelity to the Camp David Accords thereafter.

We will also be working hard to reach an agreement on autonomy for the West Bank and Gaza, before April if possible, but continuing beyond then if necessary. The difficulties posed by Begin's recent annexation of the Golan Heights clearly indicate the problems we are going to face.¹⁰

Effective action against the destabilizing efforts of radical forces will be important to our credibility. Containing Qadhafi's program of aggression and terrorism will be particularly important.

Southern Africa offers increasing hope for diplomatic success in 1982. By next spring or summer, we hope to have the elements of a Namibian settlement in place, but we could face a stalemate over the issue of Cuban withdrawals from Angola and the related question of Savimbi's role.

China. Over the next few months, we need to make some decisions to meet our important commitments to Taiwan's security while ensuring that our strategic association with China does not suffer an historic and politically costly reversal.

⁸ See footnote 11, Document 63.

⁹ See footnote 4, Document 67.

¹⁰ Reference is to the Knesset's December 14 vote to annex the Golan Heights and extend Israel's "law, jurisdiction, and administration" to the area held under military occupation since the 1967 Arab-Israeli war. (David K. Shipler, "The Golan Heights Annexed By Israel in an Abrupt Move: Begin Pushes the Legislation Through Parliament—U.S. Criticizes the Action," *New York Times*, December 15, 1981, pp. A1, A12)

Central America/Caribbean. The picture in our own hemisphere is dark. El Salvador is threatened; Nicaragua is arming to the teeth and solidifying totalitarian rule; democratic governments in Costa Rica, Jamaica and the Dominican Republic face serious economic problems; and destabilization is beginning in Guatemala and Honduras. As you have already concluded we vitally need \$250–300 million in supplemental assistance for the Caribbean Basin program and special additional efforts in El Salvador and Honduras to restrain these trends.

Where We Need Your Help (continued)

In the *Middle East*, your continuing personal involvement might be needed to complete the return of the Sinai to Egypt, which will be a major triumph for Reagan foreign policy. We will need your help in our continuing efforts to prevent war in Lebanon. You may want to be involved personally if the autonomy negotiations appear close to successful conclusion. Finally, once Americans have withdrawn from Libya, we will need some decision from you on a long-term policy for dealing with Qadhafi.

Securing peace in *Southern Africa*, including a Cuban withdrawal from Angola, would be a major achievement. Your help may be needed to maintain public and allied support for our policy or to clinch the deal with South Africa.

As to *China*, we must make clear to Peking that this Administration is committed to a one-China policy and supports a process of gradual peaceful reconciliation, but that we also will fulfill our long-term defense commitments to Taiwan under the Taiwan Relations Act in a prudent fashion, particularly on the difficult issue of aircraft replacement.¹¹

We will need your personal intervention to persuade the Congress and the public of the vital importance of supplemental assistance for *Central America and the Caribbean*.

Conclusion

This is what I expect to be asking of you in the coming year. If we can plan on your support, we can make some major gains that will strengthen the country and your leadership and lay a strong basis for our diplomacy through the remainder of the first Reagan Administration.

¹¹ See footnote 5, Document 9.

75. Memorandum From the Executive Secretary of the Department of State (Bremer) to Secretary of State Haig¹

Washington, December 21, 1981

Diplomats, like generals, tend to prepare for the last war. For decades, we have dedicated our energies (successfully) to averting World War II—detering an aggressive nation in the heart of Europe bent on conquest. A far more troubling model we think too little about is the slide into World War I, where countries failed to define, understand and communicate clearly their respective national interests until it was too late.

Today we are in that stage of crisis when *the premium should be on a clear, precise and cold-eyed analysis* of the U.S. interests and objectives in Poland. What exactly do we seek out of the crisis?² What are the indicators of an acceptable outcome (i.e., must Solidarity return as a significant political force or is it sufficient for U.S. objectives that it be a vigorous trade union? What role do we see for the Church? For the Army? For the Party?) We need to think and speak *very clearly* about these matters, for only when the government's high councils have agreed on U.S. objectives is there any chance of agreeing on courses of action designed to forward our objectives.³

We should also demand of ourselves and our decision-makers the *same degree of analysis about likely Soviet objectives*. That Russia's vital interests are at stake in Poland is incontestable.⁴ Whether for reasons of preserving the fiction of Party supremacy or as a recognition of the iron grip of geography, no one who rules in Moscow can be indifferent to what happens in Warsaw. Whatever the crisis is for us, therefore, we should be under no illusions: it is an issue of war or peace for the Kremlin.⁵ Empires don't as a rule commit suicide. They fight.⁶

Secondly we are at the phase in this crisis where *discipline of thought must be matched by discipline of action*. We cannot afford to have different voices in the Administration signaling differently to

¹ Source: Library of Congress, Manuscript Division, Alexander Haig Papers, Department of State, Day File, Box CL 62, December 21, 1981. Secret; Eyes Only; Not for the System. A stamped notation at the top of the memorandum indicates that Haig saw it. Haig wrote in the upper right-hand corner: "Amen but alas—so sadly *ignored*. AMH."

² Haig highlighted this and the previous sentence.

³ In the right-hand margin next to this paragraph, Haig wrote: "Don't worry too much!"

⁴ Haig highlighted this and the previous sentence.

⁵ Haig highlighted the portion of this sentence beginning with "it" and ending with "Kremlin."

⁶ Haig underlined "Empires don't as a rule commit suicide. They fight."

the American people; the Poles, the Soviets and the Allies (unless we do so intentionally as part of our strategy).⁷ Crisis management in this administration particularly must have as one of its highest priorities reasserting the central control by the President over our public posture.

Finally, we need to remember the desirability of *keeping the President's options open*. Incautious actions today—or even actions which today seem appropriate—may well tie his hands in two days or two weeks.⁸ As we move down the path, we need constantly to ask ourselves where each step will leave us, not just tomorrow, but the day after. The process is dynamic; so must our strategy be.

⁷ Haig highlighted this and the previous sentence. He also underlined the portion of this sentence beginning with “differently” and ending with “strategy.”

⁸ Haig placed a checkmark at the end of this sentence.

76. Address by President Reagan to the Nation¹

Washington, December 23, 1981

Address to the Nation About Christmas and the Situation in Poland

Good evening.

At Christmas time, every home takes on a special beauty, a special warmth, and that's certainly true of the White House, where so many famous Americans have spent their Christmases over the years. This fine old home, the people's house, has seen so much, been so much a part of all our lives and history. It's been humbling and inspiring for Nancy and me to be spending our first Christmas in this place.

¹ Source: *Public Papers: Reagan, 1981*, pp. 1185–1188. All brackets are in the original. The President spoke at 9 p.m. from the Oval Office. His remarks were broadcast live on nationwide radio and television networks. The Department provided the text of questions and answers prepared for a backgrounder delivered before the President's address to all diplomatic posts, the International Communication Agency, and the Department of Defense in telegram 339577, December 24. (Department of State, Central Foreign Policy File, Electronic Telegrams, D810613–0115) In his personal diary entry for December 23, the President noted: “Speech went OK—about 14 minutes. First 1/2 hour calls at W.H. running about 6 to 1 in favor.” (Brinkley, ed., *The Reagan Diaries*, vol. I, January 1981–October 1985, p. 96)

We've lived here as your tenants for almost a year now, and what a year it's been. As a people we've been through quite a lot—moments of joy, of tragedy, and of real achievement—moments that I believe have brought us all closer together. G. K. Chesterton once said that the world would never starve for wonders, but only for the want of wonder.

At this special time of year, we all renew our sense of wonder in recalling the story of the first Christmas in Bethlehem, nearly 2,000 years ago.

Some celebrate Christmas as the birthday of a great and good philosopher and teacher. Others of us believe in the divinity of the child born in Bethlehem, that he was and is the promised Prince of Peace. Yes, we've questioned why he who could perform miracles chose to come among us as a helpless babe, but maybe that was his first miracle, his first great lesson that we should learn to care for one another.

Tonight, in millions of American homes, the glow of the Christmas tree is a reflection of the love Jesus taught us. Like the shepherds and wise men of that first Christmas, we Americans have always tried to follow a higher light, a star, if you will. At lonely campfire vigils along the frontier, in the darkest days of the Great Depression, through war and peace, the twin beacons of faith and freedom have brightened the American sky. At times our footsteps may have faltered, but trusting in God's help, we've never lost our way.

Just across the way from the White House stand the two great emblems of the holiday season: a Menorah, symbolizing the Jewish festival of Hanukkah, and the National Christmas Tree, a beautiful towering blue spruce from Pennsylvania. Like the National Christmas Tree, our country is a living, growing thing planted in rich American soil. Only our devoted care can bring it to full flower. So, let this holiday season be for us a time of rededication.

Even as we rejoice, however, let us remember that for some Americans, this will not be as happy a Christmas as it should be. I know a little of what they feel. I remember one Christmas Eve during the Great Depression, my father opening what he thought was a Christmas greeting. It was a notice that he no longer had a job.

Over the past year, we've begun the long, hard work of economic recovery. Our goal is an America in which every citizen who needs and wants a job can get a job. Our program for recovery has only been in place for 12 weeks now, but it is beginning to work. With your help and prayers, it will succeed. We're winning the battle against inflation, runaway government spending and taxation, and that victory will mean more economic growth, more jobs, and more opportunity for all Americans.

A few months before he took up residence in this house, one of my predecessors, John Kennedy, tried to sum up the temper of the times

with a quote from an author closely tied to Christmas, Charles Dickens. We were living, he said, in the best of times and the worst of times. Well, in some ways that's even more true today. The world is full of peril, as well as promise. Too many of its people, even now, live in the shadow of want and tyranny.

As I speak to you tonight, the fate of a proud and ancient nation hangs in the balance. For a thousand years, Christmas has been celebrated in Poland, a land of deep religious faith, but this Christmas brings little joy to the courageous Polish people. They have been betrayed by their own government.

The men who rule them and their totalitarian allies fear the very freedom that the Polish people cherish. They have answered the stirrings of liberty with brute force, killings, mass arrests, and the setting up of concentration camps. Lech Walesa and other Solidarity leaders are imprisoned, their fate unknown. Factories, mines, universities, and homes have been assaulted.

The Polish Government has trampled underfoot solemn commitments to the UN Charter and the Helsinki accords.² It has even broken the Gdansk agreement of August 1980, by which the Polish Government recognized the basic right of its people to form free trade unions and to strike.

The tragic events now occurring in Poland, almost 2 years to the day after the Soviet invasion of Afghanistan, have been precipitated by public and secret pressure from the Soviet Union. It is no coincidence that Soviet Marshal Kulikov, chief of the Warsaw Pact forces, and other senior Red Army officers were in Poland while these outrages were being initiated. And it is no coincidence that the martial law proclamations imposed in December by the Polish Government were being printed in the Soviet Union in September.³

The target of this depression [repression] is the Solidarity Movement, but in attacking Solidarity its enemies attack an entire people. Ten million of Poland's 36 million citizens are members of Solidarity. Taken together with their families, they account for the overwhelming majority of the Polish nation. By persecuting Solidarity the Polish Government wages war against its own people.

I urge the Polish Government and its allies to consider the consequences of their actions. How can they possibly justify using naked force to crush a people who ask for nothing more than the right to lead their own lives in freedom and dignity? Brute force may intimidate, but

² See footnote 4, Document 48.

³ See footnote 2, Document 74.

it cannot form the basis of an enduring society, and the ailing Polish economy cannot be rebuilt with terror tactics.

Poland needs cooperation between its government and its people, not military oppression. If the Polish Government will honor the commitments it has made to human rights in documents like the Gdansk agreement, we in America will gladly do our share to help the shattered Polish economy, just as we helped the countries of Europe after both World Wars.

It's ironic that we offered, and Poland expressed interest in accepting, our help after World War II. The Soviet Union intervened then and refused to allow such help to Poland. But if the forces of tyranny in Poland, and those who incite them from without, do not relent, they should prepare themselves for serious consequences. Already, throughout the Free World, citizens have publicly demonstrated their support for the Polish people. Our government, and those of our allies, have expressed moral revulsion at the police state tactics of Poland's oppressors. The Church has also spoken out, in spite of threats and intimidation. But our reaction cannot stop there.

I want emphatically to state tonight that if the outrages in Poland do not cease, we cannot and will not conduct "business as usual" with the perpetrators and those who aid and abet them. Make no mistake, their crime will cost them dearly in their future dealings with America and free peoples everywhere. I do not make this statement lightly or without serious reflection.

We have been measured and deliberate in our reaction to the tragic events in Poland. We have not acted in haste, and the steps I will outline tonight and others we may take in the days ahead are firm, just, and reasonable.

In order to aid the suffering Polish people during this critical period, we will continue the shipment of food through private humanitarian channels, but only so long as we know that the Polish people themselves receive the food.⁴ The neighboring country of Austria has opened her doors to refugees from Poland. I have therefore directed that American assistance, including supplies of basic foodstuffs, be offered to aid the Austrians in providing for these refugees.

But to underscore our fundamental opposition to the repressive actions taken by the Polish Government against its own people, the

⁴ In a November 25 statement, the President indicated that he had authorized a \$30 million Food for Peace grant, under the Title II donation provision of P.L.-480, "to the people of Poland." Catholic Relief Services (CRS) and CARE would disburse the commodities to those most affected by food shortages, including "preschool children, pregnant women, the elderly, the hospitalized, and orphans." (*Public Papers: Reagan, 1981*, p. 1093)

administration has suspended all government-sponsored shipments of agricultural and dairy products to the Polish Government.⁵ This suspension will remain in force until absolute assurances are received that distribution of these products is monitored and guaranteed by independent agencies. We must be sure that every bit of food provided by America goes to the Polish people, not to their oppressors.

The United States is taking immediate action to suspend major elements of our economic relationships with the Polish Government. We have halted the renewal of the Export-Import Bank's line of export credit insurance to the Polish Government. We will suspend Polish civil aviation privileges in the United States. We are suspending the right of Poland's fishing fleet to operate in American waters. And we're proposing to our allies the further restriction of high technology exports to Poland.

These actions are not directed against the Polish people. They are a warning to the Government of Poland that free men cannot and will not stand idly by in the face of brutal repression. To underscore this point, I've written a letter to General Jaruzelski, head of the Polish Government. In it, I outlined the steps we're taking and warned of the serious consequences if the Polish Government continues to use violence against its populace.⁶ I've urged him to free those in arbitrary detention, to lift martial law, and to restore the internationally recognized rights of the Polish people to free speech and association.

The Soviet Union, through its threats and pressures, deserves a major share of blame for the developments in Poland. So, I have also sent a letter to President Brezhnev urging him to permit the restoration of basic human rights in Poland provided for in the Helsinki Final Act.⁷ In it, I informed him that if this repression continues, the United States will have no choice but to take further concrete political and economic measures affecting our relationship.

⁵On December 14, the administration announced the suspension of economic assistance to the Government of Poland, following the imposition of martial law on December 13. Haig, en route to the United States from Europe, indicated that the administration would permit the continued shipment of P.L.-480 commodities under the auspices of charities such as CARE and CRS. *New York Times* reporter Hedrick Smith wrote: "Food and humanitarian relief already in the pipeline will proceed," Mr. Haig said. "But at a time like this, we are going to hold in abeyance decisions to further aid the Government of Poland until the situation is clarified." (Hedrick Smith, "Further U.S. Help Is in Abeyance Until Polish Situation Is Clarified," *New York Times*, December 15, 1981, pp. A1, A19)

⁶Scheduled for publication in *Foreign Relations, 1977–1980*, vol. VII, Poland, 1977–1981.

⁷Printed in *Foreign Relations, 1981–1988*, vol. III, Soviet Union, January 1981–January 1983, Document 122. For Brezhnev's response, see *ibid.*, attachment to Document 123. See also Bernard Gwertzman, "Brezhnev Response To Reagan's Letter Is Called 'Negative'," *New York Times*, December 28, 1981, pp. A1, A12.

When 19th century Polish patriots rose against foreign oppressors, their rallying cry was, "For our freedom and yours." Well, that motto still rings true in our time. There is a spirit of solidarity abroad in the world tonight that no physical force can crush. It crosses national boundaries and enters into the hearts of men and women everywhere. In factories, farms, and schools, in cities and towns around the globe, we the people of the Free World stand as one with our Polish brothers and sisters. Their cause is ours, and our prayers and hopes go out to them this Christmas.

Yesterday, I met in this very room with Romuald Spasowski, the distinguished former Polish Ambassador who has sought asylum in our country in protest of the suppression of his native land.⁸ He told me that one of the ways the Polish people have demonstrated their solidarity in the face of martial law is by placing lighted candles in their windows to show that the light of liberty still glows in their hearts.

Ambassador Spasowski requested that on Christmas Eve a lighted candle will burn in the White House window as a small but certain beacon of our solidarity with the Polish people.⁹ I urge all of you to do the same tomorrow night, on Christmas Eve, as a personal statement of your commitment to the steps we're taking to support the brave people of Poland in their time of troubles.

Once, earlier in this century, an evil influence threatened that the lights were going out all over the world. Let the light of millions of candles in American homes give notice that the light of freedom is not going to be extinguished. We are blessed with a freedom and abundance denied to so many. Let those candles remind us that these blessings

⁸ Spasowski requested political asylum for himself and his wife Wanda on December 20. That day, he delivered a speech at the Department of State explaining his decision to defect. (Barbara Crossette, "Defecting Pole Says 'Brutality' Forced His Move," *New York Times*, December 21, 1981, pp. A1, A17) Reagan met with both Spasowskis in the Oval Office on December 22 from 9:46 until 10:08 a.m. Bush, Clark, James Baker, Meese, Deaver, and Nance also attended the meeting. (Reagan Library, President's Daily Diary) In an exchange with reporters at the beginning of the meeting, Reagan was asked about his feelings concerning Spasowski and what he represented to Americans and the Polish people. The President responded, "I'm very proud that he's here in this office. I think we're in the presence of a very courageous man and woman who have acted on the highest of principle. And I think the people of Poland are probably very proud of them also." (*Public Papers: Reagan, 1981*, p. 1177) See also Bernard Gwertzman, "Reagan Sees Pole Who Has Defected: They Meet at White House as U.S. Weighs its Options," *New York Times*, December 23, 1981, pp. A1, A16.

⁹ On December 24, at 4:30 p.m., Reagan lit a candle and placed it in one of the windows of the White House. *New York Times* reporter Judith Miller wrote that Brzezinski "said today that he had proposed the idea to Mr. Spasowski shortly before the diplomat's meeting with Mr. Reagan. However, he noted the concept was initially proposed Monday [December 21], at a lunch with his former staff members by Robert Hunter, who was a specialist on the Middle East for the National Security Council." (Judith Miller, "Birth of a Light For Poland," *New York Times*, December 25, 1981, p. 1)

bring with them a solid obligation, an obligation to the God who guides us, an obligation to the heritage of liberty and dignity handed down to us by our forefathers and an obligation to the children of the world, whose future will be shaped by the way we live our lives today.

Christmas means so much because of one special child. But Christmas also reminds us that all children are special, that they are gifts from God, gifts beyond price that mean more than any presents money can buy. In their love and laughter, in our hopes for their future lies the true meaning of Christmas.

So, in a spirit of gratitude for what we've been able to achieve together over the past year and looking forward to all that we hope to achieve together in the years ahead, Nancy and I want to wish you all the best of holiday seasons. As Charles Dickens, whom I quoted a few moments ago, said so well in "A Christmas Carol," "God bless us, every one."

Good night.

Foundations of Foreign Policy, 1982

77. Memorandum From Secretary of State Haig to President Reagan¹

Washington, January 11, 1982

SUBJECT

U.S. Foreign Policy in 1982

Despite some unnecessary bumps, and some inherited shocks, I think we got off to a moderately good start in 1981. We placed foreign policy on a new footing, one based less on negotiation *per se* than on an approach comprising a U.S. effort to rebuild its economic and military strength and close cooperation with key friends and allies. Moreover, we have put Moscow on notice that Soviet and Soviet-proxy behavior which challenged world order would not go without response. In particular, we can point to an appreciably increased defense budget,² security assistance legislation after a three-year drought,³ a positive vote on AWACS,⁴ a major (if tenuous) diplomatic achievement in Lebanon,⁵ and a new

¹ Source: Department of State, Executive Secretariat, S/S Files, The Executive Secretariat's Special Caption Documents: Lot 92D630, Not for the System Documents January 1982. Secret; Sensitive. Not for the System. Drafted by Haass, cleared by Burt and Stoessel. Bremer sent the memorandum to Clark under a January 11 covering memorandum, writing: "The Secretary asked that it be handled personally by you with the President due to its sensitivity." (Ibid.) Under a January 13 covering memorandum to the NSC staff, Bailey forwarded a copy of Haig's memorandum, requesting that staff members provide Bailey with "any substantive comments" on it. (Reagan Library, European and Soviet Affairs Directorate, NSC Records, Subject File, Haig, Secretary of State (5 of 8)) Pipes's January 15 response to Bailey is printed as Document 78.

² Reference is to the Department of Defense Authorization Act (S. 815; P.L. 97-86; 95 Stat. 1099), which the President signed into law on December 1, 1981. The bill authorized \$130.7 billion for defense expenditures in FY 1982, \$419.4 million above the administration's request. (*Congress and the Nation*, vol. VI, 1981-1984, p. 205)

³ Reference is to the Foreign Assistance and Related Programs Appropriation Act (H.R. 4559; P.L. 97-121; 95 Stat. 1647); see footnote 7, Document 67. The legislation was the first regular foreign aid bill signed into law since 1978. (*Congress and the Nation*, vol. VI, 1981-1984, p. 136)

⁴ See footnote 10, Document 67.

⁵ Presumable reference to the July 24, 1981, ceasefire.

relationship with Pakistan—each required considerable effort, and each represented measurable progress.⁶

The purpose of this memorandum, however, is to look forward. It will examine the major strategic challenges we are likely to face in 1982, and point out what we are likely to have to do to meet them. It goes without saying that events in Poland—and our response to them—could alter much of the following.

Alliances: No single dimension of foreign policy will be as critical as our ability to manage our alliances. Central to this will be our relationship with Bonn, and with Schmidt in particular. Avoiding a major rift, while working to restore U.S. leadership within our alliances, must be a major, even often an overriding, goal. Poland could offer us a major opportunity if we handle it right. A serious falling out would not only distract us from our efforts to restore the strength and self-confidence of our alliances, but it would leave us ill-prepared to meet crises around the world at a time of adverse strategic trends.

Our era is not one in which the United States often can act alone to protect the peace. We no longer enjoy the economic, political, and military pre-eminence we did after World War II. To accomplish the far-reaching goals we have set for ourselves, we must have the active cooperation of our friends. As a result, we must not forsake “multilateralism” for “unilateralism.” Notwithstanding the latter’s attractions, increased unilateralism on our part will only exacerbate strains within our alliances, leading to their decay and to the demise of the order our alliances foster. The freedom of action and the ideological purity of unilateralism will no doubt attract adherents, and in certain crises there may be no alternative to our acting independently; as a general rule, though, we ought to continue to resist this nostalgic impulse.

In Europe, the principal requirement is to manage relations so that our INF deployment goes ahead as planned and that we avoid a Carter-style neutron bomb fiasco.⁷ The consensus in Europe to proceed remains fragile; our formulation of a more realistic relationship between arms control and defense policy is not widely shared on the Continent. We have captured the imagination of Europe by your proposal to eliminate U.S. and Soviet INF missiles, but disenchantment could build if there is no major

⁶The International Security and Development Cooperation Act (S.1196; P.L. 97–113; 95 Stat. 1519; 22 U.S.C. 2151) amended the Foreign Assistance Act of 1961 (P.L. 87–195) to permit the extension of security assistance to Pakistan. It also allowed the President to waive for Pakistan, until September 30, 1987, the Symington amendment to the Foreign Assistance Act of 1961 (adopted on August 3, 1977), which banned aid to nations dealing with nuclear enrichment technology. (*Congress and the Nation*, vol. VI, 1981–1984, p. 134) In addition, Congress approved the administration’s proposed sale of F–16 jets to Pakistan; see footnote 6, Document 67.

⁷See footnote 9, Document 10.

progress towards an INF agreement.⁸ Because lack of progress will lead many in Europe to see the United States with its pristine zero option—and not the USSR—as the obstacle to arms control, we must retain flexibility in these talks and negotiate in good faith. Moreover, we must not only be careful in how we handle INF directly, but also in our dealings with issues (Poland, ERW, chemical modernization, START) which could affect public opinion and political will in Europe.

Similarly, and if Poland does not worsen, we must introduce a START position that is sufficiently fair and simple so that it can be readily understood by Western publics. There is an important distinction between INF and START, however. The prospects for realizing an INF agreement in the near term are dim; the balance of forces is so unequal that despite all the political will on our side the objective preconditions for an agreement could well be absent. By contrast, in START, the balance of relevant forces is such that the chances for a treaty are considerably higher, despite the great momentum of Soviet strategic programs.

The Middle East: True to its history, the Middle East continues to pose the greatest threat to peace. We could face a war in Lebanon, further clashes with Begin, and an autonomy process under Camp David which, in the absence of substantial progress before April, will be in grave trouble. As you know, I will soon be in Israel and Egypt to determine what can be done to foster the autonomy arrangements.⁹ Despite our best efforts, however, the prospects of realizing any substantial progress on autonomy early in 1982 are relatively small. We will also continue to disagree with our allies over policy towards this region. This should prove manageable (as it has been since the 1973 war) but could nevertheless grow more difficult as the year wears on.

The key factor will likely be our relationship with Israel. Begin is politically safe, in 1982 and beyond. With him in office, it will be difficult to make progress on the Palestinian question. We should not shy away from a political confrontation over how to proceed, but we should try to ensure that it is the U.S., and not Israel, which chooses the subject and timing of any clash. In so doing, it will be important that we be willing to assume a higher profile in the peace process.

Southwest Asia: With AWACS behind us, Iran still unsettled (although unlikely to disintegrate in 1982), and with the results of recent defense budgets beginning to emerge, we ought to move our Southwest Asia

⁸ Reference is to the “zero option” Reagan discussed in his November 18, 1981, remarks before the National Press Club; see Document 69 and footnote 8 thereto.

⁹ Haig was in Cairo, January 12–14, and Jerusalem, January 14–15, to discuss the peace process with Mubarak and Begin, respectively. He returned to Jerusalem, January 27–28, and Cairo, January 28–29, to discuss prospects for Palestinian autonomy talks with Israeli and Egyptian officials, respectively. Documentation on these discussions is scheduled for publication in *Foreign Relations, 1981–1988*, vol. XIX, Arab-Israeli Dispute.

strategy from the realm of rhetoric to reality. We plan to press firmly for host nation support in Saudi Arabia, Egypt, Oman, and, to the extent possible, in Turkey and Pakistan. We should also protect those defense dollars dedicated to making the Rapid Deployment Force viable. In short, we must plan and program for the real geopolitical challenge at hand.

Libya: We have succeeded in sensitizing people to the Soviet proxy problem; now we need to follow up our words with actions. We should be willing to go forward with the economic measures planned for Libya if necessary. At the same time, together with other countries or alone, we should continue to prepare to respond to any provocation by Qadhafi.

Central America: 1982 promises to be a turning point for Nicaragua and for much of Central America. Our principal goal should be to frustrate the Sandinistas in their attempt to consolidate power. We should be wary of efforts by the Nicaraguans and their friends to engage us in a "dialogue;" this could hamper our ability to respond vigorously to such developments as Nicaragua's acquisition of a new generation of Soviet aircraft. We should also continue to increase the pressures on Cuba and provide whatever economic and military assistance is needed to keep El Salvador and its neighbors afloat. The Caribbean Basin initiative will be a central element of our approach.

Africa: Our prospects here may be somewhat brighter. A success in Namibia should create major opportunities to improve our relations with Black Africa. Building a security relationship with Nigeria should become an objective. We should also work to strengthen our position in the Horn and in the Maghreb. More pessimistically, instability in Zaire is a real possibility next year, and here, as in many areas, the quality of our bilateral relationship with France will be decisive.

China: It is difficult to exaggerate what is at stake geopolitically in the China tangle. We must make a major effort to deepen US-PRC relations to reassure Beijing that we do not seek a two China policy, and take steps to institutionalize the US-PRC relationship through arms and technology transfers and regular strategic consultations. It is in our national interest to balance the honoring of our commitments to Taiwan with actions intended to further our strategic ties to Beijing.

The Soviet Union: Although our defense efforts may have begun to convince the Soviets that their window of opportunity will prove short-lived, they are unlikely to capitalize on their strategic advantages by challenging us too brazenly. The Soviets already have their hands full in Poland and Afghanistan, are nurturing a peace offensive in Western Europe and a stagnating economy at home, and continue to demonstrate an aversion to risk taking.

On our part, we should approach Moscow against a backdrop of military renewal, mixing consistent and reasonable public statements with frequent, firm and non-pugnacious private messages aimed at

convincing Soviet leaders we are prepared to do business if they moderate their actions. At the same time, it may be possible to promote Soviet caution by creating a sense of unpredictability regarding possible U.S. behavior in selected circumstances. Otherwise, our relations with Moscow ought to be determined less by bilateral initiatives than by our overall foreign policy—maintaining alliance cohesion, promoting regional security, challenging Soviet proxies worldwide and the Soviets themselves in Afghanistan, moving closer to China and so on. We should avoid the extremes of too confrontational rhetoric on the one hand and cosmetic summitry on the other.

The most serious near term danger in East/West terms, however, is the Polish crisis. Clearly the Soviets will attempt to manipulate this Marxist failure in such a way that it converges with their already successful efforts to use the peace offensive and Europe's nuclear mania to split us from our Western allies. We already see signs of a sweet/sour approach emerging between Europe and the U.S. respectively. We must also be alert to further strictly anti-U.S. (as distinct from anti-Western) challenges in Cuba and elsewhere designed to neutralize Europe, divert attention from Poland and demonstrate to the world U.S. impotence.

Accomplishing all or even most of the above will require an enormous amount of skill, tenacity, and good fortune. Success is also likely to depend upon three other factors closer to home:

—*Budgets*: It is clear that government spending will come under pressure, and that defense and security assistance will be prime targets. But we must preserve these programs which provide the foundation for much if not all of what we seek to do. Your help—for example, a speech later this month explaining to the Congress and the American people the critical contribution our economic and security assistance efforts make to U.S. national security worldwide—would prove invaluable.

—*The Interagency Process*: The emergence of a strengthened and capable NSC staff will prove a major asset, and one which will be welcomed.¹⁰

¹⁰ On January 4, Allen resigned as the President's Assistant for National Security Affairs. The President replaced Allen with Deputy Secretary of State Clark. On January 12, the White House released Reagan's statement on the NSC structure, which read, in part: "The Assistant to the President for National Security Affairs, in consultation with the regular members of the NSC, shall be responsible for developing, coordinating, and implementing national security policy as approved by me. He shall determine and publish the agenda of NSC meetings. He shall ensure that the necessary papers are prepared and—except in unusual circumstances—distributed in advance to Council members. He shall staff and administer the National Security Council." (*Public Papers: Reagan, 1982*, Book I, pp. 18–19) Additional documentation regarding NSC reorganization is scheduled for publication in *Foreign Relations, 1981–1988*, vol. II, Organization and Management of Foreign Policy.

—*Profile*: Lastly, there is no substitute for a role that only you can fulfill; namely that of educating the public through speeches and appearances, and building support in Congress for our policies. I look forward to working with you, Cap and Bill Clark in this endeavor.

78. Memorandum From Richard Pipes of the National Security Council Staff to Norman Bailey of the National Security Council Staff¹

Washington, January 15, 1982

SUBJECT

Haig's Memorandum on U.S. Foreign Policy in 1982²

Here, in brief, are my reactions:

1. The section on "Alliances", in my opinion, lays far too much stress on the maintenance of the Alliance system as a "major, even often an overriding, goal" of U.S. foreign policy. The overriding objective of U.S. foreign policy is national security: if the Alliance system fosters this objective, then the Alliance system is valuable; if it hinders it, its utility can be legitimately questioned. Nobody wants unilateralism except as a last resort.

2. The section on "Europe" unmistakably hints at the need to climb down from our "Zero Option" ("we must retain flexibility in these [IMF] talks and negotiate in good faith").³ This approach is quite contrary to our official position, as enunciated by the President. If such an attitude becomes operative, we will be handing the Russians a weapon for sabotaging our negotiating objectives in Geneva.

3. "Middle East": According to this scenario, the main—indeed, only—problem in the Middle East is Israel and its Prime Minister. One might suggest the Arab instability and intransigence, inter-Arab rivalry, Muslim revivalism, and a few phenomena of this nature which have nothing to do with Israel need also to be considered in this context.

¹ Source: Reagan Library, European and Soviet Affairs Directorate, NSC Records, Subject File, Haig, Secretary of State (5 of 8). Secret. All brackets are in the original.

² See Document 77.

³ See Document 69 and footnote 8 thereto.

4. In the discussion of Southwest Asia, the drafters seem to have forgotten that the Russians have invaded Afghanistan and are presently ravaging that country.

5. The part on the Soviet Union lacks serious content. "We are prepared to do business [with the Soviet leaders] if they moderate their behavior" is hardly an inspiring or novel idea: this approach, I recall, has been tried not so long ago under a strategy labelled *detente*. (S)

79. Memorandum From Norman Bailey of the National Security Council Staff to the President's Assistant for National Security Affairs (Clark)¹

Washington, January 18, 1982

SUBJECT

Staffing of Secretary Haig's January 11 Memorandum to the President Entitled "U.S. Foreign Policy in 1982"²

I attach some staff comments on the subject memo. The principal criticisms seem to be along the following lines:

(1) The memorandum follows no general concept of foreign policy or the national interest.

(2) Much of it suffers from meaningless phrasing and circular reasoning.

(3) It seems to grant our allies a quasi-veto over our policies and strategies.

(4) It endorses a form of *detente*, a discredited foreign policy and not part of this Administration's objectives.

(5) It omits extremely important elements, such as relations with Japan and trade policy.

¹ Source: Reagan Library, Executive Secretariat, NSC Subject File, Foreign Policy Accomplishments (01/12/82-07/13/84). Secret. Sent for information. Lenz initialed the top right-hand corner of the memorandum. Attached but not printed at Tabs A-H are comments from Lord, Nau, Russell, Wattering, Pipes, Weiss, Shoemaker, and Dobriensky. Pipes's response is printed as Document 78.

² See Document 77.

80. Editorial Note

On January 26, 1982, at 9 p.m., President Ronald Reagan delivered his first State of the Union address before both Houses of Congress. His remarks were broadcast live on nationwide radio and television. After an introduction by Speaker of the House of Representatives Thomas “Tip” O’Neill (D–Massachusetts), the President discussed domestic policy before emphasizing the accomplishments made in the area of foreign relations during 1981: “So far, I’ve concentrated largely, now, on domestic matters. To view the state of the Union in perspective, we must not ignore the rest of the world. There isn’t time tonight for a lengthy treatment of social—or foreign policy, I should say, a subject I intend to address in detail in the near future. A few words, however, are in order on the progress we’ve made over the past year, reestablishing respect for our nation around the globe and some of the challenges and goals that we will approach in the year ahead.

“At Ottawa and Cancun, I met with leaders of the major industrial powers and developing nations. Now, some of those I met with were a little surprised that I didn’t apologize for America’s wealth. Instead, I spoke of the strength of the free market-place system and how that system could help them realize their aspirations for economic development and political freedom. I believe lasting friendships were made, and the foundation was laid for future cooperation.

“In the vital region of the Caribbean Basin, we’re developing a program of aid, trade, and investment incentives to promote self-sustaining growth and a better, more secure life for our neighbors to the south. Toward those who would export terrorism and subversion in the Caribbean and elsewhere, especially Cuba and Libya, we will act with firmness.

“Our foreign policy is a policy of strength, fairness, and balance. By restoring America’s military credibility, by pursuing peace at the negotiating table wherever both sides are willing to sit down in good faith, and by regaining the respect of America’s allies and adversaries alike, we have strengthened our country’s position as a force for peace and progress in the world.

“When action is called for, we’re taking it. Our sanctions against the military dictatorship that has attempted to crush human rights in Poland—and against the Soviet regime behind that military dictatorship—clearly demonstrated to the world that America will not conduct ‘business as usual’ with the forces of oppression. If the events in Poland continue to deteriorate, further measures will follow.

“Now, let me also note that private American groups have taken the lead in making January 30th a day of solidarity with the people of

Poland. So, too, the European Parliament has called for March 21st to be an international day of support for Afghanistan. Well, I urge all peace-loving peoples to join together on those days, to raise their voices, to speak and pray for freedom.

“Meanwhile, we’re working for reduction of arms and military activities, as I announced in my address to the Nation last November 18th. We have proposed to the Soviet Union a far-reaching agenda for mutual reduction of military forces and have already initiated negotiations with them in Geneva on intermediate-range nuclear forces. In those talks it is essential that we negotiate from a position of strength. There must be a real incentive for the Soviets to take these talks seriously. This requires that we rebuild our defenses.

“In the last decade, while we sought the moderation of Soviet power through a process of restraint and accommodation, the Soviets engaged in an unrelenting buildup of their military forces. The protection of our national security has required that we undertake a substantial program to enhance our military forces.

“We have not neglected to strengthen our traditional alliances in Europe and Asia, or to develop key relationships with our partners in the Middle East and other countries. Building a more peaceful world requires a sound strategy and the national resolve to back it up. When radical forces threaten our friends, when economic misfortune creates conditions of instability, when strategically vital parts of the world fall under the shadow of Soviet power, our response can make the difference between peaceful change or disorder and violence. That’s why we’ve laid such stress not only on our own defense but on our vital foreign assistance program. Your recent passage of the Foreign Assistance Act sent a signal to the world that America will not shrink from making the investments necessary for both peace and security. Our foreign policy must be rooted in realism, not naivete or self-delusion.

“A recognition of what the Soviet empire is about is the starting point. Winston Churchill, in negotiating with the Soviets, observed that they respect only strength and resolve in their dealings with other nations. That’s why we’ve moved to reconstruct our national defenses. We intend to keep the peace. We will also keep our freedom.

“We have made pledges of a new frankness in our public statements and world-wide broadcasts. In the face of a climate of falsehood and misinformation, we’ve promised the world a season of truth—the truth of our great civilized ideas: individual liberty, representative government, the rule of law under God. We’ve never needed walls or minefields or barbed wire to keep our people in. Nor do we declare martial law to keep our people from voting for the kind of government they want.” (*Public Papers: Reagan, 1982, Book I, pages 77–78*)

The full text of the President's State of the Union address is *ibid.*, pages 72–79. In his personal diary entry for January 26, the President noted: "At noon a working lunch with the Cabinet. They now know what's in the St. of the U. address (I'm writing this before leaving for the Capitol). I wonder if I'll ever get used to addressing the joint sessions of Cong.? I've made a mil. speeches in every kind of place to every kind of audience. Somehow there's a thing about entering that chamber—goose bumps & a quiver. But it turned out fine—I was well received & I think the speech was a 4 base hit. We'll know more tomorrow." (Brinkley, ed., *The Reagan Diaries*, volume I, January 1981–October 1985, page 104) National Security Council staff memoranda concerning the preparation of the State of the Union address are in the Reagan Library, Executive Secretariat, NSC Subject File, State of the Union (1982) and in the Reagan Library, Executive Secretariat, European and Soviet Affairs Directorate, NSC Records, Subject File, Presidential Speeches/Interviews (1)–(6).

81. Memorandum From the Executive Secretary of the Cabinet Council on Food and Agriculture (McClaghry) to the Members of the Cabinet Council on Food and Agriculture¹

Washington, February 23, 1982

RE: Minutes of Meeting of February 23, 1982

ISSUE

Agricultural Export Policy (CM 204)

PRESENT

The President
The Secretary of State
The Secretary of Defense
The Secretary of Agriculture
The Secretary of Labor
The Secretary of Health and Human Services
The Secretary of Transportation

¹ Source: Reagan Library, C.W. Burleigh Leonard Files, Cabinet Council on Food and Agriculture Minutes, 02/23/1982–12/17/1982 (1). No classification marking. All brackets are in the original. No drafting information appears on the minutes; presumably drafted by McClaghry. McClaghry sent the memorandum to the members of the Council under a February 26 covering memorandum. (*Ibid.*)

The Secretary of Energy
The U.S. Trade Representative
The Counselor to the President
The Chief of Staff
The Assistant to the President for Policy Development
The Chairman, Council of Economic Advisers
The Deputy Secretary of the Treasury
The Deputy Secretary of Commerce

John McClaughry, Executive Secretary

Richard Lyng, Deputy Secretary of Agriculture
Elizabeth Dole
Craig Fuller
Fred Khedouri
William Clark
Richard Darman
Ken Duberstein
Kenneth Cribb

Secretary Block asked that the President recognize the importance of making a firm and clear statement to allay fears in the farm community and among foreign farm product buyers that the U.S. might not be a reliable trading partner. He asked Deputy Secretary Lyng to present the Department's views in greater detail.

Deputy Secretary Lyng presented charts² showing the alarming decline in the price of major commodities, and noted that expected bumper crops this year would cause continued low prices and depressed farm incomes. He said that in these circumstances rumors of a possible interruption of opportunities to market commodities internationally were taken very seriously by farmers. Forty percent of U.S. crop acreage is now devoted to export crops, and in FY81 food exports produced a \$26 B contribution to the nation's balance of payments situation.

Mr. Lyng said that farmers traditionally feel that Washington doesn't understand farm problems, and they continually urge farm members of Congress to push Administrations into greater awareness. The House Agriculture Committee will hold a hearing on agricultural export policy on March 9.³ He said we needed a powerful statement on the foreign sales issue to allay fears of a new embargo, a statement he would like to have called "the Reagan Doctrine".⁴ The three points of such a doctrine would be:

² Not found.

³ See *General Agricultural Export and Trade Situation: Hearing Before the Committee on Agriculture, House of Representatives, Ninety-Seventh Congress, Second Session, March 9, 1982, Serial No. 97-HHH* (Washington: Government Printing Office, 1982).

⁴ Attached but not printed is the February 9 Department of Agriculture draft statement entitled, "The Reagan Doctrine: Establishing A Long Term National Policy of Agricultural Exports."

1) No restrictions would be imposed on the exportation of farm products because of rising domestic prices.

2) Farm exports will not be used as an instrument of foreign policy except in the most extreme situations and as a part of a total embargo. We will not interrupt exports to any nations except under conditions where a severe threat to this Nation's security is involved.

3) Foreign markets must be kept free of unreasonable trade barriers and unfair trade practices.

Secretary Block noted that this is largely a restatement of existing Presidential policy, but that packaging and announcing it properly would quite possibly make it national policy even after this Administration leaves office.⁵ He said this statement would be very good news for the farm community and would be extremely well received. American agriculture does not want to be a subsidized ward of the government; it can compete in world markets, given a fair opportunity, without trade barriers and without threat of interruption.

Secretary Haig stated that unilateral grain embargoes are self defeating. The Export Administration Act, however, affords the President sufficient authority, with sufficient ambiguities, to use an embargo flexibly in case of a severe foreign policy crisis.⁶ If a statement were made to afford some special exemption to agricultural products, the President would be saddling himself with a "mini-Clark Amendment" [prohibition of aid to Angolan rebels].⁷ The Secretary noted that his recent conversations with Soviet leaders showed that the Soviets are deeply worried about the Polish situation, and that a new grain embargo would be a "terrible problem" for them. The AFL CIO

⁵Reference is to a statement Reagan made at his February 18 news conference; a type-written excerpt from the news conference is attached but not printed. The President, in response to questions regarding his support for a "market-oriented agricultural policy" and the imposition of grain embargoes in Poland or in other countries, stated: "I have repeatedly said that the only way I would consider a grain embargo would be as a part of an across-the-board embargo, that we will not again make what I thought was a mistake earlier and penalize one sector of our industry, the famers, by just using that as an embargo item. So, we will not do that." He added that he was "very sympathetic to the agricultural industry, because I don't know of any industry that's been harder hit by the cost-price squeeze than the American farmer. And we're doing everything we can to stimulate foreign markets for them." (*Public Papers: Reagan, 1982, Book I, p. 185*)

⁶Reference is to the Export Administration Act of 1979 (P.L. 96-72; 93 Stat. 503), which Carter signed into law on September 29, 1979. The act permitted the President to control exports for various reasons, including for foreign policy.

⁷Reference is to the Clark amendment to the 1976 security assistance bill. Proposed by then-Senator Dick Clark (D-Iowa) on December 15, 1975, the amendment prohibited any assistance to military or paramilitary operations in Angola, except under specified conditions. The bill was passed with the Clark amendment on June 25, 1976, and Ford signed the International Security Assistance and Arms Export Control Act (P.L. 94-329; 90 Stat. 729) into law on June 30.

would be upset at exempting agriculture from any embargo; it would be seen as a special deal for farmers.

Ambassador Brock agreed with points 1 and 3 of the proposed statement, which he said was “basic Republicanism”. He noted that point 2 essentially restated the President’s campaign position. We do need to state that restraints on exports will never be used to undercut domestic prices, but point 1 should not be singled out. There is still a “hangover problem” from the Carter embargo.

Secretary Lewis suggested modifying point 2, but Secretary Haig argued that the President should not make a statement at all. The tensions over Poland are at a peak; such a statement would appear to be a softening of the President’s position. A broad free trade statement, reiterating the President’s remarks at Ottawa,⁸ would be appropriate, especially in view of trade barrier controversies with the European Community and Japan. All such issues should be raised at the forthcoming Economic Summit,⁹ but he questioned the wisdom and timing of such a statement.

Secretary Weinberger said such a statement would send an unfortunate signal to the Soviets just as the Siberian pipeline deal is being decided. It would hurt our Allies, but not the U.S., giving rise to Allied suspicions that we want them to sacrifice on the natural gas issue, while we are unwilling to face some sacrifice on farm exports. He noted that AFL CIO President Kirkland had told him that in case of a Polish invasion, he (Kirkland) could probably not restrain a work stoppage at shipping facilities—and probably wouldn’t want to; so that a “no embargo” policy might not even be a practical option. He said that attempting to define a rigid policy for the future involved making a definition of when to impose it; this would tend to tie the President’s hands like the Clark Amendment. The statement wouldn’t do much good and could do some real harm. The best policy would be to issue no statement at this time, especially if there is really nothing new in it.

Ambassador Brock reminded the Council that Congress, in the 1981 Farm Bill, had provided that in the event of a grain embargo the government would be obliged to offer crop loans at 100% of parity.¹⁰ This would mean on the order of a \$30 B outlay for CCC. This is a very powerful deterrent to an embargo of farm products only. If national security is at stake, any embargo ought to be across the board in any case.

⁸ See Document 57.

⁹ See footnote 6, Document 74.

¹⁰ Reference is to the Agriculture and Food Act of 1981 (S. 884; P.L. 97–98; 95 Stat. 1213); see footnote 13, Document 66. The act included “a clause that could inhibit Mr. Reagan’s use of food as a diplomatic weapon. This section would require him either to embargo all American products or to pay farmers hefty subsidies if he blocked sales of only grain to any country.” (Seth S. King, “Farm Bill Wins in a Close Vote,” *New York Times*, December 17, 1981, p. B15)

The President suggested dropping the adjective “farm” from point 2, so that it covered all exports. Mr. Meese noted that doing so would appear to go further than present policy, and that there was no good reason for doing so at this time.

Deputy Secretary McNamar said the timing was inauspicious for such a statement; that the Buckley mission was on its way to the EC,¹¹ and reiterating our unwillingness to suffer a grain embargo would undercut their negotiating position. He agreed with Secretary Weinberger’s points about inflexibility, and suggested that points 1 and 3, but not 2, be made in Presidential speeches as occasions arose.

Secretary Haig said that the prefatory statements in the draft would hinder our ability to influence the EC, and also would put the USSR on notice that we are reluctant to sacrifice. He said an agricultural export policy paper should be far broader, going into considerable detail about export promotion and trade barriers. He agreed with Secretary Block that there was actually nothing new in the proposed statement, and that a low-level acknowledgement of that fact via a press room statement would not be damaging.

Mr. Weidenbaum noted that merely deleting “farm” from point 2 would leave the prefatory remarks and the action points inconsistent; the former focuses on agricultural exports, while the latter, as amended, would be speaking of exports generally.

Secretary Lewis said the narrowness of the issue is not the problem; the problem is to help the Secretary of Agriculture calm an important sector of the economy. The President suggested that perhaps paragraph 3 of the preface and point 2 could be deleted, but Secretary Block pointed out that the subject of point 2 could not be ignored. Dr. Anderson said that it seemed to him that the farm community wanted an iron clad guarantee against an embargo, which was more than they really had a right to expect in view of possible national security considerations.

The President recollected that a farmer had spoken to him following the February 18 press conference statement, and had been very reassured on the embargo question. He thus saw the value of continued reassurance.¹²

¹¹ Reference is to Buckley’s planned five-nation tour of Western Europe in order to discuss economic policy, March 13–20. Olmer, Iklé, Leland, and Bailey were scheduled to accompany Buckley to Bonn, Paris, London, Rome, and Brussels. Under cover of a March 24 memorandum, Bremer sent a copy of the mission’s final report to Clark. (Reagan Library, Executive Secretariat, NSC Trip File, Summit File; NLR-755-13-2-6-1) Buckley provided a debrief of his March trip to the President, Haig, and other senior administration officials on March 25; for the memorandum of conversation, see *Foreign Relations, 1981–1988*, vol. III, Soviet Union, January 1981–January 1983, Document 152.

¹² See footnote 5, above.

Mr. Darman pointed out a dilemma: if point 2 is designed to satisfy farmers, it brings us up short in dealing with the Polish problem; if it is amended to refer to all exports, then it simply isn't true, in light of existing restrictions on high technology exports to the Eastern Bloc. The President suggested that perhaps point 2 could be concluded after "extreme situation". Secretary Haig reiterated his view that to say anything of value to the farm community, foreign policy flexibility would necessarily be compromised. Mr. McNamar observed that singling out one sector would lead to appeals for equal treatment from other sectors of the economy.

Secretary Block then suggested substituting the President's actual February 18 news conference statement for point 2. Secretary Haig said that there was a considerable difference between the President replying to a question at a news conference, and issuing a major policy statement on the issue.

Mr. Meese suggested that point 2 be rewritten to say: "The United States will be a reliable supplier of agricultural exports and will not treat agricultural products selectively or apart from other export items in regard to matters of our national security interests." Secretary Haig was not convinced. He inquired what we gained by making such a statement.

Mrs. Dole said that farm groups were very concerned about this issue, and that the substance of these policies should be incorporated in the President's remarks for farm editors, scheduled for late in March.¹³ Secretary Haig agreed. Mr. Lyng said that earlier action would be desirable; that Congress could well pass a joint resolution on the subject before then. Secretary Block supported the speech idea, saying it would get very big attention in farm areas and would be a big plus for the President. Mr. McNamar suggested that it should be held off until the Buckley mission gets home from Europe.

Deputy Secretary Wright said that farm policy should be addressed in the overall context of trade policy generally. Mr. Meese said this statement should be headed "agriculture policy", not "agricultural export policy". He suggested using the three points, as amended, for Congressional talking points and as the body of the farm editors speech. Secretary Haig agreed. It appeared that consensus was achieved on this recommendation.

¹³ The President offered remarks on agricultural policy to representatives of agricultural publications and organizations on March 22 at 3:18 p.m. in the Old Executive Office Building. Reagan outlined the "long-term policy on farm exports," asserting: "Now I announce this policy with a great sense of pride—the pride in the accomplishments of U.S. farm families. Adherence to this policy will bring them deserved credits and add to the prosperity of all Americans and enhance the cause of peace throughout the world." (*Public Papers: Reagan, 1982*, Book I, p. 349)

82. Editorial Note

President Ronald Reagan outlined his administration's proposed Caribbean Basin Initiative (CBI) in remarks made before the Permanent Council of the Organization of American States (OAS) on February 24, 1982, at 12:37 p.m. in the Hall of the Americas at the OAS Building. His remarks were broadcast live over the Voice of America (VOA) system. After an introduction by Ambassador Victor McIntyre of Trinidad and Tobago, the President stressed the commonalities of the people of the Western Hemisphere, highlighting shared principles and institutions. He continued: "Out of the crucible of our common past, the Americas have emerged as more equal and more understanding partners. Our hemisphere has an unlimited potential for economic development and human fulfillment. We have a combined population of more than 600 million people; our continents and our islands boast vast reservoirs of food and raw materials; and the markets of the Americas have already produced the highest standard of living among the advanced as well as the developing countries of the world. The example that we could offer to the world would not only discourage foes; it would project like a beacon of hope to all of the oppressed and impoverished nations of the world. We are the New World, a world of sovereign and independent states that today stand shoulder to shoulder with a common respect for one another and a greater tolerance of one another's shortcomings."

In sketching out his vision for the Caribbean Basin development program, the President underscored the strategic importance of the Caribbean and Central American nations, asserting that their current economic position "has provided a fresh opening to the enemies of freedom, national independence, and peaceful development." Noting that his administration had consulted with "other governments in the region" in devising the initiative, Reagan continued: "And we've labored long to develop an economic program that integrates trade, aid, and investment—a program that represents a long-term commitment to the countries of the Caribbean and Central America to make use of the magic of the market-place, the market of the Americas, to earn their own way toward self-sustaining growth."

Stating that the CBI represented an "integrated program that helps our neighbors help themselves," the President described the contours of the proposed program, which consisted of six components: securing free trade for Caribbean Basin exports to the United States; tax incentives for Caribbean investment; a \$350 million supplemental fiscal year (FY) 1982 aid appropriation directed at the private sector; technical assistance and training; cooperation with Mexico, Canada,

and Venezuela in development efforts; and additional measures to aid Puerto Rico and the U.S. Virgin Islands.

The President, after discussing the economic and social aspects related to development, then spoke of the “dangers” that “threatened” the hemisphere and the necessity for undertaking this effort: “The events of the last several years dramatize two different futures which are possible for the Caribbean area: either the establishment or restoration of moderate, constitutional governments with economic growth and improved living standards, or further expansion of political violence from the extreme left and the extreme right, resulting in the imposition of dictatorships and, inevitably, more economic decline and human suffering.”

Chronicling recent political developments in these nations, the President then discussed the U.S. responsibility in countering these threats: “I believe free and peaceful development of our hemisphere requires us to help governments confronted with aggression from outside their borders to defend themselves. For this reason, I will ask the Congress to provide increased security assistance to help friendly countries hold off those who would destroy their chances for economic and social progress and political democracy. Since 1947 the Rio Treaty has established reciprocal defense responsibilities linked to our common democratic ideals. Meeting these responsibilities is all the more important when an outside power supports terrorism and insurgency to destroy any possibility of freedom and democracy. Let our friends and our adversaries understand that we will do whatever is prudent and necessary to ensure the peace and security of the Caribbean area.”

The President concluded his remarks, stating: “We return to a common vision. Nearly a century ago a great citizen of the Caribbean and the Americas, José Martí, warned that, ‘Mankind is composed of two sorts of men, those who love and create and those who hate and destroy.’ Today more than ever the compassionate, creative peoples of the Americas have an opportunity to stand together, to overcome injustice, hatred, and oppression, and to build a better life for all the Americas.

“I have always believed that this hemisphere was a special place with a special destiny. I believe we are destined to be the beacon of hope for all mankind. With God’s help, we can make it so. We can create a peaceful, free, and prospering hemisphere based on our shared ideals and reaching from pole to pole of what we proudly call the New World.” (*Public Papers: Reagan, 1982, Book I, pages 210–215*)

In telegram 48847 to all diplomatic posts, February 24, 1906Z, the Department transmitted the text of the President’s remarks. (Department of State, Central Foreign Policy File, Electronic Telegrams, D820101–0734) Drafts of the remarks, including the President’s handwritten editorial revisions, are in the Reagan Library, WHORM: Subject

File, Speeches, SP-582 Caribbean Basin Initiative, Organization of American States (OAS), Washington, DC, 02/24/1982, 063626 (1) and 063624. In his personal diary entry for February 24, the President wrote, in regard to the address: "It was extremely well received & remarks from Ambassadors relayed to me afterward were to the effect it was most impressive presentation ever made to the O.A.S." (Brinkley, ed., *The Reagan Diaries*, volume I, January 1981–October 1985, page 113)

83. Editorial Note

On March 4, 1982, Secretary of State Alexander Haig testified before the House Committee on Appropriations Subcommittee on Foreign Operations and Related Agencies in support of the Ronald Reagan administration's foreign assistance budget request for fiscal year (FY) 1983. After Committee Chair Clarence D. Long (D-Maryland) welcomed him to the hearing, Haig indicated that he wished to deliver "a brief formal statement before submitting myself for your questions."

Haig first noted his previous appearance before the committee in 1981 and the "constructive relationship" that had developed between himself and the committee in the effort to "reinvigorate American leadership abroad." Recognizing that such progress should not stop, Haig stressed: "We must build on the progress that we have made. The competition we face is far too serious, and our own requirements too great to rest now. A first-rate American foreign policy simply cannot be run on second-rate resources."

After emphasizing the importance of foreign assistance as one of several "broad and flexible assets" in conducting U.S. foreign policy, Haig stated that he would explain President Ronald Reagan's request for increased security and economic aid. An absence of additional aid posed "risks to American national interests" he argued: "We would not be able to help reduce the economic misery in the Caribbean Basin that encourages domestic violence and external intervention.

"We would risk critical setbacks to our peace-keeping efforts in the Middle East and southern Africa.

"We might lose military facilities essential to the defense of Western interests in distant but vital regions of the world. Our access agreements to Kenya, Somalia, Oman and others help us to sustain a U.S. presence all along the vital oil routes to the Middle East.

"We would court the danger of further deterioration in the military capabilities and economies of key allies, such as Turkey.

"We might encourage the subversive efforts by Soviet and Soviet proxy forces. Our assistance is vitally important to countries friendly to the West, such as Pakistan, Sudan, Yemen, Morocco, Tunisia, Somalia and Oman, all of which are under growing pressure from the Soviets or client states of the Soviet Union.

"We risk damage to important markets and commercial ties. Today, more than one-quarter of our agricultural and manufactured exports goes to the developing world.

"Finally, we might weaken valuable multilateral financial institutions which have contributed to economic growth and must continue their vital role in economic development.

"The President's program of foreign assistance is not only a safeguard against all these dangers, but an integral element of the President's foreign policy. It is absolutely necessary if our strategies are to succeed in achieving their objectives."

Haig then discussed the ways in which foreign assistance helped the Reagan administration achieve its foreign policy objectives in specific geographical areas. He concluded his prepared remarks by reasserting the importance of increased aid in a time of austerity: "To assure the most effective use of our scarce resources, the President has realigned foreign assistance allocations with careful attention to priorities. The promotion of a truly lasting economic growth remains one of our key objectives. Our program recognizes that assistance alone will not guarantee economic development. Growth also requires proper economic incentives, national commitment, and a reliance on the creativity and resourcefulness of the individual.

"The program also responds to the pressing needs of key strategic nations for increased economic support and concessional military sales. Such nations must receive help in order to bolster their defense against outside subversion and to prevent economic crises at the same time.

"Our new focus on essential strategic and development objectives should not obscure our pride in the continuing American commitment to traditional humanitarian objectives. We remain a major source of assistance to refugees in Africa, Pakistan, Southeast Asia and the Middle East.

"We direct the bulk of our development and food aid to the world's poorest nations. These countries, with limited access to private capital markets, depend on concessional assistance to support their development efforts. To meet these needs, President Reagan committed the United States at Cancun to maintaining assistance levels to these nations.

"Mr. Chairman, I recognize that approval of foreign assistance at this time of austerity will be very difficult. But we shall pay a greater price later if we do not act now. America's most essential interests

are under attack. The President firmly believes that the resources he has requested are crucial to defense of these interests and to the promotion of a more peaceful and secure world. Our nation's security tomorrow requires that we make an investment in foreign assistance today." (*Foreign Assistance and Related Programs Appropriations for 1983: Hearings Before a Subcommittee of the Committee on Appropriations, House of Representatives, Ninety-Seventh Congress, Second Session, Subcommittee on Foreign Operations and Related Agencies, Part 1*, pages 83–86)

84. Memorandum From Secretary of State Haig to President Reagan¹

Washington, March 8, 1982

SUBJECT

Strategy for Building Democracy in Communist and Non-Communist Countries

Developments in Poland and El Salvador teach us three important lessons in politics: 1) there are growing pressures for political change in communist and authoritarian countries alike; 2) if we want democratic forces to win, they need practical training and financial assistance to become as effective as the communists in the struggle to take and maintain power; and 3) the United States is organized to give economic and military assistance, but we have no institutions devoted to political training and funding.

I propose that we establish an institute and program to support democratic change. This could be one of your Administration's most important and enduring contributions to global freedom and security. Let us take the Soviets on in a field where we have the best inherent strengths, but today lack the tools which they have so massively and professionally developed over many years.

1. The Problem

The Soviets spend large sums on training and financing political forces for change in Europe and the Third World. Going back to Lenin and even earlier, communists have placed the highest of priorities

¹ Source: Reagan Library, Executive Secretariat, NSC Agency File, Department of State (02/13/1982–05/25/1982). Secret. There is no indication that the President saw the memorandum.

on establishing political parties, underground communications, and motivation.

Even some of our European allies understand the importance of practical political support. For example, Western Europeans sent money and advisors to Portuguese democratic parties to prevent a communist takeover. The United States is simply out of the picture. Neither our parties nor the CIA have significant programs. And the AFL-CIO's efforts are restricted to unions.

Furthermore, the Europeans are just as derelict as we in terms of efforts designed to help democratic forces in communist countries. There isn't even much study being done of how communist regimes can be changed—even though it is clear that the potential exists (witness Solidarity, Yugoslavia, thousands fleeing Cuba, etc.).

Obviously there are constraints on what we can do towards both communist and non-communist countries in the immediate future. We would need to begin on a pragmatic and careful basis. A sudden, full-fledged effort would be counter-productive—destabilizing non-democratic friends in the Third World, driving the Soviets into perhaps dangerous counter-actions, and alarming our European allies with visions of an all-out effort to destabilize Eastern Europe and the Soviet Union itself.

But in sum, and taking into account the need for this gradual approach, there are four reasons to develop a program to support the growth of democratic forces:

1) Ultimately a truly stable, cooperative and open international system requires societies based on freedom of choice and legitimacy rather than force and oppression;

2) In non-communist countries, we need to help moderate democratic forces as the best long-term protection against communism;

3) We can help to keep the Soviets preoccupied with problems inside their existing empire (rather than expanding further) by giving practical assistance to democratic and nationalistic forces and thus going on our own political offensive. The use of this *political* tool is no less effective than military and economic leverage, and is much less costly and risky.

4) Launching a program to support democracy now can help provide a new focus for *our* idealism, give the Successor Generation here and in Europe something other than nuclear disarmament as a goal, gain bipartisan support, and give your Administration a positive, freedom-oriented face.

2. *The Solution*

Specifically, we propose that the United States establish an "Institute for Democracy." The Institute's objective would be three-fold:

1) to analyze and develop ways to help transform communist and other forms of dictatorship into democratic societies;

2) to train people in the practical mechanisms required for such peaceful transformation—overt/underground/exile political parties, labor unions, press, communications, etc.;

3) to help finance these efforts in the countries concerned.

The Institute should be non-governmental to be effective and to fend off charges of interference from other countries. The Europeans and the Soviets use such “private” institutions for political operations without serious problems. At the same time, the Institute would require Congressional as well as private funding to make the kind of major, sustained and professional effort required.

3. Next Steps

—The first step clearly is for you to decide whether you agree that this proposal should be implemented.

—Then an interagency group should draw up a gameplan for obtaining Congressional and public support, possibly including a speech by you or me on the theme “democracy not Marxism-Leninism is the future.”

We have uncovered substantial support for this idea from informal soundings around town. Right-wing critics of the Administration like Wattenberg and Podhoretz² are enthusiastic. Max Kampelman is prepared to contribute his time to help get it going. The AFL–CIO is positive. Liberals will strongly endorse the Third World dimension.

We should use the climate generated by Poland to set up a permanent program to tackle the larger, longer-term task of building democracy in communist and non-communist states. This could be one of your Administration’s most important and enduring contributions to global freedom and security. The moment for it may not come again for many years.

Recommendation

That you endorse the establishment of an Institute for Democracy.³

² Benjamin Wattenberg and Norman Podhoretz.

³ The President did not approve or disapprove the recommendation.

85. Memorandum From Norman Bailey of the National Security Council Staff to the President's Assistant for National Security Affairs (Clark)¹

Washington, March 9, 1982

SUBJECT

Secretary Haig's Recommendation Concerning the Establishment of an Institute for Democracy

Secretary Haig has written a memo to the President (Tab A) in which he urges that the President "... endorse the establishment of an Institute for Democracy."² The purpose of this Institute, which would be private, would be to train and help finance democratic leaders from the Soviet Bloc and the LDC's.

His suggestion has serious problems, such as:

1. How would the Institute get hold of "democratic leaders" from the Soviet Bloc for training, and how would they be reintroduced into their countries?

2. The Institute, if sponsored by the government, or "endorsed" by it, would be seen by all as a government initiative.

3. Friendly authoritarian governments among the LDC's would see it as an attempt to destabilize them.

4. Finally, and most important, dictatorship, whether authoritarian or totalitarian, can be imposed, democracy can't. The Soviets can be sure that if a Communist coup is successful, a Communist government will result. No one can know what will result from a "democratic" coup, as several centuries of history testify.

Incidentally, under Clif White's leadership, the Republican Party is beginning to get more involved in international cooperation. This process should be encouraged.

Carnes Lord and William Stearman concur with my recommendation that the President disapprove the suggestion in Secretary Haig's memo.

Al Myer, Dick Childress, Chris Shoemaker, Dick Pipes and Jim Rentschler believe that further exploration of the concept is necessary on an interagency basis to address the numerous aspects of this idea prior to the establishment of a specific program. Myer, Childress

¹ Source: Reagan Library, Executive Secretariat, NSC Agency File, Department of State (02/13/1982-05/25/1982). Secret. Sent for action. A stamped notation reads: "SIGNED." Wheeler initialed the top right-hand corner of the memorandum.

² See Document 84.

and Shoemaker have provided an alternative memo to Secretary Haig (Tab II) suggesting that the proposal be examined in greater detail.³

Recommendation:

That you sign the memorandum to the President at Tab I recommending that he disapprove the suggestion in Secretary Haig's memo.⁴

Alternatively, that you sign the memorandum to Secretary Haig at Tab II suggesting that the proposal be examined in greater detail before the establishment of a specific organization.

³Not attached.

⁴Clark placed a checkmark on the "Approve" line. Tab I, Clark's memorandum to the President, is Document 87.

86. Editorial Note

On March 10, 1982, members of Congress submitted bipartisan resolutions calling for the United States and the Soviet Union to undertake a nuclear weapons freeze followed by arms reductions. In the Senate, Senator Edward Kennedy (D–Massachusetts) introduced Senate Joint Resolution 163 on behalf of himself and 26 others. For the text of Senate Joint Resolution 163, see *Nuclear Arms Reduction Proposals: Hearings Before the Committee on Foreign Relations, United States Senate, Ninety-Seventh Congress, Second Session, on S.J. Res 163, 171, 177, 191; S. Res. 242, 323, 343, 370, 391; S. Ex. Res. 5, 6; and S. Con. Res. 81, April 29, 30, May 11, 12, and 13, 1982*, pages 4–5. See also Judith Miller, "139 in Congress Urge Nuclear Arms Freeze by U.S. and Moscow," *New York Times*, pages A1 and A12, and Margot Hornblower, "Bipartisan Resolutions Urge U.S.-Soviet Nuclear Weapons Freeze," *Washington Post*, page A3; both March 11, 1982.

During hearings held on March 10 by the Senate Committee on Appropriations Subcommittee on Foreign Assistance and Related Programs to consider foreign assistance appropriations for fiscal year (FY) 1983, Subcommittee Chair Robert Kasten (R–Wisconsin) asked Secretary of State Alexander Haig if the freeze proposals introduced that day would advance U.S. security interests. Haig responded: "Well, I had a telephone call from Senator Kennedy last night informing me that this proposal would be put forward suggesting that he regretted that it hadn't been discussed with us before then. I am aware of this freeze proposal, however, because it has a number of supporters, well-meaning supporters, and I would just make the following general comments.

"This freeze proposal is not only bad defense and security policy, it is bad arms control policy, as well. It is clear that the Soviet Union over the past 15 years has outspent the United States in the development of their strategic nuclear capability by substantial margins, each year and every year for the past 15. That has enabled them to develop a level of existing and future strategic superiority in especially the instantaneous hard target kill capability and large ballistic missile imbalances have developed.

"I would consider it to be very destabilizing were we today to freeze the contemporary balance into an imbalance. That will not contribute to progress in either arms control or meet the vital security interests of the American people.

"Now, I want to emphasize that President Reagan's arms control policy is not to freeze at unacceptable levels that we have already reached, but rather to achieve substantial reductions in levels of nuclear armament and to do so in a way that we can verify such reductions have taken place.

"Unfortunately, this freeze proposal runs directly against both of those principles, and I am particularly concerned at this time that such a proposal would come forward in the midst of the INF discussions which are underway in Geneva in which we seek to eliminate in the land-based sector the threat entirely by the so-called zero action.

"Now the freeze as applied in Western Europe would be to freeze in place a minimum of 3 to 1 Soviet superiority and something more analytically in the neighborhood of 6 to 1 superiority of Soviet systems. The instability and the political disarray of such a proposal by the U.S. side could be devastating not only in terms of the future direction of Western European policy vis-a-vis the Soviet Union, but more importantly to undercut the very initiative that we have just lost in these discussions.

"So while one cannot question the well-meaning motivations of this resolution and this proposal, one must analyze the practical consequences of it, and for that reason, I am very concerned about it." (*Foreign Assistance and Related Programs Appropriations for Fiscal Year 1983: Hearings Before a Subcommittee of the Committee on Appropriations, United States Senate, Ninety-Seventh Congress, Second Session, Part 1*, pages 64-65)

During a briefing held at the Department of State on March 11, Department spokesperson Dean Fischer read to news correspondents a prepared statement on behalf of Director of the Bureau of Politico-Military Affairs Richard Burt regarding the resolutions: "I would like to make a brief statement with respect to the nuclear freeze resolution which was introduced in the Senate yesterday.

“The President and his entire Administration share the concern felt throughout the world over the danger that nuclear weapons pose for mankind. That is why, in his speech of November 18, the President proposed a far-reaching arms control program for seeking equitable and verifiable agreements, which will not just freeze current nuclear and conventional forces but actually significantly reduce them.

“In Geneva the United States is now negotiating with the Soviet Union on the basis of the President’s bold proposal of November 18, which calls for the elimination of the Soviet nuclear systems most threatening Europe in exchange for cancellation of scheduled NATO deployments of comparable intermediate-range land-based nuclear missiles.

“While we understand the spirit that motivates the freeze efforts, the Administration cannot support the freeze itself. A number of compelling facts argue against a freeze.

“—It would freeze the United States into a position of military disadvantage and dangerous vulnerability. Soviet defense instruments have far outpaced ours over the last decade. While we exercised substantial restraint, the Soviets’ across-the-board modernization efforts have produced new weapons, including new generations of intercontinental ballistic missiles directly threatening our nuclear deterrent. In Europe, Soviet deployments of new intermediate-range missiles have given the Soviet Union an overwhelming advantage over the West in this category of weapons.

“—We want verifiable agreements that go beyond freezes to produce real reductions. The freeze proposal, which is neither verifiable nor reduces weapons, is not only bad defense but, as Secretary Haig said yesterday, is bad arms control as well.

“—The President needs the strategic modernization program if we are to have a credible chance to negotiate a good strategic arms reduction agreement with the Soviets. The freeze would, of course, kill the modernization program and with it our chances for achieving the reductions that we all seek.

“—We have embarked on very important negotiations on intermediate-range nuclear forces with the Soviet Union in Geneva—negotiations in which the United States is seeking far more than a freeze. Our goal in Geneva is the total elimination of land-based intermediate-range missiles. Thus the United States and the NATO alliance must have the flexibility to continue with the two-track approach that NATO agreed to in 1979. The freeze proposal would concede to the Soviet Union its present advantage in intermediate-range nuclear missiles and eliminate any Soviet incentive to reach a fair and balanced agreement that would reduce nuclear weapons in Europe.” (Department of State *Bulletin*, May 1982, page 42)

87. Memorandum From the President's Assistant for National Security Affairs (Clark) to President Reagan¹

Washington, March 15, 1982

SUBJECT

Al Haig's Recommendation Concerning Endorsement of the Establishment of an Institute for Democracy

Issue

Should you endorse the establishment of an "Institute for Democracy"?

Facts

Al Haig has written you (Tab A)² suggesting that you endorse the establishment of an "Institute for Democracy" to train and partially fund democratic leaders from the Soviet Bloc and the LDC's.

Discussion

It is difficult to know how Soviet Bloc "democratic" leaders would be brought over for training or how they would be re-introduced to their countries. As for the LDC's, such an effort would be seen by friendly but authoritarian regimes as an attempt to destabilize them. Choice of participants would be difficult, if not impossible; political hopefuls always claim to be "democratic" until they take power. Finally, dictatorship can be imposed; democracy cannot—it must develop organically or not at all.

Recommendation

OK No

_____ _____ That you disapprove Al's suggestion to establish an "Institute for Democracy."³

¹ Source: Reagan Library, European and Soviet Affairs Directorate, NSC Records, Subject File, Democracy (Democratization of Communist Countries) (1 of 5). Secret. Sent for action. Prepared by Bailey. Clark signed "Bill" next to his name in the "From" line. In the top right-hand corner of the memorandum, an unknown hand wrote: "President has seen." A stamped notation on the back of the memorandum indicates that it was received on March 15 at 11:24 a.m.

² Not attached; see Document 84.

³ The President did not check either option under Recommendation. However, in a March 19 handwritten note to Wheeler, Poindexter stated that Clark had shown the President Haig's memorandum, adding: "The President has decided he wants State to study the matter in more detail. Please have prepared a memo from the Judge to Haig, John." (Reagan Library, European and Soviet Affairs Directorate, NSC Records, Subject File, Democracy (Democratization of Communist Countries) (1 of 5)) Under an undated covering memorandum, Blair sent Clark for his signature a draft memorandum to Haig. In the covering memorandum, Blair wrote: "Admiral Poindexter's note says that the President wishes State to study further the proposal on establishing an Institute for Democracy. Norm Bailey is not enthusiastic about the whole idea; I am, so I have taken over staffing responsibility." (Ibid.) For the President's response to the proposal, see Document 89.

88. **Action Memorandum From the Acting Assistant Secretary of State for European Affairs (Holmes), the Assistant Secretary of State for Economic and Business Affairs (Hormats), and the Director of the Bureau of Politico-Military Affairs (Burt) to Secretary of State Haig¹**

Washington, March 25, 1982

SUBJECT

Linking the Economic and NATO Summits²

Issue for Decision

We recommend you review informally with senior White House officials the linkage between the Summits and ideas for maximizing our leverage at both.

Essential Factors

The two forthcoming Summit meetings are linked in terms of timing, preparation, and substance. Success at Versailles will carry over to Bonn; conversely, the way we prepare the NATO Summit issues will affect the outcome of Versailles.

The issues at Versailles will probably be even more important and more difficult than those at Bonn, but we need significant results from both meetings. The fundamental inseparability of economic and military strength for an effective Western defense should come through in both.

Organizationally, Versailles will concentrate on the economic issues, with emphasis on the ways and means of re-establishing vigorous economic growth in the West. We will want to concentrate political discussion at Bonn, and therefore will avoid a formal political agenda at Versailles. In particular, we do not want unproductive and, even worse, acrimonious exchanges on regional issues (e.g., Central America, the

¹ Source: Reagan Library, Executive Secretariat, NSC Trip File, Summit File, NATO Summit/Linkage 1982; NLR-755-13-24-5-8. Secret. Sent through Eagleburger, who did not initial the memorandum. Drafted by George Ward Jr. (EUR/RPM); cleared by Niles, Thomas, Ray Caldwell (EUR/RPM), Theodore Russell (EUR/RPE), Marshall Casse (E), Dobbins, and Kaplan, and in draft by Gompert. Ward initialed for all clearing officials except for Dobbins. Bremer's stamped initials appear at the top of the memorandum. A stamped notation indicates that it was received on March 25 at 8:38 p.m.

² The Versailles Economic Summit meeting was scheduled to take place June 5–6; the North Atlantic Council meeting was scheduled to take place in Bonn, June 10. For additional information about the respective meetings, see footnotes 2 and 3, Document 104.

Middle East) on which our views differ sharply from those of our Allies. Insofar as informal and unstructured political discussions do take place at Versailles, they will be an opportunity to set the political context for East-West economic decisions and to prepare the ground for the NATO meeting.

At *Versailles*, we will seek to:

- Reconfirm the wisdom of a policy to curb inflation and stimulate private sector activity as the best means of revitalizing Western economies;
- Place greater emphasis on policy coordination in pursuit of these goals;
- Obtain a political commitment to resolving problems which face the multilateral trading system and to a productive GATT ministerial this fall;³ and
- Obtain agreement on the objectives of, and a mechanism for monitoring and limiting official credits to the Soviet Union.

The Europeans and Japanese hope to come away from Versailles with assurances that American economic policy will be tempered by due regard for the international effects of monetary and fiscal moves. They will be looking, before as well as during the Summit, for concrete evidence of American sensitivity to their concerns about interest rates and on exchange variability. Japan will be particularly concerned that it not be singled out for criticism of its trade policy.

Aside from reaffirmation of the health and vitality of the Alliance (as exemplified by Spanish entry),⁴ our major objective at *Bonn* will be agreement on a special Charter on Improved Conventional Defense. Among other things, this will include:

- Commitment to achieving a significantly improved conventional defense posture within five years through improving forward defense by increasing readiness of reserve forces, enhancing reinforcement capabilities, maximizing the effectiveness of existing forces, and applying new technologies.
- Shift in emphasis from measures of defense input to defense output while reaffirming the commitment to the minimum of 3% annual real increases.

³ See footnote 11, Document 63.

⁴ Documentation on Spanish entry in NATO is scheduled for publication in *Foreign Relations, 1981–1988*, vol. VII, Western Europe, 1981–1984.

- Resolving to devote more resources to defense as the economic situation improves.
- Strengthening the existing force planning process.

Before and at Bonn, our Allies will be seeking evidence of renewed American commitment to arms control, most specifically as it relates to the opening of START and to the U.S. approach to nuclear arms negotiations. We, in turn, will be emphasizing that greater Western solidarity towards the USSR, including on economic questions, would help us on the full range of East-West relations, including moving ahead on geopolitical issues and arms control.

If we cannot produce the assurances which the Allies seek on U.S. economic policy, we may have great difficulty in achieving our East-West economic objectives at Versailles and our defense objectives at Bonn. The Allies might take the line that the economic outlook prevents them from restricting trade with the East or undertaking a commitment to devote more resources to defense in the years ahead.

These factors suggest that we emphasize the following in our pre-Summit preparations:

- Exploiting any economic policy decisions between now and June, especially on reducing the prospective budget deficit, to convince the Europeans and Japanese that we are responding to their economic needs, and to seek some *quid-pro-quo* either in the Versailles or Bonn context.

- Pushing hard for agreement on a mechanism to monitor and restrict the volume and terms of official credits and credit guarantees to the Soviet Union.

- Staying with our firm approach to the Soviets on geopolitics and arms control, and continuing to seek Allied support.

- *PM* believes that we should impress upon appropriate European leaders that Allied cohesion on East-West economic issues would facilitate movement by us on arms control, particularly START. Specifically, agreement by the Europeans at Versailles on a mechanism to monitor credits to the East would allow us to give greater prominence to arms control at the NATO Summit. We might wish to be even more precise with Schmidt and suggest that we would be willing to announce before the April 18–23 SPD Party Conference the opening of START if he were to promise to work for Summit agreement on a credit monitoring mechanism. *PM* recognizes that given the pace at which domestic pressures are building for START, we may not be able to secure much from the Europeans through such a linkage, but

believes the effort nevertheless worth making. *EUR, EB, and S/P* do not believe that we should link the question of credits for the Soviet Union to progress on arms control, because that could make the commencement of START hostage to resolution of other difficult issues and would not be credible to the Europeans. However, in pressing very hard for agreement on credits, we should point out that the U.S. regards limiting Western credits to the USSR as an urgent element on the Allied agenda, one which is essential in establishing an acceptable East-West balance.

To convince our Summit partners of our willingness to coordinate economic policies, an end to the current stalemate with the Congress, leading to significant reductions in the projected deficits for 1983–86, is fundamental. If an “oil import fee” were part of the budget package, it would have particular appeal to Europe and could be used to extract some concessions on energy security. However, this issue is and should remain primarily a domestic one. In fact, introduction of foreign policy concerns prematurely could thwart achievement of domestic political objectives. Nevertheless, we should ensure that senior officials at the White House understand the potential benefits of any eventual budget compromise for the President’s success at the two Summits.

Recommendation

That you make the points in the attachment to senior White House officials.⁵

⁵ Attached but not printed is a set of undated talking points. Haig did not approve or disapprove the recommendation. Under a March 30 memorandum, Haig sent the President a paper, which he described as “a framework for approaching both Summits in a coordinated manner.” He also wrote: “Your European trip will be a major foreign policy event, and can set the framework for Allied economic and security cooperation for years to come. The international institutions established in the immediate post-war period need modernizing. Your participation in the June Summits can energize this process.” (Reagan Library, National Security Affairs, Office of Assistant to the President Files, Chron File; NLR-812-81-16-6-7) The memorandum is scheduled for publication in *Foreign Relations, 1981–1988*, vol. VII, Western Europe, 1981–1984.

89. **Memorandum From the President's Assistant for National Security Affairs (Clark) to Secretary of State Haig¹**

Washington, April 2, 1982

SUBJECT

Strategy for Building Democracy in Communist and Non-Communist Countries

The President has reviewed the proposal in your memorandum of March 8 for an "Institute for Democracy." The proposal has many attractive features but before endorsing the proposal, he would like more specific information on several aspects:

—How the institute could avoid being seen as an agency of the U.S. government, while acting in a complementary way to government policies.

—How the institute would treat non-democratic countries which are friendly to the United States.

—The outlines of the organization of the institute: physical facilities required, composition of faculty, choice of students, decision-making authority to disburse funds to groups in other countries.

FOR THE PRESIDENT:

William P. Clark²

¹ Source: Reagan Library, Executive Secretariat, NSC Agency File, Department of State (02/13/1982–05/25/1982). Secret.

² Clark initialed "WPC" above his typed signature.

90. Memorandum From the President's Assistant for National Security Affairs (Clark) to President Reagan¹

Washington, April 3, 1982

SUBJECT

Private Proposal for a "No First Use" Nuclear Weapons Doctrine

"The time has come for careful study of the ways and means of moving to a new (NATO) alliance policy and doctrine: that nuclear weapons will not be used unless an aggressor should use them first." This proposal is argued in an article co-authored by former Secretary of Defense Bob McNamara, McGeorge Bundy, George Kennan and Gerry Smith to be published in *Foreign Affairs* next Wednesday.² Given the simplicity of the concept, the standing of the authors in the national security community and the existence of an anti-nuclear movement which is in a position to promote the concept extremely well, the article provides a timely catalyst for sustaining criticism of Administration policies already well advanced under the nuclear freeze banner. It will also be extremely disruptive to allied cohesion, thus it is extremely important that we develop a prompt comprehensive strategy for dealing with this issue.

Background

Throughout the post-war period the Soviet Union has enjoyed conventional military superiority over NATO forces in Europe. The unwillingness of the West to field an adequate conventional deterrent force derives in part from economic considerations, but far more importantly from European perceptions that the most effective guarantor of their security—the most effective deterrent to conflict—reposed in the strategic nuclear power of the United States (ICBMs, SLBMs and bombers). The doctrinal and physical linkage to our strategic forces lay in the deployment of substantial U.S. conventional forces in Europe and in the presence of tactical nuclear weapons deployed in Europe since the mid-1950's.

The credibility of this doctrine began to be questioned in the mid-1970's as United States strategic nuclear superiority eroded. For as long

¹ Source: Reagan Library, Executive Secretariat, NSC Subject File, Nuclear Freeze (03/28/1982–04/05/1982). Confidential. A notation at the top of the memorandum in an unknown hand indicates the President saw it on April 3. Another notation in an unknown hand reads: "5/24 WC said file."

² April 7. The article, which is attached but not printed, is entitled "Nuclear Weapons and the Atlantic Alliance," *Foreign Affairs*, LX, Spring 1982, pp. 735–768.

as the United States possessed clear strategic nuclear superiority, the question as to whether we would use it in response to an attack on Western Europe was relatively moot because the Soviets were unlikely to test it. Once that superiority was lost, however, penetrating questions began to be raised among our allies. These were attenuated by an explicit elaboration of the problem by former Secretary Kissinger in a speech given in Europe in September 1979.³

The simplistic answer to this question of credibility is that we and our allies should devote the necessary effort to establish effective deterrence at every conceivable level of attack. That is, that we should expand the current level of our conventional forces in Europe, of our theater nuclear forces and of our strategic arsenal to match the corresponding forces of the Soviet Union. As a practical matter, however, that is asking the impossible; again, for economic but more importantly for political reasons. In economic terms, if we have not been able during the past 30 years to develop an effective conventional deterrent, how much more unrealistic is it to expect to do so today in a time of far greater economic austerity. More importantly, however, to even suggest the idea would be to shatter the credibility of the generation-old U.S. pledge of its strategic nuclear arsenal as a deterrent to a Soviet attack on Western Europe. In the trade this is referred to as “decoupling” U.S. strategic nuclear forces from the defense of Europe.

Discussion

Setting aside for a moment the intellectual hypocrisy of such a proposal by men who were the authors of our current first-use doctrine, we must consider the near-term effects of it. In Europe any appearance of the Administration’s support for a “no first use” doctrine would have a catastrophic effect upon allied cohesion generally and the political stability of several governments in particular. For example, we have already had word from FRG Foreign Minister Genscher that U.S.

³ Kissinger took part in a 3-day conference on NATO’s future, organized by the Georgetown University’s Center for Strategic and International Studies (CSIS), in Brussels, September 1–3, 1979. In remarks made on September 1, Kissinger said: “Don’t you Europeans keep asking us to multiply assurances we cannot possibly mean and that if we do mean, we should not want to execute, and which if we execute, would destroy our civilization.” (Paul Lewis, “U.S. Pledge to NATO To Use Nuclear Arms Criticized by Kissinger,” *New York Times*, September 2, 1979, p. 7) Kissinger, however, clarified his earlier statement at a September 3 news conference. According to the *New York Times*, “Kissinger said that he intended on Saturday [September 1] to convey his belief that America’s promise to defend its European allies is losing credibility as the Soviet arms buildup continues. However, he said today that the situation will not become critical ‘for another three or four years.’” (“Kissinger Tones Down Warning to NATO on U.S. Nuclear Pledges,” *New York Times*, September 4, 1979, p. A10) See also Joseph Fitchett, “Kissinger Says Europe Should Rely Less on U.S.” *Washington Post*, September 3, 1979, p. A26.

support for a “no first use” doctrine would have an extremely divisive effect upon the political debate in West Germany.

With respect to the substance of the issue, your original decisions to restore the strength of both our strategic and conventional forces puts us well along toward assuring not only effective deterrence but of restoring allied confidence as well. Coming at a time in which the Soviet Union is under severe internal economic pressure, the prospects for strategic stability in the coming years are reasonably good. We and our allies share that view. This basic consensus among political leaders of the alliance, however, is susceptible to erosion if your European counterparts are forced to yield over time to a ground swell of public sentiment that could develop on a foundation of simplistic notions, such as the “freeze” and a “no first use” doctrine.

We believe that our strategy for dealing with this issue must be preemptive, comprehensive and sustained. In order to effectively pre-empt the McNamara/Bundy article, Al Haig will deliver a major Address on Tuesday designed to build public understanding of the historical effectiveness and intellectual defensibility of our current doctrine.⁴ Al’s speech must be buttressed by prompt reinforcement through White House statements, congressional statements and an aggressive program of public appearances by knowledgeable and effective spokesmen. Simultaneously, we must tend anxieties in Europe through prompt consultations with our allies. Finally, however, we must understand that this movement will not go away, and as a consequence, that the credibility of your policies must continue to be nurtured in thoughtful, persuasive public statements. We have separately submitted a strategy for speeches which we propose that you give over the course of the next three months.⁵

I will continue to work with Al, Cap and others to flesh out the strategy sketched above and will provide a fuller proposal next week.

⁴ April 6. See Document 91.

⁵ Not found.

91. Address by Secretary of State Haig¹

Washington, April 6, 1982

Peace and Deterrence

It is a melancholy fact of the modern age that man has conceived a means capable of his own destruction. For 37 years mankind has had to live with the terrible burden of nuclear weapons. From the dawn of the nuclear age, these weapons have been the source of grave concern to our peoples and the focus of continuous public debate. Every successive president of the United States has shared these concerns. Every Administration has had to engage itself in this debate.

It is right that each succeeding generation should question anew the manner in which its leaders exercise such awesome responsibilities. It is right that each new Administration should have to confront the awful dilemmas posed by the possession of nuclear weapons. It is right that our nuclear strategy should be exposed to continuous examination.

Strategy of Nuclear Deterrence

In debating these issues, we should not allow the complexity of the problems and the gravity of the stakes to blind us to the common ground upon which we all stand. No one has ever advocated nuclear war. No responsible voice has ever sought to minimize its horrors.

On the contrary, from the earliest days of the postwar era, America's leaders have recognized that the only nuclear strategy consistent with our values and our survival—our physical existence and what makes life worth living—is the strategy of deterrence. The massive destructive power of these weapons precludes their serving any lesser purpose. The catastrophic consequences of another world war—with or without nuclear weapons—make deterrence of conflict our highest objective and our only rational military strategy for the modern age.

Thus, since the close of World War II, American and Western strategy has assigned a single function to nuclear weapons: the prevention of war and the preservation of peace. At the heart of this deterrence strategy is the requirement that the risk of engaging in war must be made to outweigh any possible benefits of aggression. The cost of aggression must not be confined to the victims of aggression.

This strategy of deterrence has won the consistent approval of Western peoples. It has enjoyed the bipartisan support of the American

¹ Source: Department of State *Bulletin*, May 1982, pp. 31–34. All brackets are in the original. Haig spoke before an audience at Georgetown University's Center for Strategic and International Studies.

Congress. It has secured the unanimous endorsement of every successive allied government.

Deterrence has been supported because deterrence works. Nuclear deterrence and collective defense have preserved peace in Europe, the crucible of two global wars in this century. Clearly, neither improvement in the nature of man nor strengthening of the international order has made war less frequent or less brutal. Millions have died since 1945 in over 130 international and civil wars. Yet nuclear deterrence has prevented a conflict between the two superpowers, a conflict which even without nuclear weapons would be the most destructive in mankind's history.

Requirements for Western Strategy

The simple possession of nuclear weapons does not guarantee deterrence. Throughout history societies have risked their total destruction if the prize of victory was sufficiently great or the consequences of submission sufficiently grave. War and, in particular nuclear war, can be deterred, but only if we are able to deny an aggressor military advantage from his action and thus insure his awareness that he cannot prevail in any conflict with us. Deterrence, in short, requires the maintenance of a secure military balance, one which cannot be overturned through surprise attack or sudden technological breakthrough. The quality and credibility of deterrence must be measured against these criteria. Successful administrations have understood this fact and stressed the importance of the overall balance. This Administration can do no less.

The strategy of deterrence, in its essentials, has endured. But the requirements for maintaining a secure capability to deter in all circumstances have evolved. In the early days of unquestioned American nuclear superiority the task of posing an unacceptable risk to an aggressor was not difficult. The threat of massive retaliation was fully credible as long as the Soviet Union could not respond in kind. As the Soviet Union's nuclear arsenal grew, however, this threat began to lose credibility.

To sustain the credibility of Western deterrence, the concept of flexible response was elaborated and formally adopted by the United States and its NATO partners in 1967.² Henceforth, it was agreed that NATO would meet aggression initially at whatever level it was launched, while preserving the flexibility to escalate the conflict, if necessary, to secure the cessation of aggression and the withdrawal of the aggressor.

² Reference is to the communiqué issued on December 14, 1967, following the NAC Ministerial session in Brussels, December 12–14. The "flexible response" concept, as stated in the communiqué, included a range of "conventional and nuclear" responses "to all levels of aggression and threats of aggression." For the text of the final communiqué and annex, see Department of State *Bulletin*, January 8, 1968, pp. 49–52.

The purpose of this strategy is not just to conduct conflict successfully if it is forced upon us but, more importantly, to prevent the outbreak of conflict in the first place.

Flexible response is not premised upon the view that nuclear war can be controlled. Every successive allied and American government has been convinced that nuclear war, once initiated, could escape such control. They have, therefore, agreed upon a strategy which retains the deterrent effect of a possible nuclear response, without making such a step in any sense automatic.

The alliance based its implementation of flexible response upon a spectrum of forces, each of which plays an indispensable role in assuring the credibility of a Western strategy of deterrence. At one end of the spectrum are America's strategic forces, our heavy bombers, intercontinental missiles, and ballistic missile submarines. Since NATO's inception, these forces have been the ultimate guarantee of Western security, a role which they will retain in the future.

At the other end of the spectrum are the alliance's conventional forces, including U.S. forces in Europe. These forces must be strong enough to defeat all but the most massive and persistent conventional aggression. They must be resistant and durable enough to give political leaders time to measure the gravity of the threat, to confront the inherently daunting prospects of nuclear escalation, and to seek through diplomacy the cessation of conflict and restoration of any lost Western territory. The vital role which conventional forces play in deterrence is too often neglected, particularly by those most vocal in their concern over reliance upon nuclear weapons. A strengthened conventional posture both strengthens the deterrent effect of nuclear forces and reduces the prospect of their ever being used.

Linking together strategic and conventional forces are theater nuclear forces, that is, NATO's nuclear systems based in Europe. These systems are concrete evidence of the nature of the American commitment. They are a concrete manifestation of NATO's willingness to resort to nuclear weapons if necessary to preserve the freedom and independence of its members. Further, the presence of nuclear weapons in Europe insures that the Soviet Union will never believe that it can divide the United States from its allies or wage a limited war with limited risks against any NATO member.

The strategy of flexible response and the forces that sustain its credibility reflect more than simply the prevailing military balance. Western strategy also reflects the political and geographical reality of an alliance of 15 independent nations, the most powerful of which is separated from all but one by 4,000 miles of ocean.

Deterrence is consequently more than a military strategy. It is the essential political bargain which binds together the Western coalition.

Twice in this century, America has been unable to remain aloof from European conflict but unable to intervene in time to prevent the devastation of Western Europe. In a nuclear age neither we nor our allies can afford to see this pattern repeated a third time. We have, therefore, chosen a strategy which engages American power in the defense of Europe at the outset and gives substance to the principle that the security of the alliance is indivisible.

The Task Ahead

During the past decade the Soviet Union has mounted a sustained buildup across the range of its nuclear forces designed to undermine the credibility of the Western strategy. Soviet modernization efforts have far outstripped those of the West. The development and deployment of Soviet intercontinental ballistic missiles now pose a serious and increasing threat to a large part of our land-based ICBM [intercontinental ballistic missile] force. A new generation of Soviet intermediate-range missiles is targeted upon our European allies.

In the last 10 years, the Soviets introduced an unprecedented array of new strategic and intermediate-range systems into their arsenals, including the SS-17, SS-18, and SS-19 ICBMs, the Backfire bomber, the Typhoon submarine and several new types of submarine-launched missiles, and the SS-20 intermediate-range missile. In contrast, during this same period, the United States exercised restraint, introducing only the Trident missile and submarine and the slower air-breathing cruise missile.

In order to deal with the resulting imbalances, President Reagan has adopted a defense posture and recommended programs to the U.S. Congress designed to maintain deterrence, rectify the imbalances, and thereby support the Western strategy I have just outlined. His bold strategic modernization program, announced last October, is designed to insure the maintenance of a secure and reliable capability to deny any adversary advantage from any form of aggression, even a surprise attack.³

The President's decision, in his first weeks in office, to go ahead with the production and deployment of the Pershing II and ground-launched cruise missiles, in accordance with NATO's decision of December 1979, represents an effort to reinforce the linkage between our strategic forces in the United States and NATO's conventional and nuclear forces in Europe. A response to the massive buildup of Soviet SS-20s targeted on Western Europe, this NATO decision was taken to insure that the Soviet Union will never launch aggression in the belief that its own territory can

³ See footnote 5, Document 69.

remain immune from attack or that European security can ever be decoupled from that of the United States.

The improvements we are making in our conventional forces—in their readiness, mobility, training, and equipment—are designed to insure the kind of tough and resilient conventional capability required by the strategy of flexible response. It is important to recognize the interrelationship of these three types of forces. The requirements in each category are dependent upon the scale of the others. Their functions are similarly linked. The Soviet Union understands this. That is why they have consistently proposed a pledge against the first use of nuclear weapons, an idea which has achieved some resonance here in the West.

NATO has consistently rejected such Soviet proposals, which are tantamount to making Europe safe for conventional aggression. If the West were to allow Moscow the freedom to choose the level of conflict which most suited it and to leave entirely to Soviet discretion the nature and timing of any escalation, we would be forced to maintain conventional forces at least at the level of those of the Soviet Union and its Warsaw Pact allies.

Those in the West who advocate the adoption of a “no first use” policy⁴ seldom go on to propose that the United States reintroduce the draft, triple the size of its armed forces, and put its economy on a wartime footing. Yet in the absence of such steps, a pledge of “no first use” effectively leaves the West nothing with which to counterbalance the Soviet conventional advantages and geopolitical position in Europe.

Neither do Western proponents of a “no first use” policy acknowledge the consequences for the alliance of an American decision not to pose and accept the risk of nuclear war in the defense of Europe. A “no first use” policy would be the end of flexible response and thus of the very credibility of the Western strategic deterrence. In adopting such a stance, the United States would be limiting its commitment to Europe. But the alliance cannot function as a limited liability corporation. It can only survive as a partnership to which all are equally and fully committed—shared benefits, shared burdens, shared risks.

Another concept which has recently attracted interest is that of a freeze on nuclear weapons.⁵ While being sensitive to the concerns underlying this proposal, we have had to underscore the flaws in such an approach. A freeze at current levels would perpetuate an unstable and

⁴ As articulated, for example, by McNamara, Bundy, Kennan, and Smith in their *Foreign Affairs* article; see Document 90.

⁵ See Document 86.

unequal military balance. It would reward a decade of unilateral Soviet buildup and penalize the United States for a decade of unilateral restraint. As President Reagan stressed last week, such a freeze would remove all Soviet incentive to engage in meaningful arms control designed to cut armaments and reduce the risk of war.⁶

Much of the argumentation for a nuclear freeze revolves around the question of how much is enough. Each side possesses thousands of deliverable nuclear weapons. Does it really make any difference who is ahead? The question itself is misleading, as it assumes that deterrence is simply a matter of numbers of weapons or numbers of casualties which could be inflicted. It is not.

- Let us remember, first and foremost, that we are trying to deter the Soviet Union, not ourselves. The dynamic nature of the Soviet nuclear buildup demonstrates that the Soviet leaders do not believe in the concept of “sufficiency.” They are not likely to be deterred by a strategy or a force based upon it.

- Let us also recall that nuclear deterrence must work not just in times of peace and moments of calm. Deterrence faces its true test at the time of maximum tension, even in the midst of actual conflict. In such extreme circumstances, when the stakes on the table may already be immense, when Soviet leaders may feel the very existence of their regime is threatened, who can say whether or not they would run massive risks if they believed that in the end the Soviet state would prevail?

- Deterrence thus does not rest on a static comparison of the number or size of nuclear weapons. Rather, deterrence depends upon our capability, even after suffering a massive nuclear blow, to prevent an aggressor from securing a military advantage and prevailing in a conflict. Only if we maintain such a capability can we deter such a blow. Deterrence, in consequence, rests upon a military balance measured not in warhead numbers but in a complex interaction of capabilities and vulnerabilities.

⁶ At his March 31 news conference Reagan responded to a question posed by UPI reporter Helen Thomas inquiring why the United States did not “seek negotiations for a freeze now,” stating, in part: “Helen, I know that there are people that have tried to figure this out. The truth of the matter is that on balance, the Soviet Union does have a definite margin of superiority, enough so that there is risk and there is what I have called, as you all know, several times, ‘a window of vulnerability.’ And I think that a freeze would not only be disadvantageous—in fact, even dangerous to us with them in that position—but I believe that it would also militate against any negotiations for reduction. There would be no incentive for them, then, to meet with us and reduce.” (*Public Papers: Reagan, 1982*, Book I, p. 399)

The Military Balance, Crisis Management, and the Conduct of American Diplomacy

The state of the military balance and its impact upon the deterrent value of American forces cast a shadow over every significant geopolitical decision. It affects on a day-to-day basis the conduct of American diplomacy. It influences the management of international crises and the terms upon which they are resolved.

The search for national interest and national security is a principal preoccupation of the leaders of every nation on the globe. Their decisions and their foreign policies are profoundly affected by their perception of the military balance between the United States and the Soviet Union and the consequent capacity of either to help provide for their security or to threaten that security.

More important still, perceptions of the military balance also affect the psychological attitude of both American and Soviet leaders, as they respond to events around the globe. For the foreseeable future the relationship between the United States and the Soviet Union will be one in which our differences outnumber our points of convergence. Our objective must be to restrain this competition, to keep it below the level of force, while protecting our interests and those of our allies. Our ability to secure these objectives will be crucially influenced by the state of the strategic balance. Every judgment we make and every judgment the Soviet leadership makes will be shaded by it.

Thus the Soviet leadership, in calculating the risks of subversion or aggression, of acquiring new clients or propping up faltering proxies, must carefully evaluate the possibilities and prospects for an effective American response. Soviet calculations must encompass not only American capabilities to influence regional developments but American willingness to face the prospect of U.S.-Soviet confrontation and consequent escalation. American leaders, for their part, must go through comparable calculations in reacting to regional conflicts, responding to Soviet adventurism, and seeking to resolve international crises in a manner consistent with U.S. interests.

Put simply, our own vulnerability to nuclear blackmail, as well as the susceptibility of our friends to political intimidation, depends upon our ability and willingness to cope credibly with any Soviet threat. A strong and credible strategic posture enhances stability by reducing for the Soviets the temptations toward adventurism at the same time that it strengthens our hand in responding to Soviet political-military threats.

Arms Control and Nuclear Deterrence

In no area of diplomacy does the military balance have greater effect than in arms control. Arms control can reinforce deterrence and stabilize a military balance at lower levels of risk and effort. Arms

control cannot, however, either provide or restore a balance we are unwilling to maintain through our defense efforts.

Just as the only justifiable nuclear strategy is one of deterrence, so the overriding objective for arms control is reducing the risk of war. The essential purpose to arms control is not to save money, although it may do so. Its purpose is not to generate good feelings or improve international relationships, although it may have that effect as well. Arms control's central purpose must be to reinforce the military balance, upon which deterrence depends, at reduced levels of weapons and risk.

On November 18, President Reagan laid out the framework for a comprehensive program of arms control designed to serve these objectives. He committed the United States to seek major reductions in nuclear and conventional forces, leading to equal agreed limits on both sides. Last week he reviewed the steps we have taken.

- In Geneva we have put forth detailed proposals designed to limit intermediate-range nuclear forces and to eliminate entirely the missiles of greatest concern to each side. This proposal has won the strong and unified support of our allies.⁷

- In Vienna we are negotiating, alongside our allies, on reductions in conventional force levels in Europe.⁸ These negotiations have gone on without real progress for over 8 years. Because we are now facing diplomatic atrophy, we must urgently consider how to revitalize East-West discussions of conventional force reductions and stimulate progress in these talks.

- Our highest priority, in the past several months, has been completing preparations for negotiations with the Soviet Union on strategic arms. Here too we will be proposing major reductions to verifiable, equal agreed levels. Here too we will be presenting detailed proposals when negotiations open.

The prospects for progress in each of these areas of arms control depend upon support of the President's defense programs. This imperative has been caricatured as a policy of building up arms in order to reduce them. This is simply not true. As President Reagan's proposals for intermediate-range missiles make clear, we hope that we never

⁷ The INF negotiations opened in Geneva on November 30, 1981, and reconvened on January 12, 1982. On February 2, U.S. negotiators submitted to the Soviet Union a draft treaty. In a February 4 statement, the President said: "Such a treaty would be a major contribution to security, stability, and peace." (*Public Papers: Reagan, 1982*, Book I, p. 112) The Department transmitted the draft treaty text to all North Atlantic Treaty Organization capitals in telegram 41427, February 17. (Department of State, Central Foreign Policy File, Electronic Telegrams, D820084-0511)

⁸ Reference is to the MBFR talks, which reconvened in Vienna January 28.

have to deploy those systems. But we must demonstrate a willingness to maintain the balance through force deployments if we are to have any prospect of reducing and stabilizing it through arms control.

Negotiations in the early 1970s on a treaty limiting antiballistic missile (ABM) systems provide an historic example.⁹ At the time, the Soviets had already built a system of ballistic missile defenses around Moscow. The United States had deployed no such system. Arms control offered the only means of closing off an otherwise attractive and expensive new avenue for arms competition. Yet it was not until the American Administration sought and secured congressional support for an American ABM program that the Soviets began to negotiate seriously. The result was the 1972 treaty limiting antiballistic missile systems, which remains in force today.

This same pattern was repeated more recently with intermediate-range missiles. For years the Soviets had sought limits on U.S. nuclear forces in Europe but refused to consider any limits upon their nuclear forces targeted upon Western Europe. Only after NATO took its decision of December 1979 to deploy U.S. Pershing II and ground-launched cruise missiles did the Soviet Union agree to put its SS-20 missiles on the negotiating table.

In the area of strategic arms, as well, there is little prospect the Soviet Union will ever agree to equal limits at lower levels unless first persuaded that the United States is otherwise determined to maintain equality at higher levels. It is, for instance, unrealistic to believe that the Soviet Union will agree to reduce the most threatening element of its force structure, its heavy, multiwar-headed intercontinental missiles unless it is persuaded that otherwise the United States will respond by deploying comparable systems itself.

For many opposed to reliance on nuclear weapons—even for defense or deterrence—the issue is a moral one. For those who first elaborated the strategy of deterrence, and for those who seek to maintain its effect, this issue is also preeminently moral. A familiar argument is that, in a nuclear age, we must choose between our values and our existence. If nuclear weapons offer the only deterrent to nuclear blackmail, some would argue we should submit rather than pose the risk of nuclear conflict. This choice, however, is a false one. By maintaining the military balance and sustaining deterrence, we protect the essential values of Western civilization—democratic government, personal liberty,

⁹ During the Moscow Summit, on May 26, 1972, Nixon and Brezhnev signed the Treaty on the Limitation of Anti-Ballistic Missile Systems. The treaty entered into force on October 3, 1972. The text of the treaty is printed in *Foreign Relations, 1969–1976*, vol. XXXII, SALT I, 1969–1972, Document 316. It is also printed in Department of State *Bulletin*, June 26, 1972, pp. 918–920.

and religious freedom—and preserve the peace. In failing to maintain deterrence, we would risk our freedoms, while actually increasing the likelihood of also suffering nuclear devastation.

As human beings and free men and women, we must reject this false alternative and avoid the extremes of nuclear catastrophe and nuclear blackmail. In the nuclear age, the only choice consistent with survival and civilization is deterrence.

An eminent theologian once described our age as one in which “the highest possibilities are inextricably intermingled with the most dire perils”. The scientific and technological advances so vital to our civilization also make possible its destruction. This reality cannot be wished away.

Americans have always been conscious of the dilemmas posed by the nuclear weapon. From the moment that science unleashed the atom, our instinct and policy have been to control it. Those who direct America’s defense policies today share completely the desire of people everywhere to end the nuclear arms race and to begin to achieve substantial reductions in nuclear armament.

Confronted by the dire perils of such weapons, America has responded in a manner that best preserves both security and peace, that protects our society and our values, and that offers hope without illusion. The strategy of deterrence has kept the peace for over 30 years. It has provided the basis for arms control efforts. And it offers the best chance to control and to reduce the dangers that we face.

Deterrence is not automatic. It cannot be had on the cheap. Our ability to sustain it depends upon our ability to maintain the military balance now being threatened by the Soviet buildup. If we are to reinforce deterrence through arms control and arms reduction, we must convince the Soviets that their efforts to undermine the deterrent effect of our forces cannot and will not succeed.

The control and reduction of nuclear weapons, based on deterrence, is the only effective intellectual, political, and moral response to nuclear weapons. The stakes are too great and the consequences of error too catastrophic to exchange deterrence for a leap into the unknown. The incentives for real arms control exist, and we have both the means and the duty to apply them.

Let us be clear about our objectives in the nuclear era. We seek to reduce the risk of war and to establish a stable military balance at lower levels of risk and effort. By doing so today, we may be able to build a sense of mutual confidence and cooperation, offering the basis for even more ambitious steps tomorrow. But above all, we shall be pursuing the “highest possibility” for peace.

92. Memorandum of Conversation¹

Washington, April 13, 1982, 2:30–3:15 p.m.

SUBJECT

Kissinger Group Meeting with the President

PARTICIPANTS

The President
Edwin Meese, III, Counselor to the President
David R. Gergen, Assistant to the President
Mort Allin, Assistant Press Secretary / Foreign Affairs
William P. Clark, Assistant to the President for National Security Affairs
Henry A. Kissinger
Lawrence Brainard, Bankers Trust Company
Willard Butcher, Chase Manhattan Bank
Edmund W. Littlefield, Utah International Inc.
Elvis L. Mason, InterFirst Corporation
David Rockefeller
William D. Rogers, Arnold & Porter
George Shultz, Bechtel Group, Inc.
Walter Wriston, First National City Bank
Marc Leland, Under Secretary for International Affairs, Department of the Treasury
Norman A. Bailey, NSC Staff

The meeting began with Dr. Kissinger presenting a paper entitled “Talking Points” to the President.²

Dr. Kissinger proceeded to outline the findings of his group. The main point made was that even if there is no crisis, the economic relationship has tilted in favor of the Soviet Union. In strictly economic terms, they gain. So we must counterbalance in other areas. What are our priorities? We need to organize the economic strength of the West—leading to negotiations later. Occasional unilateral sanctions don’t work well.

There are three options: (1) economic warfare, (2) continue present practices—everyone on his own, (3) period of disciplined economic pressure leading to eventual negotiations and enhanced cooperation (Kissinger group favors this option).

¹ Source: Reagan Library, Executive Secretariat, NSC Subject File, Memorandums of Conversation—President Reagan (April 1982). No classification marking. The meeting took place in the Roosevelt Room at the White House. No drafting information appears on the memorandum; presumably drafted by Bailey. In his personal diary entry for April 13, the President wrote: “Henry Kissinger brought group of businessmen & bankers to help with our East-West relations. A good meeting.” (Brinkley, ed., *The Reagan Diaries*, vol. I, January 1981–October 1985, p. 123)

² Not found.

In the last four years most credit has been official. If the market is allowed to operate, it will handle matters. Only a Presidential initiative will work—a summit or other—to use this period of Soviet weakness to get our efforts coordinated.

We need to coordinate our objectives. What do we mean by disciplined restraints? We need to develop a coherent understanding of the purpose of sanctions.

What do we have to offer down the road in the way of economic cooperation? We have not addressed the question of differentiation. We have not addressed the question of what to do if the allies do not accept a coordinated approach.

Shultz: The Soviets need us a lot more than we need them. Nevertheless, they use these tools much more effectively than we do. Ours is technological, theirs is not. We sell our stuff on concessional terms. (He makes the point again of private vs. public lending to Poland.) If government-supported credits could be curtailed, there would be very little flow. We must have a long-term approach—a sustained effort. Curtailing of official credit.

Wriston: It's a question of what to get the Europeans to *stop* doing. We need to turn the market back to market forces.

Rockefeller: (He reported on Trilateral Commission meeting on East-West economic relations.)³ We must have cooperation. It must be at a high level. Credit area is the greatest area of potential cooperation. The pipeline is a foregone conclusion.⁴ If we go along, we might get something from them.

The President: The allies are unwilling to go along with sanctions. (He uses the pipelayer example.) Have we failed to bring out to them that the concept is temporary to persuade them to come back to the "real world"? No one is out to attack them. We've been more successful in the credit line.

Kissinger: A reduction in arms would make the Soviets more creditworthy.

The President: They could turn their economy around.

Shultz: Their system causes the failure of agriculture.

The President: Here the situation is the opposite—high productivity, low price. We will all look at these papers with great interest.

³ The Trilateral Commission—established in 1973 and comprised of leaders from the private sector in Japan, Europe, and North America—met in plenary session in Tokyo April 4–6. For a summary of the meeting, see Francois Sauzey, ed., *Dialogue 29*, Spring 1982, pp. 3–6.

⁴ See footnote 17, Document 53.

93. Memorandum From Dennis Blair of the National Security Council Staff to the President's Assistant for National Security Affairs (Clark)¹

Washington, April 19, 1982

SUBJECT

Strategy for Building Democracy in Communist and Non-Communist Countries

Al Haig earlier sent you a memorandum (Tab II)² proposing the idea of a bipartisan, government/private institute to work openly to build democratic institutions in countries that do not now have them. You sent the idea to the President, who asked for more study.³

State's response is at Tab A.⁴ The concept now is for the President in his June 6 London speech to announce a bipartisan study to make specific recommendations on structure and organization of the institute. The basic idea is to give the United States an additional foreign policy instrument for dealing with authoritarian regimes. For right-wing dictatorships we currently have no choice besides propping them up until they fall, and then watching helplessly while left-wing replacements take over; for communist and other left-wing governments we are long on rhetoric and provide limited covert assistance to opponents. We need a way to operate openly in support of moderates who are trying to build the structure of democracy—political parties, trade unions, media, etc.

The NSC staff is split in its recommendations on this idea: Rentschler, Shoemaker, Meyer and Childress and I are in favor. Bailey thinks the concept deeply flawed (his views at Tab III).⁵ Stearman and

¹ Source: Reagan Library, European and Soviet Affairs Directorate, NSC Records, Subject File, Democracy (Democratization of Communist Countries) (1 of 5). Confidential. Sent for action. A stamped notation in the top right-hand corner of the memorandum reads: "SIGNED."

² Not attached. For Haig's March 8 memorandum to the President, see Document 84.

³ Not attached. See footnote 3, Document 87.

⁴ Not attached. The April 13 memorandum from Bremer to Clark is the Department's response to Clark's April 2 memorandum to Haig (see Document 89). The memorandum is in the Reagan Library, European and Soviet Affairs Directorate, NSC Records, Subject File, Democracy (Democratization of Communist Countries) (1 of 5).

⁵ Not attached. In an April 14 memorandum to Blair, Bailey characterized the Department memorandum (see footnote 2, above) as "entirely unsatisfactory" as it ignored democracy building in communist countries, included "suggestions as to maintaining the myth of independence from the government," that were "ludicrous" and "dangerous," and failed to answer the question as to how "labor leaders, journalists and others from friendly dictatorships" would be trained without damaging our relationships with those dictatorships." He concluded, "I reiterate my belief that the idea should be classified with perpetual motion and anti-gravity devices." (Reagan Library, European and Soviet Affairs Directorate, NSC Records, Subject File, Democracy (Democratization of Communist Countries) (1 of 5))

Lord think the concept is appealing, but impossible to implement: the body will be “tainted” as an arm of the U.S. government, yet the government will not have complete control.

Other officials are enthusiastic about the idea—in addition to Haig, Bill Casey likes it as does Bill Brock and Chuck Manatt of the Democratic National Committee. Irving Brown, International Director of the AFL/CIO, is enthusiastic. I think the concept is worth a try—especially as a study.⁶ It would provide a good initiative for the President’s London speech, which is devoted to the future of democracy, and will spark further ideas on how to build democracies.

Recommendation:

OK NO

_____ _____ That you sign the memo for the President at Tab I.⁷

⁶ Clark circled the word “study.”

⁷ Clark wrote below the “OK” option: “as modified.” Tab I was not attached. For the final version of Clark’s memorandum to the President, see Document 98.

94. Paper Prepared by Steven Sestanovich of the Policy Planning Staff¹

Washington, April 21, 1982

REPORT CARD DISCUSSION

I. Assessments of Reagan Administration foreign policy performance must reflect *weak U.S. hand*: stagnant economy, reviving Vietnam syndrome and priority of domestic issues, disorderly alliance relations, momentum of local/regional events, etc. Conclusion: *Significant imbalance between U.S. interests and power* to defend them.

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons PW 4/21–30/82. No classification marking. Drafted by Sestanovich. A notation in an unknown hand, presumably Kaplan’s, in the top right-hand corner of the memorandum reads: “to: P. Wolfowitz, fm: Steve Sestanovich, 4/21/82, w/copies to JR [James Rowe], NT [Nathan Tarcov].”

II. Difficulties evident in five major tasks of our foreign policy.

1. *Management of strategic relationships*

Examples: Euro-allies, China

2. *Consolidating new relationships in unstable areas*

Examples: Pakistan, Saudi Arabia

3. *Resolving most dangerous regional conflicts*

Examples: Namibia, El Salvador

4. *Exploiting exposed Soviet positions*

Examples: Poland, Afghanistan

5. *Managing public attitudes*

Example: arms control

III. *Operational principles.* To deal with above problems, U.S. policy must balance conflicting imperatives: short vs. long term, limiting damage vs. incurring costs and risks.

For example, four simple principles:

A. *Stay out of trouble in the short term:* shore up major weak positions, avoid creating new problems.

B. *Begin long-term efforts to strengthen and extend U.S. positions and capabilities.*

C. *Seize opportunities as they open up,* respond to emergencies.

D. *Attach high priority to secure fall-back positions.*

NB: A and D emphasize damage-limitation; B and C incur costs.

IV. *Of above principles, A and C appear to dominate present foreign policy.* Even though the one principle limits damage and the other accepts costs so as to make gains, this is a potentially disastrous combination, for they do not make up for each other's inadequacies.

—*A is a sustainable policy only if supported by B.* Unless the long-term position of the US is improving by itself, policies are needed that accept the cost of achieving improvement. Without this, C may only expose weakness.

—*C is a safe policy only if supported by D.* Falling back on A, without attention to secure fall-back positions, may only make A less successful.

V. How have these guidelines (of sections III and IV) been applied to tasks of section II?

1. *Managing strategic relationships*

—Euro-allies: High-priority damage-limitation very successful, but less success at turning corner to B. As a result, Euro-cooperation on C remains tense, uncertain.

—China: No success with A; new problems *have* arisen, making B more remote and D more important. Fall-back positions, however, have been understood by us chiefly as involving avoidance of blame, not as strengthening U.S. ability to sustain more distant relationship.

2. *New relationships in unstable areas*

—Saudi Arabia: Despite initial hopes, expectation that relationship could *move from A to B not realized*, despite costs to U.S. of AWACS affair: a legitimate decision not to press² harder, *but to date no fall-back position/replacement* for S.A. a centerpiece of U.S. regional security policy.

—Pakistan: Weak position successfully bolstered, with careful balance of A and B, and readiness to accept costs (both in muscling GOP and countering domestic attitudes). Long-term relationship/commitment undefined, vulnerable to nuclear issue. No exploration of Indian possibilities.

3. *Regional conflicts*

—El Salvador: C without D—opportunity seized, *without fall-back positions*, perhaps from over-confidence. Damage done to management of public attitudes by showing Viet syndrome strong.

—Namibia: To date, *successful pursuit of B at expense of A*: acceptance of short-term costs (identification with South Africa) for improved longer-term position. Close attention to fall-back position, but only so as to avoid blame for failure. (Stronger fall-back, enabling us to affect events, may not be possible.)

4. *Exploiting exposed Soviet positions*

—Poland: Martial law seen as major opportunity, but soon became apparent can't follow principle C if alliance management policy is governed by A. Thus, *early retreat to long-term B*: try to reform East-West economic relations at the margin; sensible, but failure to see very far down the road at outset of crisis. Damage done by steps that couldn't be sustained.

² An unknown hand inserted "to" between "not" and "press."

—Afghanistan: An opportunity to be seized, but not fully exploited, perhaps from fear of creating new problems. If so, a major sacrifice of B for A. Low level assistance does not reflect high stakes: major Soviet defeat could turn back broader Soviet offensive. Longer-term perspective (B) would mean increased aid, but this requires in turn attention to fall-back (D).

5. *Public attitudes*

—Arms control: Plausible case for A alone, while allowing military spending to strengthen B and exploiting public relations potential (C). But nuclear debate shows fall-back position may be weak. Priority to propaganda use may be at expense of real agreement, at least during this Administration.

VI. Summary and Conclusion

—Performance shortfalls seem to involve pattern of overemphasis on A and C.

—Implications for S/P: attention needed for how to turn the corner from A to B, how to improve fall-back positions.

95. **Memorandum From William Stearman of the National Security Council Staff to the President's Assistant for National Security Affairs (Clark)**¹

Washington, April 21, 1982

SUBJECT

Observations on a US-Soviet Summit

Brezhnev wants a real summit in Europe (instead of a handshake in New York) in order to promote the current Soviet peace campaign and slow down US and NATO defense improvements. For this and additional reasons described below, I do not believe that a summit this year would serve U.S. interests; however, if the President wants to avoid

¹ Source: Reagan Library, European and Soviet Affairs Directorate, NSC Records, Subject File, Shultz, George P. Secretary of State; NLR-170-13-34-13-7. Confidential. Sent for information. A copy of the first page of this memorandum elsewhere in the same file bears a stamped notation that reads: "Noted."

taking a negative position on a summit, he might follow President Eisenhower's example and put a price tag on it. (C)

Beginning in 1953, Churchill pushed for a summit with the new post-Stalin Soviet leaders.² Eisenhower indicated that he would agree to a summit if the Soviets would: sign a German Peace Treaty or an Austrian State Treaty or contribute to real arms control progress. The Soviets agreed to the Austrian Treaty, which was signed in May 1955,³ and a summit was held in Geneva that July.⁴ The resulting "Spirit of Geneva" detente atmosphere was slowly eroding NATO's strength and cohesion when this detente was ended by the 1956 Hungarian Revolution.⁵ (It should be noted that the foreign ministers conference, which followed up on the Geneva summit, produced no real results, but this fact was overshadowed by the prevailing post-summit euphoria.) (C)

The record of US-Soviet summit meetings would indicate that they should be avoided altogether. In terms of U.S. interests, these summits have ranged from being unnecessary to disastrous—with the sole exception of Camp David 1959⁶ which postponed Soviet action on Berlin until U-2 coverage revealed there was no "missile gap," which fact strengthened our negotiating position. In addition to providing the Soviets an ideal propaganda platform and promoting their "super power" image, summits present other intrinsic problems. (U)

At best, summits permit only a superficial exchange of views on complex and potentially dangerous issues. There is little actual time for discussion, and this is halved by the interpreters. US-Soviet summits engage two men with vastly different backgrounds, mentalities and objectives. (I am only being half facetious when I say that any American President should have had extensive dealings with Mafiosi in order to really be prepared for encounters with Soviet leaders.) Thus, summits can hardly result in any real meeting of minds and can easily lead to serious and even dangerous misunderstandings and miscalculations. For example, I have long been convinced that the 1961 Kennedy-Khrushchev

²In an undated memorandum to the President, Clark noted the pressure Eisenhower faced, writing: "In his memoirs, Eisenhower tells why he resisted these pressures. He reviews the disappointing experiences of Woodrow Wilson and Franklin Roosevelt with summit meetings and says: 'I was . . . not willing to meet with Communist leaders unless there was some likelihood that the confrontation would produce results acceptable to the peoples of the West.'" (Ibid.)

³See footnote 12, Document 8.

⁴See *Foreign Relations, 1955–1957*, vol. V, Austrian State Treaty; Summit and Foreign Ministers Meetings, 1955, Documents 180–250.

⁵October 23–November 10, 1956.

⁶Khrushchev visited the United States September 15–27, 1959. On September 26 and 27, Khrushchev met with Eisenhower and other U.S. officials at Camp David. Documentation is in *Foreign Relations, 1958–1960*, vol. X, Part 1, Eastern Europe Region; Soviet Union; Cyprus, Documents 108, 129–135.

Vienna summit (in which I was involved)⁷ was responsible for both the Berlin Wall and the 1962 Cuban missile crisis. (C)

Since U.S. recognition of the USSR in 1933, all previous U.S. Presidents have met with Soviet leaders (bilaterally beginning with Camp David). It is, therefore, unrealistic to expect President Reagan to avoid summitry altogether. He is bound to come under increasing pressure to have a summit. He can, however, follow Eisenhower's example and demand of the Soviets some price of admission, some earnest of their good intentions, such as: acceptance of our "zero option" proposal⁸ withdrawal from Afghanistan or ending martial law in Poland. (C)

Richard Pipes concurs in views expressed above.

⁷ June 3–4, 1961. The memoranda of conversation between Kennedy and Khrushchev in Vienna are printed in *Foreign Relations, 1961–1963*, vol. V, Soviet Union, Documents 87–89.

⁸ See Document 69 and footnote 8 thereto.

96. Memorandum From the President's Assistant for National Security Affairs (Clark) to the Counselor to the President (Meese), the White House Chief of Staff and Assistant to the President (Baker), and the Deputy White House Chief of Staff and Assistant to the President (Deaver)¹

Washington, April 22, 1982

SUBJECT

Policy Offensive on Arms Control and the Anti-Nuclear Movement

The movement to educate Americans on the effect of nuclear weapons is gaining momentum, and this week enters a crucial phase.² Ground Zero activities are pictured as educational by its national

¹ Source: Reagan Library, David Gergen Files, Subject File, Nuclear [Freeze] (1 of 8). No classification marking. A stamped notation in the top left-hand corner of the memorandum reads: "URGENT." A copy was sent to Gergen.

² Clark's reference is to Ground Zero Week, April 18–25. Molander, a former NSC staff member during the Ford and Carter administrations and current Executive Director of a non-partisan nuclear war education project known as "Ground Zero," and others worked to organize the event, which consisted of a variety of seminars and other activities taking place in cities and on university campuses throughout the United States. (Robert G. Kaiser, "Movement Against Nuclear Arms Is Mushrooming," *Washington Post*, April 11, 1982, pp. A1, A4, and Judith Miller, "New Look at Stopping Nuclear War," *New York Times*, April 17, 1982, p. 8)

organizers, who claim to want to arouse the citizenry rather than propose specific solutions, such as a nuclear freeze. But under the Ground Zero umbrella are a variety of policy proposals that would be detrimental to the United States. The next phase for the movement could be toward promotion of policy solutions, as its leaders try to keep up momentum. In any event, Ground Zero educational activities leave the movement open for exploitation by others of all stripes.

Our effort should be directed toward convincing Americans whose anxieties are heightened by this movement that *our* policy solutions best meet their desire that the United States do something to lessen the prospect of a nuclear holocaust. The time for us to do something is now, and I agree with Dave Gergen that the communications effort must be pulled together by the NSC and White House.

We have begun. I will personally chair an interagency meeting, probably this week, with a specific agenda to deal with the issues.³ I have no illusions about solving our problem by asking the bureaucracy to produce fact sheets on a lot of esoteric issues. That's just the kind of activity that could give everyone a feeling of accomplishment, while actually not moving the ball an inch. My purpose is to sensitize all departments to our concern about the direction of public and international opinion on arms control, and to emphasize our desire to take the lead in the policy solution phase of the movement's activities. I want to involve all departments in a coordinated strategy, bringing their talents to bear on specific aspects of the problem.

In no way do I wish to foster a "we/they" syndrome, wherein we become antagonists with Roger Molander of Ground Zero, or Billy Graham,⁴ or 40 Catholic Bishops,⁵ or the Mayor of Pella, Iowa.⁶ The

³ In an April 26 memorandum to Haig, Weinberger, Rostow, and Wick, Clark indicated that an interagency meeting would take place on April 28. Attached to Clark's memorandum are a meeting agenda and an undated paper entitled "Fact Sheets and Q's and A's." (Reagan Library, David Gergen Files, Subject File, Nuclear [Freeze] (1 of 8))

⁴ Graham had announced that he would address an international disarmament conference in Moscow in May; see Kenneth A. Briggs, "Growing Role for Churches in Disarmament Drive," *New York Times*, April 10, 1982, p. 3.

⁵ Presumably reference to Pax Christi, a Catholic peace organization whose members included approximately 40–50 bishops.

⁶ In an April 16 article, *Wall Street Journal* reporter John J. Fialka described the planning for Ground Zero week in Pella, noting that "after a year of organizing effort" Ground Zero was "about to hit the streets in an attempt to reach the nonactivists. More specifically, on Sunday [April 18] it will hit the town square here when a small group of people, including Mayor C.B. 'Babe' Caldwell, will erect a large sign near Tulip Tower, an imposing red, white and blue structure that is normally used for Tulip Time, Pella's springtime festival of flowers and Dutch folk activity. The sign will say: 'If This Were Ground Zero, a One Megaton Nuclear Explosion Would Totally Destroy Virtually Everything Within Two Miles of This Spot—Instantly.'" (John H. Fialka, "Ground Zero: Town of Pella, Iowa, Talks of Little Other Than Nuclear Attack: Group Favoring Arms Freeze Stresses Atomic Horrors, But Some Ears Are Deaf: Refugees From Des Moines?" *Wall Street Journal*, April 16, 1982, pp. 1, 22)

broad public is being awakened to the problem specialists in and out of government have dealt with for years: they are scared to death at the prospect of nuclear war.⁷ We should welcome the public's concern about this issue, as it parallels our own. But we must convince the public that *our* policies are best for dealing with their newfound concerns: that unilateral disarmament by the United States would only endanger us more; that progress can be made only when the Soviets (where is *their* anti-nuclear movement, we should ask) respond to our fears about the growth of their conventional and nuclear armaments. We should go beyond a static restatement of our policy to generate real enthusiasm for new initiatives as we unfold them, especially our proposals for START. Clearly, as Dave Gergen says, we should emphasize the President's role as a peacemaker, but we must not let the Russians off the hook. We must also focus on concrete policy and new initiatives; otherwise, our "peace offensive" will be met with cynicism, both at home and abroad.

A strategy for the next six months could include these activities:

a) *Immediate efforts to enhance communication of the President's philosophy on arms control.* The radio talk Saturday was a beautiful step in the right direction—perfectly timed to present the President's views at the beginning of Ground Zero week, rather than in reaction to it.⁸ We should hammer his theme in the immediate future, as in Gene Rostow's speech at the National Press Club (Monday, April 19),⁹ in network television opportunities involving Administration spokesmen and friends, and in Senate testimony on the Jackson/Warner Amendment later this month.¹⁰ This will mean passing the word to our own people and briefing outside organizations and individuals on a priority basis, one of the things I will stress at our initial interagency

⁷ An unknown hand placed a checkmark in the left-hand margin next to this sentence.

⁸ The President delivered his weekly radio address from Camp David on April 17 at 12:06 p.m. In it, he stated: "Today, I know there are a great many people who are pointing to the unimaginable horror of nuclear war. I welcome that concern. Those who've governed America throughout the nuclear age and we who govern it today have had to recognize that a nuclear war cannot be won and must never be fought. So, to those who protest against nuclear war, I can only say, 'I'm with you.' Like my predecessors, it is now my responsibility to do my utmost to prevent such a war. No one feels more than I the need for peace." (*Public Papers: Reagan, 1982*, Book I, p. 487)

⁹ According to the *New York Times*, Rostow's speech "was quietly cancelled" due to low reservation numbers: "The cancellation prompted agency aides to call reporters Friday [April 16] with quotes from the speech Mr. Rostow would have given, which was critical of proposals for a nuclear arms freeze." (Francis X. Clines and Warren Weaver Jr., "Washington Talk: Briefing," *New York Times*, April 20, 1982, p. A22)

¹⁰ Senate Joint Res. 177, which Jackson and Warner introduced on March 30, called for a long-term, rather than immediate, nuclear freeze. For the text, see *Nuclear Arms Reduction Proposals: Hearings Before the Committee on Foreign Relations, United States Senate, Ninety-Seventh Congress, Second Session on S.J. Res. 163, 171, 177, 191; S. Res. 242, 323, 343, 370, 391; S. Ex. Res. 5, 6; and S. Con. Res. 81, April 29, 30, May 11, 12, and 13, 1982* (Washington: Government Printing Office, 1982), pp. 8–10.

meeting.¹¹ The themes must be kept basic. Any cabinet member or political official may expect to receive questions in public on this issue; while we do not want every appointee to become our spokesman, each senior official should know how to handle the issue when it comes up.¹² More important, we urgently need a small, but readily available, stable of articulate people who can address the issue and guide the public to support our policy solutions. We should identify these people, and promptly formalize a system for providing our spokesmen on request—or better yet, on our own initiative—for public speeches, television appearances, editorial board conferences, media interviews, and group meetings.

b) *Communications with the activists.* The fact that the activists have our attention should be kept secret. We want to demonstrate that we, too, are activists—seeking resolution to the same concerns. As we organize to deal with the problem more coherently, we should make it known without fanfare that we are doing so, rather than have the media leap on the inevitable leak to portray us as secretive and defensive. Also, I see no reason to rule out high-level meetings soon with people like the Physicians for Social Responsibility group, Molander, Billy Graham, or Senator Jackson—meetings designed to show the public that we are paying attention to the national message of concern, and that we have the best program to deal with those concerns.¹³ These meetings could hint at new initiatives and solicit views and recommendations. Even if the meetings do not reassure or convert the participants, they should at least help reassure the concerned public as to our good faith and reasonableness. (I am not suggesting meetings with those who are intent on political exploitation of the issue and would gain more from the exposure than would we. Questions of who to meet with, where, when, who should represent us, etc., need careful examination, but with dispatch.)

c) *Address the arms control issue in the President's foreign policy speech in May and again on television prior to the European trip.* The President should restate his policy as a major, but not central, part of his overall foreign policy speech, foreshadowing a new initiative in connection with START. Then, in line with Dave Gergen's suggestion, he should go on prime time to present his arms control proposals and propose a date for START.¹⁴ This appearance should come as soon as feasible after

¹¹ An unknown hand placed a checkmark in the left-hand margin next to this sentence.

¹² An unknown hand placed a checkmark in the left-hand margin next to this sentence.

¹³ An unknown hand placed a checkmark in the left-hand margin next to this sentence.

¹⁴ An unknown hand placed a vertical line in the left-hand margin next to this and the previous two sentences and placed a checkmark to the left of the line. It is unclear if Clark's reference to the "foreign policy speech" is to the President's May 9 Eureka College commencement address, printed as Document 99.

the foreign policy speech, and should be designed to capture the initiative by its boldness, to give the President genuine national (and perhaps bipartisan) foreign policy support as he goes to Europe. *The television talk and our associated efforts could be the key to gaining public support from June to November.* The talk should be accompanied by an all-out communications and policy coordination effort.¹⁵ The logic in doing this before Europe and before his UN speech seems overwhelming to me; but so is the task of agreeing on policy proposals, coordinating with allies overseas and here, and undertaking the communications effort in the relatively short time left.¹⁶ Needless to say, the reaction of the Soviets, other countries, and our public to the President's presentation will be factors in deciding how to proceed during the European trip and at the UN. The point is that we must go on the offensive and stay on the offensive, rather than waiting and reacting—a situation likely to give the Soviets and anti-government forces in this country the upper hand.

Getting the job done:

This strategy calls for a special organizational approach. Ideally, one individual—a Special Advisor reporting directly to the President and working closely with the National Security Advisor—should manage this issue as a sole responsibility. He or she should establish a senior-level steering committee of principal members of the White House staff and Deputies in other key departments. This Special Advisor should keep policy issues moving, orchestrate our actions, take over and push the communications effort I have initiated, act as principal articulator of policy in public appearances, and develop and lead a team of spokesmen. There are drawbacks to this approach: we'd need an individual with the abilities and stature of a Henry Kissinger to make it work best; staffing and obtaining cooperation from all departments could be problems. However, the management advantages are obvious: there would be full time top-level attention to the problem; Presidential involvement and control would be insured. Public affairs benefits would also accrue—we would have a competent and authoritative spokesman and team leader; we'd be giving evidence of the serious attention the Administration is placing on the issue. Another obvious advantage: the Special Advisor assignment would not last forever. It would stop, at latest, with START.

The alternative to a Special Advisor is for the President to designate someone with functional responsibility—the Vice President, Secretary of State, National Security Advisor, or Director of ACDA—to take the lead

¹⁵ An unknown hand placed a checkmark in the left-hand margin next to this sentence and the first clause of the following sentence.

¹⁶ Reagan was scheduled to address the UN Special Session on Disarmament on June 17; his address is printed as Document 106.

and devote the major part of his time and effort to the project. That route presents many opportunities for failure.

In conclusion, what I have outlined is a proposed grand strategy to deal with what may be the most important national security opportunity and challenge of this Administration. With some hard work, it can be done. Success in the next six months is well within our grasp. There is no need for panic, only for planning and action. We should be fully in agreement on this strategy before proceeding. Could we talk about it briefly at everyone's earliest convenience.

97. Information Memorandum From the Director of the Policy Planning Staff (Wolfowitz) to the Under Secretary of State for Political Affairs (Eagleburger)¹

Washington, April 22, 1982

SUBJECT

US Policy Toward the Third World

A Conceptual Overview of the Third World: Diversity and Complexity

Conventional stereotypes about the Third World fail to recognize the fundamental diversity and complexity that characterize the nations usually so described. It is misleading to conceive of the Third World as a single entity for it includes not only the poorest nations of the world in which starvation and disease are still the most pressing problems, but also nations like Singapore that have worked miracles of economic growth through free market policies, sparsely populated oil-producing countries that have acquired enormous wealth through the OPEC cartel, and major potential economic powers like Brazil.

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons PW 4/21-30/82. Confidential. Drafted by Tarcov, Keyes, Feldstein, Kaplan, and Thornton on April 23; cleared by Benedick, Pratt, Levitsky, Michalopoulos, Graner, George Brown, McMullen, Wilcox, and Dodd, and in substance by Miles and Wolf. Alex Wolff initialed for all clearing officials. The memorandum is backdated. Also scheduled for publication in *Foreign Relations*, 1981-1988, vol. XXXVIII, International Economic Development; International Debt; Foreign Assistance. Wolfowitz sent the memorandum to Eagleburger under an April 23 covering note, writing: "Attached is the paper that you requested on U.S. policy toward the Third World. This whole exercise has brought home the need for a more fundamental look at this issue." (Ibid.) An April 16 draft is *ibid.*

The common identity provided by anti-colonialism still feeds on powerful currents of national pride and historic resentment but it increasingly is overshadowed by economic, ideological, religious and other differences. And it should be increasingly clear that the common desire for development and growth is best satisfied neither by autarchy nor a new dependence on redistribution and restriction, but by increased participation in a dynamic international economy.

The conventional concept of North-South relations focuses too narrowly on *economic* problems. We must also recognize the need for *political* development in nations whose weak governmental institutions leave them prey to subversion, unable to accommodate legitimate opposition, even willing to accept external intervention or to embark on external aggression.

Nor, finally, can we ignore the imperatives of *peace and security*. Many of the developing nations face endemic internal and international violence, fueled from many sources—ethnic, religious, economic, ideological, and territorial. This violence threatens all aspirations for economic and political development. It is made even more dangerous by the possibility of additional states acquiring nuclear weapons. And the potential it affords for Soviet exploitation constitutes one of the most serious long-term threats to US and Western security.

US Interests and Objectives

Rejections of conventional stereotypes about North-South relations must not lead us to lose sight of the huge stake that the US has—economic, political, strategic and moral—in the progress of the developing world. Early in this Administration, Secretary Haig announced that promoting peaceful progress in the developing world is one of the four pillars of our foreign policy.²

The US and even more so our industrialized European and Japanese allies have become increasingly dependent on Third World products and markets. Dependency has given way to interdependence as the flows of commodities, manufactured goods, and capital increase in *both* directions. Protectionism now threatens the interests of all sides.

Frustrated aspirations for development lend instability to many new states and international economic disarray heightens the problem. The results open opportunities for encroachments by the Soviet Union and its radical allies in key strategic areas of the developing world which threaten vital US and Western interests. These threats have involved the West in morally ambiguous interventions not easily explained or understood in open societies. By encouraging a logic of violence in the Third World, the Soviets hope to exploit the resulting moral confusion

² For a representative example, see Document 50.

in the West and to involve us in situations where military hardware and the techniques of repression count for more than diplomatic sophistication and economic development.

The complex and diverse problems of the developing world present not only serious threats but also historic opportunities for the West. As developing nations move beyond the bitter experience of colonialism, they are increasingly likely to reconsider the market-oriented economic models that traditionally have spurred Western growth. They will also look to the West for the aid, trade, capital, training, and technology needed for development. Many are increasingly inclined to accept Western help in negotiating peaceful solutions to their conflicts. They may come to see that Soviet assistance and the socialist model are neither a panacea for underdevelopment nor a spur to political legitimacy or regional security. And they should recognize that the US shows far more respect for the genuine non-alignment that inspired the NAM and for the North-South dialogue proposed by the G77 than does the Soviet Union. US policy must seek to grasp the opportunities that would be lost by a rigid adherence to either North-South or East-West clichés.

A US policy that reflects the diversity and complexity of the developing world cannot be guided by a single goal or rely on a single instrument. Our efforts to promote peaceful progress and to protect Western interests in the developing world require mutually supporting efforts to: (1) foster *economic development*, (2) support *democratic political evolution*, (3) *resolve or dampen conflicts*, and (4) *address threats to security*.

Basic Policy Approaches

The foregoing analysis suggests the broad strategic objective of US policy toward the Third World—to transform the ground of superpower competition from the logic of violence to the more favorable ground of development.

A. Countering the Logic of Violence

Reagan Administration foreign policy seeks to prevent the logic of violence from perverting Third World aspirations for independence and development. We do this by pursuing both peace and security, by addressing both the indigenous causes of violence and Soviet attempts to exploit them.

1. We pursue *peace* through structured processes for negotiation and compromise, for example, in the Middle East (Camp David, Habib's ceasefire) and Namibia (Western Contact Group).

2. We bolster *security* against those who attempt to impose violent solutions by

—Supporting international peacekeeping forces (e.g., UN in Lebanon, Cyprus, and Golan Heights, MFO in Sinai, OAU force in Chad).

—strengthening our own military capabilities through our own and NATO rearmament efforts.

—developing the RDF and insuring access to facilities in Kenya, Oman, Somalia, and other countries.

—bolstering the capabilities of threatened Third World states to defend themselves through US and allied security assistance.

—pressing for the withdrawal of Soviet forces from Afghanistan and Vietnamese forces from Kampuchea and the restoration of Afghan and Kampuchean independence.

—acting to counter Soviet proxies and allies such as Cuba, Nicaragua, Ethiopia, Libya, South Yemen and Vietnam and supporting countries threatened by them.

—devising pragmatic nuclear non-proliferation policies to deny weapons to dangerous states (Libya) and reduce the incentive for their acquisition by threatened states (Pakistan).

Countering Soviet intervention in the Third World also helps to promote a more constructive US-Soviet relationship based on restraint, reciprocity, and respect for the independence of others. By settling conflicts and enhancing regional security, we create conditions that prevent Soviet intervention and US-Soviet confrontation.

Peace and security are mutually reinforcing goals: making our friends more secure often makes them more able and willing to take risks for peace and settle their disputes; settling disputes among our friends often makes them more able and willing to cooperate for our common security. At the same time peace and security provide the best environment for economic development and democratic political evolution.

B. Promoting the Logic of Economic and Political Development

The positive objective of our policy is to demonstrate that the West, despite the colonial past, is the best partner in promoting development.

1. Economic development

—At Cancun the President reaffirmed the American interest in and commitment to economic growth in the developing world.

—In following up Cancun, we try to avoid fruitless “North-South” polemics and to ensure that any “global negotiations” protect the integrity of existing international financial institutions.

—We maintain the US commitment to bilateral (\$6.3 billion in FY83) and multilateral (\$1.8 billion) economic assistance, but restructuring it to focus on areas that are most important to our interests, to maximize the effectiveness of free enterprise, and to encourage LDC

policies conducive to growth. Early emphasis on Jamaica (\$112 million) and the CBI (\$660 million) exemplify our approach.³

—We promote trade, private investment, and reliance on free markets, which together with US programs for technology transfer, institution building, and training are indispensable keys to economic growth without which aid alone is ineffective.

—We place emphasis on agriculture, focus concessional assistance on poorer LDCs, and maintain assistance to voluntary family planning programs where appropriate. In many countries, unprecedented population growth, resulting in a doubling of population in two–three decades, has implications for both political and economic stability.

—Our assistance is closely integrated with our other objectives: supporting democratic development (El Salvador—\$226 million), promoting peaceful settlements (Egypt—[illegible] billion and Israel—\$2.5 billion; Zimbabwe—\$78 million); bolstering security against Soviet or proxy threats (Pakistan—\$532 million; Tunisia—\$154 million; Somalia—\$9 million; Sudan—\$230 million).

—We remain faithful to traditional American humanitarian objectives (largest donor to African, Afghan refugees—\$419 million for migration and refugee assistance).

—The result of our reshaped approach and of the President's personal commitment was the first passage of a foreign assistance bill by Congress in three years.⁴

2. *Democratic evolution*

—We have adopted a pragmatic human rights policy aimed at producing results, preferably through traditional diplomacy that emphasizes respect for human rights as a foundation for political cohesion and for better relations with the US.

—In El Salvador we have supported free elections and efforts to curb human rights abuses.

—The Caribbean Basin Initiative is designed partly to encourage and protect promising democratic institutions in Jamaica, Costa Rica, Honduras and elsewhere in the Caribbean and Central America.

—In Liberia we are assisting efforts to return to civilian rule.

³ See Document 82. The administration transmitted the proposed Caribbean Basin Initiative legislation to Congress on March 17. For the President's remarks upon signing a message to Congress submitting the legislation and the text of his message, see *Public Papers: Reagan, 1982*, Book I, pp. 312–317.

⁴ See footnote 3, Document 77.

C. Fostering Allied and Regional Cooperation

In seeking to counter the logic of violence and promote the logic of development we cooperate with our allies and with regional groups and powers.

—In the CBI, we cooperate with Canada, Mexico, Venezuela and Colombia, as well as the other nations of the Caribbean region.

—We work with the Central American Democratic Community to promote economic development, democracy, and security.

—We work with ASEAN on Kampuchea, the OAS on Central America, and the OAU'S peacekeeping force in Chad.

—We seek to build our strategic association with China while maintaining the security of all our traditional friends in Asia.

—We encourage prosperous friends to provide needed assistance such as Japan to Egypt and Pakistan or Saudi Arabia to Sudan.

98. Memorandum From the President's Assistant for National Security Affairs (Clark) to President Reagan¹

Washington, April 27, 1982

SUBJECT

Strategy for Building Democracy in Communist and Non-Communist Countries

Issue: Should you approve Al Haig's idea of a study on building democracy in other countries?

Facts: Al earlier sent you a memorandum on his idea for establishing a government/private body to work openly building democratic institutions in other countries.² You were interested in the proposal, but wanted some more thinking done on it before you approved.

¹ Source: Reagan Library, European and Soviet Affairs Directorate, NSC Records, Subject File, Democracy (Democratization of Communist Countries) (1 of 5); NLR-170-8-44-8-8. Confidential. Sent for action. Copies were sent to Bush, Meese, and James Baker. Darman initialed the top right-hand corner of the memorandum. Blair sent Clark a draft of the memorandum to the President under an April 19 covering memorandum; see Document 93.

² Not attached. For Haig's March 8 memorandum to the President, see Document 84.

Discussion: Attached is a follow-up memorandum from State explaining the idea more fully.³ The concept is a government/private group which would provide training to potential leaders in non-democratic countries—both non-communist and communist—in building the elements of the democratic process: media, trade unions, political parties, etc. This body would not only provide practical and theoretical training here in the United States for those leaders, but might also provide assistance when they returned to their countries. Right now our foreign policy tools in this area are limited to government to government aid, and covert activities. This institute would enable us to nurture democratic institutions but without being as susceptible to the vicissitudes of our bilateral relationships.

There are many more questions to be answered about this concept before it becomes reality. State therefore recommends that it be initially announced as a *concept* and *study* in your speech in London on June 6.⁴ It will be one of the new initiatives of this speech, whose overall theme will be the bright future of democracy. There is already enthusiasm for this idea in both Republican and Democratic national parties, within Congress and in organized labor. Once you approve the concept, State would do the necessary behind-the-scenes work to set the stage for your London speech.

Recommendation:

OK NO

_____ _____ That you approve the proposal by State for a study on a "Strategy for Building Democracy."⁵

³ Not attached at Tab A. Reference is to Bremer's April 13 memorandum to Clark; see footnote 4, Document 93.

⁴ For the President's address to members of the British Parliament on June 8, see Document 104.

⁵ The President initialed "RR" and placed a checkmark next to the "OK" recommendation. In a May 10 memorandum to Bremer, Wheeler indicated that the President had "approved the concept of such a study," adding: "He has not decided on the form of public announcement of this initiative, whether it will be in his speech to Parliament, or in some other fashion. The Department is therefore directed to form the study group and draw up terms of reference. A decision on the method of formally announcing the initiative is pending." (Reagan Library, European and Soviet Affairs Directorate, NSC Records, Subject File, Democracy (Democratization of Communist Countries) (1 of 5); NLR-170-8-44-6-0)

99. Address by President Reagan¹

Eureka, Illinois, May 9, 1982

Address at Commencement Exercises at Eureka College in Illinois

President Gilbert,² trustees, administration and faculty, students, and the friends of Eureka College, and particularly those whose day this is, the graduating class of '82:

Dan, you said the 25th and now the 50th. Do you mind if I try for the 75th?³

But it goes without saying that this is a very special day for you who are graduating. Would you forgive me if I say it's a very special day for me also? Over the years since I sat where you, the graduating class of 1982, are now sitting, I've returned to the campus many times, always with great pleasure and warm nostalgia. Now, it just isn't true that I only came back this time to clean out my gym locker. [Laughter]

On one of those occasions, as you've been told, I addressed a graduating class here, "'neath the elms," and was awarded an honorary degree. And at that time I informed those assembled that while I was grateful for the honor, it added to a feeling of guilt I'd been nursing for 25 years, because I always figured the first degree they gave me was honorary. [Laughter]

Now, if it's true that tradition is the glue holding civilization together, then Eureka has made its contribution to that effort. Yes, it is a small college in a small community. It's no impersonal, assembly-line diploma mill. As the years pass, if you have let yourselves absorb the spirit and tradition of this place, you'll find the 4 years you've spent here living in your memory as a rich and important part of your life.

¹Source: *Public Papers: Reagan, 1982*, Book I, pp. 580–586. All brackets are in the original. The President spoke at 3:23 p.m. in the Reagan Physical Education Center. The Department provided the text of talking points outlining the major themes of the President's address to all European diplomatic posts in telegram 127094, May 11. (Department of State, Central Foreign Policy File, Electronic Telegrams, D820245–0130) In his personal diary entry for May 9, the President wrote: "Left at 1:20 for Peoria. Helicoptered right to the Reagan field house at Eureka—donned robe and addressed the graduation gathering class of '82. Used the occasion to launch our START program for reducing nuclear weapons for Russia & U.S. It was well received. Helicoptered back to Peoria—met with Class of '32 reunion (my class). A big turnout considering only 37 remain alive out of 45. Then met with Scholarship Committee raising funds for program in my name." (Brinkley, ed., *The Reagan Diaries*, vol. I, January 1981–October 1985, p. 130)

²President of Eureka College Daniel Gilbert.

³The President was commemorating the 50th anniversary of his graduation from Eureka College. [Footnote is in the original.]

Oh, you'll have some regrets along with the happy memories. I let football and other extracurricular activities eat into my study time with the result that my grade average was closer to the C level required for eligibility than it was to straight A's. And even now I wonder what I might have accomplished if I'd studied harder. [*Laughter*]

Now, I know there are differences between the Eureka College of 1932 and the Eureka of 1982, but I'm also sure that in many ways—important ways—Eureka remains the same. For one thing, it's impossible for you now to believe what I've said about things being the same. We who preceded you understand that very well, because when we were here, we thought old grads who came back only after 5 years—not 50—couldn't understand what our life was like and what had taken place and changed. So, take my word for it. As the years go by, you'll be amazed at how fresh the memory of these years will remain in your minds, how easily you can relive the very emotions that you experienced.

The Class of '32 has no yearbook to record our final days on the campus. The Class of '33 didn't put out a Prism because of the hardships of that Great Depression era. The faculty sometimes went for months on end without pay. And yet this school made it possible for young men and women, myself included, to get an education even though we were totally without funds, our families destitute victims of the Depression. Yes, this place is deep in my heart. Everything that has been good in my life began here.

Graduation Day is called "Commencement," and properly so, because it is both a recognition of completion and a beginning. And I would like, seriously, to talk to you about this new phase—the society in which you're now going to take your place as full-time participants. You're no longer observers. You'll be called upon to make decisions and express your views on global events, because those events will affect your lives.

I've spoken of similarities, and the 1980's like the 1930's may be one of those—a crucial juncture in history that will determine the direction of the future.

In about a month I will meet in Europe with the leaders of nations who are our closest friends and allies. At Versailles, leaders of the industrial powers of the world will seek better ways to meet today's economic challenges. In Bonn, I will join my colleagues from the Atlantic Alliance nations to renew those ties which have been the foundation of Western, free-world defense for 37 years. There will also be meetings in Rome and London.

Now, these meetings are significant for a simple but very important reason: Our own nation's fate is directly linked to that of our sister democracies in Western Europe. The values for which America and all

democratic nations stand represent the culmination of Western culture. Andrei Sakharov, the distinguished Nobel Laureate and courageous Soviet human rights advocate, has written in a message smuggled to freedom, "I believe in Western man. I have faith in his mind which is practical and efficient and, at the same time, aspires to great goals. I have faith in his good intentions and in his decisiveness."⁴

This glorious tradition requires a partnership to preserve and protect it. Only as partners can we hope to achieve the goal of a peaceful community of nations. Only as partners can we defend the values of democracy and human dignity that we hold so dear.

There's a single, major issue in our partnership which will underlie the discussions that I will have with the European leaders: the future of Western relations with the Soviet Union. How should we deal with the Soviet Union in the years ahead? What framework should guide our conduct and our policies toward it? And what can we realistically expect from a world power of such deep fears, hostilities, and external ambitions?

I believe the unity of the West is the foundation for any successful relationship with the East. Without Western unity, we'll squander our energies in bickering while the Soviets continue as they please. With unity, we have the strength to moderate Soviet behavior. We've done so in the past, and we can do so again.

Our challenge is to establish a framework in which sound East-West relations will endure. I'm optimistic that we can build a more constructive relationship with the Soviet Union. To do so, however, we must understand the nature of the Soviet system and the lessons of the past.

The Soviet Union is a huge empire ruled by an elite that holds all power and all privilege, and they hold it tightly because, as we've seen in Poland, they fear what might happen if even the smallest amount of control slips from their grasp. They fear the infectiousness of even a little freedom, and because of this in many ways their system has failed. The Soviet empire is faltering because it is rigid—centralized control has destroyed incentives for innovation, efficiency, and individual achievement. Spiritually, there is a sense of malaise and resentment.

But in the midst of social and economic problems, the Soviet dictatorship has forged the largest armed force in the world. It has done so by preempting the human needs of its people, and, in the end, this course will undermine the foundations of the Soviet system. Harry Truman was right when he said of the Soviets that, "When you try to

⁴ The quotation is from Sakharov's May 4, 1980, letter sent from exile; see footnote 15, Document 8.

conquer other people or extend yourself over vast areas you cannot win in the long run.”

Yet Soviet aggressiveness has grown as Soviet military power has increased. To compensate, we must learn from the lessons of the past. When the West has stood unified and firm, the Soviet Union has taken heed. For 35 years Western Europe has lived free despite the shadow of Soviet military might. Through unity, you’ll remember from your modern history courses, the West secured the withdrawal of occupation forces from Austria and the recognition of its rights in Berlin.

Other Western policies have not been successful. East-West trade was expanded in hope of providing incentives for Soviet restraint, but the Soviets exploited the benefits of trade without moderating their behavior. Despite a decade of ambitious arms control efforts, the Soviet buildup continues. And despite its signature of the Helsinki agreements on human rights, the Soviet Union has not relaxed its hold on its own people or those of Western [Eastern]⁵ Europe.

During the 1970’s, some of us forgot the warning of President Kennedy, who said that the Soviets “have offered to trade us an apple for an orchard. We don’t do that in this country.”⁶ But we came perilously close to doing just that.

If East-West relations in the *détente* era in Europe have yielded disappointment, *détente* outside of Europe has yielded a severe disillusionment for those who expected a moderation of Soviet behavior. The Soviet Union continues to support Vietnam in its occupation of Kampuchea and its massive military presence in Laos. It is engaged in a war of aggression against Afghanistan. Soviet proxy forces have brought instability and conflict to Africa and Central America.

We are now approaching an extremely important phase in East-West relations as the current Soviet leadership is succeeded by a new generation. Both the current and the new Soviet leadership should realize aggressive policies will meet a firm Western response. On the other hand, a Soviet leadership devoted to improving its people’s lives, rather than expanding its armed conquests, will find a sympathetic partner in the West. The West will respond with expanded trade and other forms of cooperation. But all of this depends on Soviet actions. Standing in the Athenian marketplace 2,000 years ago, Demosthenes said, “What sane man would let another man’s words rather than his deeds proclaim who is at peace and who is at war with him?”

⁵ White House correction. [Footnote is in the original.]

⁶ Kennedy expressed this view during an October 6, 1961, meeting with Gromyko. The memorandum of conversation is printed in *Foreign Relations, 1961–1963*, vol. XIV, Berlin Crisis, 1961–1962, Document 170.

Peace is not the absence of conflict, but the ability to cope with conflict by peaceful means. I believe we can cope. I believe that the West can fashion a realistic, durable policy that will protect our interests and keep the peace, not just for this generation but for your children and your grandchildren.

I believe such a policy consists of five points: military balance, economic security, regional stability, arms reductions, and dialog. Now, these are the means by which we can seek peace with the Soviet Union in the years ahead. Today, I want to set this five-point program to guide the future of our East-West relations, set it out for all to hear and see.

First, a sound East-West military balance is absolutely essential. Last week NATO published a comprehensive comparison of its forces with those of the Warsaw Pact.⁷ Its message is clear: During the past decade, the Soviet Union has built up its forces across the board. During that same period, the defense expenditures of the United States declined in real terms. The United States has already undertaken steps to recover from that decade of neglect. And I should add that the expenditures of our European allies have increase slowly but steadily, something we often fail to recognize here at home.

The second point on which we must reach consensus with our allies deals with economic security. Consultations are under way among Western nations on the transfer of militarily significant technology and the extension of financial credits to the East, as well as on the question of energy dependence on the East, that energy dependence of Europe. We recognize that some of our allies' economic requirements are distinct from our own. But the Soviets must not have access to Western technology with military applications, and we must not subsidize the Soviet economy. The Soviet Union must make the difficult choices brought on by its military budgets and economic shortcomings.

The third element is regional stability with peaceful change. Last year, in a speech in Philadelphia and in the summit meetings at Cancún, I outlined the basic American plan to assist the developing world. These principles for economic development remain the foundation of our approach. They represent no threat to the Soviet Union. Yet in many areas of the developing world we find that Soviet arms and Soviet supported troops are attempting to destabilize societies and extend Moscow's influence.

⁷ Reference is to *NATO and the Warsaw Pact: Force Comparisons*. The report was issued on May 4 at NATO headquarters in Brussels. Luns, "in introducing the study, remarked that the comparisons 'do not make comfortable reading.'" (David Fouquet, "NATO's own comparison with Warsaw Pact strength puts East ahead," *Christian Science Monitor*, May 5, 1982, p. 6)

High on our agenda must be progress toward peace in Afghanistan. The United States is prepared to engage in a serious effort to negotiate an end to the conflict caused by the Soviet invasion of that country. We are ready to cooperate in an international effort to resolve this problem, to secure a full Soviet withdrawal from Afghanistan, and to ensure self-determination for the Afghan people.

In southern Africa, working closely with our Western allies and the African States, we've made real progress toward independence for Namibia. These negotiations, if successful, will result in peaceful and secure conditions throughout southern Africa. The simultaneous withdrawal of Cuban forces from Angola is essential to achieving Namibian independence, as well as creating long-range prospects for peace in the region.

Central America also has become a dangerous point of tension in East-West relations. The Soviet Union cannot escape responsibility for the violence and suffering in the region caused by accelerated transfer of advanced military equipment to Cuba.

However, it was in Western Europe—or Eastern Europe, I should say, that the hopes of the 1970's were greatest, and it's there that they have been the most bitterly disappointed. There was hope that the people of Poland could develop a freer society. But the Soviet Union has refused to allow the people of Poland to decide their own fate, just as it refused to allow the people of Hungary to decide theirs in 1956, or the people of Czechoslovakia in 1968.⁸

If martial law in Poland is lifted, if all the political prisoners are released, and if a dialog is restored with the Solidarity Union, the United States is prepared to join in a program of economic support. Water cannons and clubs against the Polish people are hardly the kind of dialog that gives us hope. It's up to the Soviets and their client regimes to show good faith by concrete actions.

The fourth point is arms reduction. I know that this weighs heavily on many of your minds. In our 1931 *Prism*, we quoted Carl Sandburg, who in his own beautiful way quoted the Mother Prairie, saying, "Have you seen a red sunset drip over one of my cornfields, the shore of night stars, the wave lines of dawn up a wheat valley?"⁹ What an idyllic scene that paints in our minds—and what a nightmarish prospect that a huge mushroom cloud might someday destroy such beauty. My duty as President is to ensure that the ultimate nightmare never occurs, that the prairies and the cities and the people who inhabit them remain free and untouched by nuclear conflict.

⁸ See footnote 5, Document 95 and footnote 4, Document 8.

⁹ Reference is to Sandburg's 1918 poem entitled "Prairie."

I wish more than anything there were a simple policy that would eliminate that nuclear danger. But there are only difficult policy choices through which we can achieve a stable nuclear balance at the lowest possible level.

I do not doubt that the Soviet people, and yes, the Soviet leaders have an overriding interest in preventing the use of unclear weapons. The Soviet Union within the memory of its leaders has known the devastation of total conventional war and knows that nuclear war would be even more calamitous. And yet, so far, the Soviet Union has used arms control negotiations primarily as an instrument to restrict U.S. defense programs and, in conjunction with their own arms buildup, a means to enhance Soviet power and prestige.

Unfortunately, for some time suspicions have grown that the Soviet Union has not been living up to its obligations under existing arms control treaties. There is conclusive evidence the Soviet Union has provided toxins to the Laotians and Vietnamese for use against defenseless villagers in Southeast Asia. And the Soviets themselves are employing chemical weapons on the freedom-fighters in Afghanistan.¹⁰

We must establish firm criteria for arms control in the 1980's if we're to secure genuine and lasting restraint on Soviet military programs throughout arms control. We must seek agreements which are verifiable, equitable, and militarily significant. Agreements that provide only the appearance of arms control breed dangerous illusions.

Last November, I committed the United States to seek significant reductions on nuclear and conventional forces. In Geneva, we have since proposed limits on U.S. and Soviet intermediate-range missiles, including the complete elimination of the most threatening systems on both sides.¹¹ In Vienna, we're negotiating, together with our allies, for reductions of conventional forces in Europe. In the 40-nation Committee

¹⁰ On March 22, Haig transmitted to Congress Special Report #98 entitled "Chemical Warfare in Southeast Asia and Afghanistan." Copies were also sent to the UN Secretary-General and UN members. In a March 22 statement made before news correspondents, Stoessel discussed the report's conclusions, noting: "Toxins and other chemical warfare agents have been developed in the Soviet Union, provided to the Lao and Vietnamese either directly or through the transfer of know-how, and fabricated into weapons with Soviet assistance in Laos, Vietnam, and Kampuchea. In Afghanistan, Soviet forces have used a variety of lethal and non-lethal chemical agents on resistance forces and Afghan villages since the Soviet invasion in December 1979. In addition, there is some evidence that Afghan Government forces may have used Soviet-supplied chemical weapons against the freedom fighters even before the Soviet invasion." (Department of State *Bulletin*, May 1982, p. 57)

¹¹ Reference is to the INF draft treaty introduced by the United States in February; see footnote 7, Document 91.

on Disarmament, the United Nations [United States]¹² seeks a total ban on all chemical weapons.

Since the first days of my administration, we've been working on our approach to the crucial issue of strategic arms and the control and negotiations for control of those arms with the Soviet Union. The study and analysis required has been complex and difficult. It had to be undertaken deliberately, thoroughly, and correctly. We've laid a solid basis for these negotiations. We're consulting with congressional leaders and with our allies, and we are now ready to proceed.

The main threat to peace posed by nuclear weapons today is the growing instability of the nuclear balance. This is due to the increasingly destructive potential of the massive Soviet buildup in its ballistic missile force.

Therefore, our goal is to enhance deterrence and achieve stability through significant reductions in the most destabilizing nuclear systems, ballistic missiles, and especially the giant intercontinental ballistic missiles, while maintaining a nuclear capability sufficient to deter conflict, to underwrite our national security, and to meet our commitment to allies and friends.

For the immediate future, I'm asking my START—and START really means—we've given up on SALT—START means "Strategic Arms Reduction Talks," and that negotiating team to propose to their Soviet counterparts a practical, phased reduction plan. The focus of our efforts will be to reduce significantly the most destabilizing systems, the ballistic missiles, the number of warheads they carry, and their overall destructive potential.

At the first phase, or the end of the first phase of START, I expect ballistic missile warheads, the most serious threat we face, to be reduced to equal levels, equal ceilings, at least a third below the current levels. To enhance stability, I would ask that no more than half of those warheads be land-based. I hope that these warhead reductions, as well as significant reductions in missiles themselves, could be achieved as rapidly as possible.

In a second phase, we'll seek to achieve an equal ceiling on other elements of our strategic nuclear forces, including limits on the ballistic missile throw-weight at less than current American levels. In both phases, we shall insist on verification procedures to ensure compliance with the agreement.

This, I might say, will be the twentieth time that we have sought such negotiations with the Soviet Union since World War II. The

¹² White House correction. [Footnote is in the original. The first 1982 session of the Committee concluded April 23.]

monumental task of reducing and reshaping our strategic forces to enhance stability will take many years of concentrated effort. But I believe that it will be possible to reduce the risks of war by removing the instabilities that now exist and by dismantling the nuclear menace.

I have written to President Brezhnev¹³ and directed Secretary Haig to approach the Soviet Government concerning the initiation of formal negotiations on the reduction of strategic nuclear arms, START, at the earliest opportunity. We hope negotiations will begin by the end of June.¹⁴

We will negotiate seriously, in good faith, and carefully consider all proposals made by the Soviet Union. If they approach these negotiations in the same spirit, I'm confident that together we can achieve an agreement of enduring value that reduces the number of nuclear weapons, halts the growth in strategic forces, and opens the way to even more far-reaching steps in the future.

I hope the Commencement today will also mark the commencement of a new era, in both senses of the word, a new start toward a more peaceful and secure world.

The fifth and final point I propose for East-West relations is dialog. I've always believed that people's problems can be solved when people talk to each other instead of about each other. And I've already expressed my own desire to meet with President Brezhnev in New York next month.¹⁵ If this can't be done, I'd hope we could arrange a future meeting where positive results can be anticipated. And when we sit down, I'll tell President Brezhnev that the United States is ready to build a new understanding based upon the principles I've outlined today.

I'll tell him that his government and his people have nothing to fear from the United States. The free nations living at peace in the world community can vouch for the fact that we seek only harmony. And I'll

¹³The President's May 7 letter to Brezhnev is printed in *Foreign Relations, 1981–1988*, vol. III, Soviet Union, January 1981–January 1983, Document 166.

¹⁴During his May 31 remarks at Memorial Day ceremonies at Arlington National Cemetery, the President commented: "In the quest for peace, the United States has proposed to the Soviet Union that we reduce the threat of nuclear weapons by negotiating a stable balance at far lower levels of strategic forces. This is a fitting occasion to announce that START, as we call it, strategic arms reductions, that the negotiations between our country and the Soviet Union will begin on the 29th of June." (*Public Papers: Reagan, 1982*, Book I, p. 709)

¹⁵During his April 5 news conference, the President, when asked if he would "like to meet with Brezhnev," responded: "Well, yes if he—I will answer that one—naturally, head of state that's here in our own country, yes I would very much think that he and I would have a meeting." (*Public Papers: Reagan, 1982*, Book I, p. 430)

ask President Brezhnev why our two nations can't practice mutual restraint. Why can't our peoples enjoy the benefits that would flow from real cooperation? Why can't we reduce the number of horrendous weapons?

Perhaps I should also speak to him of this school and these graduates who are leaving it today—of your hopes for the future, of your deep desire for peace, and yet your strong commitment to defend your values if threatened. Perhaps if he someday could attend such a ceremony as this, he'd better understand America. In the only system he knows, you would be here by the decision of government, and on this day the government representatives would be here telling most, if not all, of you where you were going to report to work tomorrow.

But as we go to Europe for the talks and as we proceed in the important challenges facing this country, I want you to know that I will be thinking of you and of Eureka and what you represent. In one of my yearbooks, I remember reading that, "The work of the prairie is to be the soil for the growth of a strong Western culture." I believe Eureka is fulfilling that work. You, the members of the 1982 graduating class, are this year's harvest.

I spoke of the difference between our two countries. I try to follow the humor of the Russian people. We don't hear much about the Russian people. We hear about the Russian leaders. But you can learn a lot, because they do have a sense of humor, and you can learn from the jokes they're telling. And one of the most recent jokes I found kind of, well, personally interesting. Maybe you might—tell you something about your country.

The joke they tell is that an American and a Russian were arguing about the differences between our two countries. And the American said, "Look, in my country I can walk into the Oval Office; I can hit the desk with my fist and say, 'President Reagan, I don't like the way you're governing the United States.'" And the Russian said, "I can do that." The American said, "What?" He says, "I can walk into the Kremlin, into Brezhnev's office. I can pound Brezhnev's desk, and I can say, 'Mr. President, I don't like the way Ronald Reagan is governing the United States.'" [*Laughter*]

Eureka as an institution and you as individuals are sustaining the best of Western man's ideals. As a fellow graduate and in the office I hold, I'll do my best to uphold these same ideals.

To the Class of '82, congratulations, and God bless you.

100. Memorandum From Secretary of State Haig to President Reagan¹

Washington, undated

SUBJECT

Updated Strategy for Your Speeches in Europe

In March, I sent you a strategy on four speeches to achieve maximum impact in Europe and the United States.² You indicated overall approval. We are well on track with implementation of that gameplan.

You gave the first speech—on *East-West relations and START*—in Eureka.³ We have done the substantive groundwork and prepared drafts of the other three speeches. They now are being considered inter-agency and by your personal staff.

The address to *Parliament on democracy* seeks to get the force of idealism on our side.⁴ It gives us a campaign platform and political action program to rival the Marxist-Leninists and engage youth. You have approved its most important specific initiative—creating a political foundation to offer concrete training and assistance to democratic movements in communist and non-communist countries. We have considerable bipartisan support for the proposal and willingness to participate in the six month study to work out details. Lane Kirkland, DNC Chairman Manatt, and the Chamber of Commerce are on board. Brock and Richards will be working with Manatt to line up the Congressional leadership. We envision an event/announcement on the Hill simultaneous with your address in London.

The address to the *Bundestag on peace* and security is also well along.⁵ Its central purpose is to set out the foundation for preserving peace. There are two features of particular appeal in Europe: first an emphasis on strengthening conventional defense to reduce the danger

¹ Source: Department of State, P Files, Subject File—Lawrence Eagleburger Files: Lot 84D204, Chron—May 1981. Secret; Sensitive. Drafted by Palmer on May 7. Printed from an uninitialed copy. Also scheduled for publication in *Foreign Relations, 1981–1988*, vol. VII, Western Europe, 1981–1984. Under a May 7 typewritten note, Eagleburger sent Haig the memorandum, writing: “Here is the memorandum you requested to update the President on the speeches we are doing for him. It is striking that we are precisely on track with the gameplan we set out six weeks ago.” (Ibid.)

² Not found.

³ See Document 99.

⁴ See Document 104.

⁵ The President’s June 9 Bundestag address is printed in *Public Papers: Reagan, 1982*, Book I, pp. 754–759. For additional information concerning the President’s June trip to Bonn and Berlin, see footnote 3, Document 104 and footnote 7, below.

that nuclear weapons would be used. And second, announcing our MBFR proposal, which would help bring about equality in conventional forces at lower levels. Our NATO partners are positive about this proposal. Like the Eureka/START speech, this would take another specific step to implement the arms control agenda you set forth last November 18th.⁶

The briefer statement for *Berlin combines the unexpected with the expected*.⁷ The surprise will be announcement of a proposal to reduce the danger of accidental nuclear war. This is one of Europe's major pre-occupations. The statement also points out that the causes of tension will not disappear until we have solved the human problems which lay behind them. Thus the second proposal is for a major effort to lower the barriers to human contact. Both this traditional Berlin appeal and the surprise proposal on nuclear accidents will be warmly received in Germany, Europe as a whole, and the United States.

We also have begun work on a fifth speech—your address to the *U.N. Special Session on Disarmament*.⁸ This would review our overall philosophy about peace and arms reductions, the set of initiatives you already have set forth, and one or more new initiatives with particular attention to verification.

Taken together these five speeches, and the initiatives each of them contains, will give us a "critical mass" over the next two months. They should put us decisively on the offensive. The Soviets will have to scramble hard to catch up—even more than they did after the singular success of your November 18th speech.

⁶See Document 69.

⁷On June 11 in Berlin, the President offered remarks at Charlottenburg Palace. After stating that he remained "determined to assure that our civilization averts the catastrophe of a nuclear war," Reagan said: "Past agreements have created the hot line between Moscow and Washington, established measures to reduce the danger of nuclear accidents, and provided for notification of some missile launches. We are now studying other concrete and practical steps to help further reduce the risk of a nuclear conflict which I intend to explore with the Soviet Union. It is time we went further to avert the risk of war through accident or misunderstanding. We shortly will approach the Soviet Union with proposals in such areas as notification of strategic exercises, of missile launches, and expanded exchange of strategic forces data. Taken together, these steps would represent a qualitative improvement in the nuclear environment. They would help reduce the chances of misinterpretation in the case of exercises and test launches. And they would reduce the secrecy and ambiguity which surround military activity. We are considering additional measures as well." (*Public Papers: Reagan, 1982, Book I, pp. 767–768*)

⁸See Document 106.

101. Editorial Note

On May 13, 1982, President Ronald Reagan began his 8 p.m. news conference, held in the East Room of the White House, by reading a statement on arms control: “Four times in my life, I have seen America plunged into war—twice as part of tragic global conflicts that cost the lives of millions. Living through that experience has convinced me that America’s highest mission is to stand as a leader among the free nations in the cause of peace. And that’s why, hand in hand with our efforts to restore a credible national defense, my administration has been actively working for a reduction in nuclear and conventional forces that can help free the world from the threat of destruction.

“In Geneva, the United States is now negotiating with the Soviet Union on a proposal I set forward last fall to reduce drastically the level of nuclear armament in Europe. In Vienna, we and our NATO allies are negotiating with the Warsaw Pact over ways to reduce conventional forces in Europe.

“Last Sunday [May 9], I proposed a far-reaching approach to nuclear arms control—a phased reduction in strategic weapons beginning with those that are most dangerous and destabilizing, the warheads on ballistic missiles and especially those on intercontinental ballistic missiles.

“Today the United States and the Soviet Union each have about 7,500 nuclear warheads poised on missiles that can reach their targets in a matter of minutes. In the first phase of negotiations, we want to focus on lessening this imminent threat. We seek to reduce the number of ballistic missile warheads to about 5,000—one-third less than today’s levels—limit the number of warheads on land-based missiles to half that number, and cut the total number of all ballistic missiles to an equal level—about one-half that of the current U.S. level.

“In the second phase, we’ll seek reductions to equal levels of throwweight, a critical indicator of overall destructive potential of missiles. To be acceptable, a new arms agreement with the Soviets must be balanced, equal, and verifiable. And most important, it must increase stability and the prospects of peace.

“I have already written President Brezhnev and instructed Secretary Haig to approach the Soviet Government so that we can begin formal negotiations on the reduction of strategic nuclear arms—the START talks—at the earliest opportunity. And we hope that these negotiations can begin by the end of June and hope to hear from President Brezhnev in the near future.

“Reaching an agreement with the Soviets will not be short or easy work. We know that from the past. But I believe that the Soviet people

and their leaders understand the importance of preventing war. And I believe that a firm, forthright American position on arms reductions can bring us closer to a settlement.

"Tonight, I want to renew my pledge to the American people and to the people of the world that the United States will do everything we can to bring such an agreement about.

"And now I guess it's time for us to return to the conventional skirmishing, the question time."

After fielding a question about unemployment, the President called on Helen Thomas of United Press International. Thomas asked: "Mr. President, if wiping out the nuclear threat is so important to the world, why do you choose to ignore 7 long years of negotiation, in which two Republican Presidents played a part? I speak of SALT II. We abide by the terms the Soviet Union does. Why not push for a ratification of that treaty as a first step, then go on to START? After all, a bird in hand."

Reagan responded: "Because, Helen, this bird isn't a very friendly bird. I remind you that a Democratic-controlled Senate refused to ratify it. And the reason for refusing to ratify, I think, is something we can't—"

After an unidentified person said: "[Inaudible] —Republican Senate now," Reagan continued: "Well, but we can't ignore that, the reason why it was refused ratification. SALT stands for strategic arms limitation. And the limitation in that agreement would allow in the life of the treaty for the Soviet Union to just about double their present nuclear capability. It would allow—and does allow—us to increase ours. In other words, it simply legitimizes an arms race.

"Now, the parts that we're observing of that have to do with the monitoring of each other's weaponry, and so both aides are doing that. What we're striving for is to reduce the power, the number, and particularly those destabilizing missiles that can be touched off by the push of a button—to reduce the number of those. And there just is no ratio between that and what SALT was attempting to do. I think SALT was the wrong course to follow." (*Public Papers: Reagan, 1982*, Book II, pages 618 and 619; brackets in the original)

The news conference was broadcast live on radio and television. For the complete text of the news conference, see *ibid.*, pages 618–626. It is also printed in *Weekly Compilation of Presidential Documents*, May 17, 1982, vol. 18, no. 19, pages 634–642. In his personal diary entry for May 13, the President wrote: "Held 8 P.M. press conference. The Lord watched over me. I knew it was a good one. Even the press had good things to say about it." (Brinkley, ed., *The Reagan Diaries*, volume I, January 1981–October 1985, page 131)

102. Memorandum of Conversation¹

Washington, May 15, 1982, 12:15 p.m.

SUBJECT

President's Meeting with George Shultz

PARTICIPANTS

President Ronald Reagan
George Shultz
Donald Regan, Secretary of the Treasury
Walter J. Stoessel, Acting Secretary of State
Michael Deaver, Assistant to the President
Richard Darman, Assistant to the President
Robert McFarlane, Deputy Assistant to the President for National Security Affairs
Norman Bailey, National Security Council
Marshall Casse, Office of the Under Secretary of State for Economic Affairs
(NOTETAKER)

After an exchange of greetings the President asked Mr. Shultz for his report on the trip that Mr. Shultz had just completed on the President's behalf.²

Mr. Shultz handed the President a memorandum summarizing his conversations³ and also handed the President a speech given by Helmut Schmidt which Shultz said was particularly impressive.

Mr. Shultz reported that all of his interlocutors were looking to the June Summits for an expression of Western unity, in particular as President Mitterrand and Prime Minister Suzuki said the Summits must demonstrate unity and strength to "the other side." The Summit

¹ Source: Reagan Library, Douglas McMinn Files, Summit Files, France—Preparatory Meeting (2). Secret; Sensitive; Not for the System. Drafted by Casse on May 17. The meeting was held in the Cabinet Room. Also scheduled for publication in *Foreign Relations*, 1981–1988, vol. XXXVI, Trade; Monetary Policy; Industrialized Country Cooperation, 1981–1984.

² In telegram 121638 to Ottawa, Tokyo, and multiple European diplomatic posts, May 5, the Department indicated that Shultz would be planning a "private trip" to Ottawa, Paris, Bonn, Rome, Tokyo, London, and Brussels, departing Washington that day. The Department noted in response to speculation regarding the trip that press guidance had been prepared. That guidance read, in part: "As you know, Mr. Shultz is the Chairman of the President's Economic Advisory Board. In view of the difficult economic problems to be discussed at Versailles and on other stops during the President's European trip, the President has shared his thinking on the economic summit with Mr. Shultz and, at Secretary Haig's suggestion, asked him to meet with the leaders of some of our major economic partners." (Department of State, Central Foreign Policy File, Electronic Telegrams, D820235–0765)

³ Reference is to a May 14 memorandum from Shultz to the President. (Reagan Library, Stephen Danzansky Files, Summit File, Toronto Summit 1982–1987; NLR–733–17–1–1–7) The memorandum is scheduled for publication in *Foreign Relations*, 1981–1988, vol. XXXVI, Trade; Monetary Policy; Industrialized Country Cooperation, 1981–1984.

meetings must also display a sense of realism recognizing that serious economic problems exist but that the Western societies are capable of dealing with these problems.

Mr. Shultz reported that Mitterrand clearly wants to place the emphasis on the meetings of principals alone over meals. Mitterrand was reported to be holding a competition to find the five best French chefs under the age of 45 to prepare the five meals during the Summit as a demonstration of the importance he attaches to the private discussions at the meals. Mitterrand expects hard, candid conversations during the meetings but intends that the communique show unity and a sense that the leaders are constructively grappling with the problems. Mr. Shultz reported that the other heads of state and government are looking to the U.S. and to the President for leadership at Versailles. He quoted Helmut Schmidt as saying that while the President must act as one among equals ("as he so well does") he is more than that. He must be the leader and Schmidt pledged to follow that lead.

Mr. Shultz reported successively on the major topics for the Versailles Summit:

—*High U.S. Interest Rates*: In Europe, Japan and Canada Mr. Shultz encountered great concern about the level of U.S. real interest rates. He found a common line of reasoning which begins with high interest rates slowing U.S. growth, influencing interest rates abroad because of the limited room for maneuver on exchange rates; thus slowing growth outside the U.S. causing a general economic slowdown and higher unemployment on a global scale. This chain of events is universally ascribed to U.S. budget deficits. How to address U.S. deficits however varies even within governments, Shultz reported. He said that Thatcher welcomed the President's emphasis on cutting expenditures and his refusal to raise taxes to promote budget balance whereas Chancellor Howe felt that balance was most important, leading him to advocate "whatever is necessary" to eliminate the deficits. Mr. Shultz told the President that while he felt there was an element of truth in the foregoing line of reasoning there was also a serious weakness. Differing economic conditions as reflected in Italian inflation rates triple those in the U.S. and German rates half those in the U.S., indicate that all economic problems for others will not disappear when U.S. interest rates come down. He urged the President to make the point at Versailles that lower U.S. rates will not be a panacea for the world. He also told the President that his colleagues at Versailles will be especially interested in the President's views on the budget battle and on the U.S. economic outlook.

He added that all of the other leaders want to fight inflation but that they desperately need growth. He reported that Trudeau was clearly the most worried of all the heads of state that he met. He described

a three-way conversation between himself, Trudeau and Ian Stewart (Deputy Finance Minister) in which Stewart described Canada as moving toward economic catastrophe with rampant bankruptcies and Trudeau asked if the same conditions did not exist in the U.S. and elsewhere. Trudeau said that Canada has no more time to wait, the economy is in desperate shape and he is led to ask the question “are my policies at fault?” Based on this conversation Shultz suggested that Trudeau may be the most difficult leader to handle at Versailles.

Mr. Shultz reported that as he got further into his trip he identified a growth theme that could bring some of the various participants together. Nothing that Suzuki had made a proposal in the area of technological cooperation, that Mitterrand would make a report to the Summit on technology and that the President’s program was focusing on increased savings and investment in the U.S., Shultz felt that a theme promoting higher growth and lower inflation through investment and technology could be useful in addressing the various concerns at Versailles. He cited two dangers with this approach: (1) high interest rates damage investment, thus drawing more attention to U.S. interest rates and (2) a debate over the relative merits of public versus private investment would be inevitable.

—*Policy Coordination*: Mr. Shultz reported that the President’s initiative on policy coordination (as indeed his letter on the Versailles and NATO Summits) was well received. Although the Europeans see the limits to coordination as a result of their frequent efforts in this area within the Community, they also understand the usefulness of greater knowledge and frequent communication to get the message “into the gut, not just the head.” Mr. Shultz felt that this better understanding can soften the edges during a period of difficult international economic relations.

For the Europeans and the Japanese the number one topic on coordination is exchange rates. Mr. Shultz reported that U.S. policy is uniformly perceived opposing intervention in all circumstances. This has resulted in an impression that the U.S. “doesn’t care about” the exchange markets. The Europeans above all are pleading for a different rhetoric. Mr. Shultz added that there was much to commend a different tone in stating our intervention policy.

Mr. Shultz described three schools of thought on exchange rates. The first, subscribed to by Schmidt, Spadolini, Thatcher and Thorn, agrees that intervention cannot counteract basic market trends but that smoothing operations are useful to show the interest of governments in well-functioning markets. The second, subscribed to primarily by Mitterrand, goes much further and believes that basic values can be influenced by intervention. Mrs. Thatcher remarked that such an approach would “simply throw money to the speculators.” The third

view, subscribed to by Suzuki (reportedly on the basis of a plan developed by Miyazawa), suggests bilateral efforts to influence exchange markets by means not limited to intervention. Suzuki has written to the President proposing joint study of such efforts. Mr. Shultz reported his own impression that the Japanese seem to be able to influence the value of the yen when they decided it should be done. At the moment they have in mind a yen rate of 210 to the dollar and Shultz wonders whether they are looking to put a "political face" on a decision they have already taken. Mr. Shultz urged that the President pursue the Suzuki proposal in part because Shultz has great admiration for Miyazawa.

—*Trade*: Mr. Shultz reported that all of his interlocutors were concerned about rising protectionism. He added that he personally thought this was the most threatening thing on the horizon. Shultz outlined two possible strategies: One, expressed most clearly by Mitterrand, called for putting all the protectionist measures on the table and developing a plan to deal with current problems and to reverse the trend toward more protection. The other, more in keeping with the U.S. initiative, takes a more aggressive approach to extend the principles of free trade to areas not adequately covered. Mr. Shultz told the President that the second approach would require his vigorous personal leadership but would receive the support of Schmidt and perhaps Thatcher.

Mr. Shultz reported that much of the European commentary on trade issues was aimed at Japan. On the other hand, the Japanese complain that they are being "picked on." Mr. Shultz noted that after hearing for 15 years the usual Japanese "small country" approach he had been shocked by Suzuki's opening commentary acknowledging the responsibility of Japan in the global economy. He told the President that Suzuki is very much looking forward to his bilateral at Versailles and counselled the President against joining in any European effort to gang up on Japan. Mr. Shultz noted that most of the world's population is in Asia and that the U.S. would do well to find "common cause" with the Japanese and provide a little "TLC" for Suzuki. Mr. Shultz expressed the opinion that a public rebuke against the Japanese at Versailles would be devastating.

—*Credits to the Soviet Union*: Mr. Shultz reported his distinct impression that the President had made head-way with the Europeans on the issue of credit subsidies to the Soviet Union. Each of the European leaders acknowledged that they are spending large amounts of money on arms largely because of the threat from the Soviet Union. Why then are they subsidizing the Soviet economy? At the Head of State level, all agree that this is foolish but they continue to do so. Several of them, particularly Thatcher, noted, however, the tendency for others to backslide on agreements; thus the need for some form of machinery to police any eventual agreement on limiting credits. Shultz also conveyed Thorn's

impression that sentiment in Europe was swinging toward the U.S. position on credit to the Soviet Union.

Mr. Shultz added that the Europeans differentiate between the Soviet Union and the satellites. On credit issues, however, they all feel that the West is currently over-extended in Eastern Europe and that prudence argues against more lending to Eastern Europe at the present time.

—*North/South Relations*: As a result of his conversations, Shultz feels that the United States is on one side and everyone else is on the other in dealing with the less developed countries. He said that the leaders with whom he met felt the U.S. is unjustly getting a bad name in the third world. This perception is largely attributable to the U.S. position on global negotiations. All agree that the integrity, independence, etc . . . of the specialized agencies must not be prejudiced but they say that the U.S. is crazy not to go along with global negotiations. Shultz added that he detected a fair degree of cynicism in the European approach to this issue.

Mr. Shultz reported that several leaders, particularly Schmidt and Thorn, cited the value of the Lomé Convention⁴ and its commodity agreements as a useful device in dealing with a major LDC problem. Shultz told the President that he felt this issue needed more study in the U.S. Government and had so indicated to Larry Eagleburger.

—*Energy*: Mr. Shultz said this was a subject that no one wanted to discuss expect Schmidt, who was concerned that we were getting “too relaxed” on energy and will get “blind-sided” once again. Shultz suggested that the President be prepared with a list of synfuels projects that are going forward on a market basis and a package of energy alternatives for Europe among his briefing materials for Versailles.

On other issues, Shultz noted the *Falklands* problem as one which particularly concerned Spadolini since about one half of the Argentine population is of Italian descent. More generally, there is widespread concern in Europe that the Falklands will be divisive of the movement toward European unity since it is unlikely that the Community can continue to give full support to the British as the hostilities worsen.

Mr. Shultz informed the President that his proposals on the *START* negotiations were well received by all, except Trudeau, who has his own ideas on nuclear weapons.

On the *NATO Summit* agenda, Shultz had only discussed the question of strengthened conventional defenses. It was clear that budgetary considerations would be the primary determinant of European

⁴Reference is to the Lomé Convention, signed by 46 LDCs and the EC on February 28, 1975. Its provisions included an earning stabilization fund for LDC primary commodity exports.

reaction to this proposal. Shultz relayed Thatcher's comment that we be careful not to underrate the Russian technical competence while Schmidt was primarily worried about statements citing Western weaknesses in conventional defense. Schmidt said that, for a front line state, it is demoralizing to hear repeated contentions that the West could not withstand a conventional attack. He added that the German Army was up to the task.

In summary, Shultz told the President that the leaders he had met wanted unity and strength, not confrontation at Versailles. They recognize the need to fight inflation but also desperately need growth. They acknowledge that it is foolish to subsidize the Soviet Union but realize they are doing so. They recognize that the world trading system is deteriorating and that each of them is contributing to its deterioration. In short, they need someone to lift their sights toward a more constructive and positive approach to policy in the future. Shultz told the President that he was elected.

The President thanked and commended Mr. Shultz for his excellent report. He said that in his view most economic problems in Europe were the result of government intervention, and none except Mrs. Thatcher was moving to correct the basic problems. The challenge is to convince the Europeans that the old French king was right when he said: "Laissez faire." Shultz replied that Mitterrand repeatedly referred to De Gaulle in describing his own policies, placing himself in the mainstream of French economic thinking.

In a closing exchange, The President said that Shultz' report "scared him a little." Shultz retorted that he did not want the President to think that Versailles would be "a piece of cake."

Action items: On the basis of Shultz' report, the following action items are indicated:

1. *Macroeconomic Policy:* Development of a growth theme drawing on the Mitterrand/Suzuki initiatives on technology, and the recognized need for heavy investment activity to facilitate structural adjustment. This theme would be consistent with the Administration's emphasis on growth through private savings, investment and higher productivity.

2. *Exchange Rates:*

- (a) Exploration of a change in the tone and rhetoric of U.S. exchange market policy, to reflect more positively our willingness to intervene to counter disorderly markets;

- (b) Follow-up on Prime Minister Suzuki's suggestion to President Reagan that we establish a bilateral group to inquire into factors influencing the value of the yen.

3. *Trade*: Determine whether we could accept President Mitterrand's proposal to "lay all our protectionist practices on the table", and determine jointly how to back away from them.

4. *Energy*:

(a) Develop a list of market-based synfuels projects;
(b) Provide briefing material for the President on energy alternatives for Europe.

5. *North/South*: Analyze the STABEX provisions of the Lome Convention, with an eye to an expanded income stabilization scheme.

6. *East/West Issues (Soviet credits)*: Pay careful attention to the problem of backsliding on a credit arrangement, by insisting on a mechanism to police the arrangement.

7. *Japan*: "Think long and hard" before joining in any effort to gang-up on Japan, or submit it to a public rebuke.

103. Information Memorandum From the Director of the Bureau of Politico-Military Affairs (Howe) and the Director of the Policy Planning Staff (Wolfowitz) to Secretary of State Haig¹

Washington, undated

SUBJECT

NSDD-32: US National Security Strategy²

The President has recently issued NSDD-32: US National Security Strategy, completing the NSDD-1 study process.³ Although the document is being treated with extreme sensitivity within the Administration,

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons PW Chrons to Secy June '82. Top Secret; Sensitive. Sent through Eagleburger, who did not initial the memorandum. Neither Howe nor Wolfowitz initialed the memorandum. Drafted by Beers on June 7; cleared by Kanter and Pappageorge.

² Issued on May 20; scheduled for publication in *Foreign Relations*, 1981–1988, vol. XLIII, National Security Policy, 1981–1984.

³ NSSD 1–82, "U.S. National Security Strategy," issued on February 5; scheduled for publication in *Foreign Relations*, 1981–1988, vol. XLIII, National Security Policy, 1981–1984.

its general contents were briefed in classified session to Congressional committees concerned with defense issues, Judge Clark made a public address on the study at a CSIS gathering on May 21,⁴ and Cap Weinberger discussed it before the Baltimore Council on Foreign Affairs on May 27.

The NSDD-32 decision document begins by stating that the entire 87 page NSSD-1 study (which is appended to NSDD-32) will serve as guidance. It then summarizes each section of the study. It does not set firm guidelines and does not significantly refocus or restructure our national security policy or DOD programming and budgeting. In other words, there are no surprises.

The major conclusions are:

- The Soviets represent the major threat we will face for the next decade. The Soviet military will continue to modernize and expand. While it is unlikely that the Soviets will initiate hostilities with the US, a war with a Soviet client is more likely and could risk a direct US-Soviet confrontation.

- The US must increasingly draw upon the resources and cooperation of allies and others to protect our collective interests. A strong unified NATO remains indispensable to protecting Western interests. Outside Europe the US will place primary reliance on regional states to deal with non-Soviet threats, providing security assistance as appropriate. Against Soviet threats, US forces will be key, and for Southwest Asia we will develop the capability by the end of the FY 1984-1988 FYDP to deploy and sustain seven divisions in the region. (Although the language in NSDD-32 is fairly specific on this latter point, DOD is continuing to object to the seven division force in the context of NSSD-4, the NSC study on Southwest Asian security.)⁵

- Recognizing that strategic decisions will be determined by the situation during hostilities, we will be governed for the present by the following wartime planning priorities: North America, NATO, Southwest Asia, East Asia and the Pacific, and Latin America and Africa.

- Modernization of our strategic nuclear forces and the achievement of nuclear parity with the Soviet Union shall receive first priority in our efforts to rebuild US military capabilities.

⁴ See Richard Halloran, "Reagan Aide Tells of New Strategy on Soviet Threat," *New York Times*, pp. 1, 15, and Michael Getler, "Option of Deploying MX In Older Silos Supported," *Washington Post*, p. A3; both May 22, 1982.

⁵ NSSD 4-82, "US Strategy for the Near East and Southwest Asia," issued on March 19; scheduled for publication in *Foreign Relations*, 1981-1988, vol. XXII, Middle East Region; Arabian Peninsula.

- In a conflict involving the Soviet Union, the US must plan, in conjunction with allies, for a successful conventional defense in a global war. Given current conventional force insufficiency, however, we must plan to focus our forces first in areas of most vital concern, while undertaking lesser operations elsewhere as appropriate. To close the gap between strategy and capabilities, we must undertake a sustained and balanced force development program with readiness as first priority, followed by upgrading C³, improving sustainability, increasing mobility, and then modernizing and expanding our forces.

- Security assistance is a vital, integral component of our strategy. A priority effort, involving the White House, shall be made to pass our legislative initiatives. We should also plan for steady real growth in the security assistance budget.

- All defense resources are to be mutually supporting and thoroughly integrated with each other and with other elements of US national power. We must expand the scope of mobilization and industrial capabilities and frequently review manpower policies to ensure adequacy of manpower.

The decision document concludes with a requirement that SecDef and the Chairman include as part of their annual reports on the state of our defenses, a discussion of the progress made in implementing the provisions of NSDD–32. The Department is expected to report periodically on security assistance through the Arms Transfer Management Group. It is unclear what effect this reporting requirement will actually have; but we will monitor the process and keep you informed, particularly with respect to DOD budgeting on the development of forces for Southwest Asia.

104. Address by President Reagan Before the British Parliament¹

London, June 8, 1982

Address to Members of the British Parliament

My Lord Chancellor, Mr. Speaker:

The journey of which this visit forms a part is a long one. Already it has taken me to two great cities of the West, Rome and Paris, and

¹Source: *Public Papers: Reagan, 1982*, Book I, pp. 742–748. All brackets are in the original. The President spoke at 12:14 p.m. in the Royal Gallery at the Palace of Westminster.

to the economic summit at Versailles.² And there, once again, our sister democracies have proved that even in a time of severe economic strain, free peoples can work together freely and voluntarily to address problems as serious as inflation, unemployment, trade, and economic development in a spirit of cooperation and solidarity.

Other milestones lie ahead. Later this week, in Germany, we and our NATO allies will discuss measures for our joint defense and America's latest initiatives for a more peaceful, secure world through arms reductions.³

Each stop of this trip is important, but among them all, this moment occupies a special place in my heart and in the hearts of my countrymen—a moment of kinship and homecoming in these hallowed halls.

Speaking for all Americans, I want to say how very much at home we feel in your house. Every American would, because this is, as we have been so eloquently told, one of democracy's shrines. Here the rights of free people and the processes of representation have been debated and refined.

It has been said that an institution is the lengthening shadow of a man. This institution is the lengthening shadow of all the men and women who have sat here and all those who have voted to send representation here.

This is my second visit to Great Britain as President of the United States. My first opportunity to stand on British soil occurred almost a year and a half ago when your Prime Minister graciously hosted a

² The President met with Mitterrand and Mauroy in Paris, June 2–7, and with Pertini and Spadolini in Rome, June 7. Reagan also met with Pope John Paul II on June 7. The memoranda of conversation are scheduled for publication in *Foreign Relations, 1981–1988*, vol. VII, Western Europe, 1981–1984. In addition, the President attended the G–7 Economic Summit meeting at Versailles, June 5–6. Documentation on the summit is scheduled for publication in *Foreign Relations, 1981–1988*, vol. XXXVI, Trade; Monetary Policy; Industrialized Country Cooperation, 1981–1984. For a statement issued at the conclusion of the summit, released on June 6, see *Public Papers: Reagan, 1982*, Book I, pp. 732–733. For the final summit communiqué, released on June 6, and a “Statement of International Monetary Undertakings,” see *Department of State Bulletin*, July 1982, pp. 5–7.

³ Reference is to the NAC meeting in Bonn, June 10. For the declaration released at the conclusion of the meeting and two statements outlining detailed positions on arms control and disarmament and on integrated NATO defense, respectively, see *ibid.*, pp. 9–11. In addition to attending the NAC meeting, the President met with Schmidt and Carstens and addressed the Bundestag, June 9–11. The memoranda of conversation are scheduled for publication in *Foreign Relations, 1981–1988*, vol. VII, Western Europe, 1981–1984. The President's June 9 Bundestag address (see footnote 5, Document 100) is printed in *Public Papers: Reagan, 1982*, Book I, pp. 754–759. He also traveled to Berlin June 11 to meet with Schmidt and offered remarks in front of the Charlottenburg Palace (see footnote 7, Document 100). For the full text of these remarks, see *Public Papers: Reagan, 1982*, Book I, pp. 765–768.

diplomatic dinner at the British Embassy in Washington.⁴ Mrs. Thatcher said then that she hoped I was not distressed to find staring down at me from the grand staircase a portrait of His Royal Majesty King George III. She suggested it was best to let bygones be bygones, and in view of our two countries' remarkable friendship in succeeding years, she added that most Englishmen today would agree with Thomas Jefferson that "a little rebellion now and then is a very good thing." [Laughter]

Well, from here I will go to Bonn and then Berlin, where there stands a grim symbol of power untamed. The Berlin Wall, that dreadful gray gash across the city, is in its third decade. It is the fitting signature of the regime that built it.

And a few hundred kilometers behind the Berlin Wall, there is another symbol. In the center of Warsaw, there is a sign that notes the distances to two capitals. In one direction it points toward Moscow. In the other it points toward Brussels, headquarters of Western Europe's tangible unity. The marker says that the distances from Warsaw to Moscow and Warsaw to Brussels are equal. The sign makes this point: Poland is not East or West. Poland is at the center of European civilization. It has contributed mightily to that civilization. It is doing so today by being magnificently unreconciled to oppression.

Poland's struggle to be Poland and to secure the basic rights we often take for granted demonstrates why we dare not take those rights for granted. Gladstone, defending the Reform Bill of 1866, declared, "You cannot fight against the future. Time is on our side." It was easier to believe in the march of democracy in Gladstone's day—in that high noon of Victorian optimism.

We're approaching the end of a bloody century plagued by a terrible political invention—totalitarianism. Optimism comes less easily today, not because democracy is less vigorous, but because democracy's enemies have refined their instruments of repression. Yet optimism is in order, because day by day democracy is proving itself to be a not-at-all-fragile flower. From Stettin on the Baltic to Varna on the Black Sea, the regimes planted by totalitarianism have had more than 30 years to establish their legitimacy. But none—not one regime—has yet been able to risk free elections. Regimes planted by bayonets do not take root.

The strength of the Solidarity movement in Poland demonstrates the truth told in an underground joke in the Soviet Union. It is that the Soviet Union would remain a one-party nation even if an opposition

⁴ Reference is to Thatcher's February 25–28, 1981, visit to the United States; see Document 30. The dinner at the British Embassy took place February 27. For additional information see Henry Mitchell, "British Lace and Grace: Prime Minister Serves President Quail Pie," *Washington Post*, February 28, 1981, pp. B1, B7.

party were permitted, because everyone would join the opposition party. [Laughter]

America's time as a player on the stage of world history has been brief. I think understanding this fact has always made you patient with your younger cousins—well, not always patient. I do recall that on one occasion, Sir Winston Churchill said in exasperation about one of our most distinguished diplomats: "He is the only case I know of a bull who carries his china shop with him." [Laughter]

But witty as Sir Winston was, he also had that special attribute of great statesmen—the gift of vision, the willingness to see the future based on the experience of the past. It is this sense of history, this understanding of the past that I want to talk with you about today, for it is in remembering what we share of the past that our two nations can make common cause for the future.

We have not inherited an easy world. If developments like the Industrial Revolution, which began here in England, and the gifts of science and technology have made life much easier for us, they have also made it more dangerous. There are threats now to our freedom, indeed to our very existence, that other generations could never even have imagined.

There is first the threat of global war. No President, no Congress, no Prime Minister, no Parliament can spend a day entirely free of this threat. And I don't have to tell you that in today's world the existence of nuclear weapons could mean, if not the extinction of mankind, then surely the end of civilization as we know it. That's why negotiations on intermediate-range nuclear forces now underway in Europe and the START talks—Strategic Arms Reduction Talks—which will begin later this month, are not just critical to American or Western policy; they are critical to mankind. Our commitment to early success in these negotiations is firm and unshakable, and our purpose is clear: reducing the risk of war by reducing the means of waging war on both sides.

At the same time there is a threat posed to human freedom by the enormous power of the modern state. History teaches the dangers of government that overreaches—political control taking precedence over free economic growth, secret police, mindless bureaucracy, all combining to stifle individual excellence and personal freedom.

Now, I'm aware that among us here and throughout Europe there is legitimate disagreement over the extent to which the public sector should play a role in a nation's economy and life. But on one point all of us are united—our abhorrence of dictatorship in all its forms, but most particularly totalitarianism and the terrible inhumanities it has caused in our time—the great purge, Auschwitz and Dachau, the Gulag, and Cambodia.

Historians looking back at our time will note the consistent restraint and peaceful intentions of the West. They will note that it was the

democracies who refused to use the threat of their nuclear monopoly in the forties and early fifties for territorial or imperial gain. Had that nuclear monopoly been in the hands of the Communist world, the map of Europe—indeed, the world—would look very different today. And certainly they will note it was not the democracies that invaded Afghanistan or suppressed Polish Solidarity or used chemical and toxin warfare in Afghanistan and Southeast Asia.

If history teaches anything it teaches self-delusion in the face of unpleasant facts is folly. We see around us today the marks of our terrible dilemma—predictions of doomsday, antinuclear demonstrations, an arms race in which the West must, for its own protection, be an unwilling participant. At the same time we see totalitarian forces in the world who seek subversion and conflict around the globe to further their barbarous assault on the human spirit. What, then, is our course? Must civilization perish in a hail of fiery atoms? Must freedom wither in a quiet, deadening accommodation with totalitarian evil?

Sir Winston Churchill refused to accept the inevitability of war or even that it was imminent. He said, "I do not believe that Soviet Russia desires war. What they desire is the fruits of war and the indefinite expansion of their power and doctrines. But what we have to consider here today while time remains is the permanent prevention of war and the establishment of conditions of freedom and democracy as rapidly as possible in all countries."

Well, this is precisely our mission today: to preserve freedom as well as peace. It may not be easy to see; but I believe we live now at a turning point.

In an ironic sense Karl Marx was right. We are witnessing today a great revolutionary crisis, a crisis where the demands of the economic order are conflicting directly with those of the political order. But the crisis is happening not in the free, non-Marxist West, but in the home of Marxist-Leninism, the Soviet Union. It is the Soviet Union that runs against the tide of history by denying human freedom and human dignity to its citizens. It also is in deep economic difficulty. The rate of growth in the national product has been steadily declining since the fifties and is less than half of what it was then.

The dimensions of this failure are astounding: A country which employs one-fifth of its population in agriculture is unable to feed its own people. Were it not for the private sector, the tiny private sector tolerated in Soviet agriculture, the country might be on the brink of famine. These private plots occupy a bare 3 percent of the arable land but account for nearly one-quarter of Soviet farm output and nearly one-third of meat products and vegetables. Overcentralized, with little or no incentives, year after year the Soviet system pours its best resource into the making of instruments of destruction. The constant shrinkage

of economic growth combined with the growth of military production is putting a heavy strain on the Soviet people. What we see here is a political structure that no longer corresponds to its economic base, a society where productive forces are hampered by political ones.

The decay of the Soviet experiment should come as no surprise to us. Wherever the comparisons have been made between free and closed societies—West Germany and East Germany, Austria and Czechoslovakia, Malaysia and Vietnam—it is the democratic countries what are prosperous and responsive to the needs of their people. And one of the simple but overwhelming facts of our time is this: Of all the millions of refugees we've seen in the modern world, their flight is always away from, not toward the Communist world. Today on the NATO line, our military forces face east to prevent a possible invasion. On the other side of the line, the Soviet forces also face east to prevent their people from leaving.

The hard evidence of totalitarian rule has caused in mankind an uprising of the intellect and will. Whether it is the growth of the new schools of economics in America or England or the appearance of the so-called new philosophers in France, there is one unifying thread running through the intellectual work of these groups—rejection of the arbitrary power of the state, the refusal to subordinate the rights of the individual to the superstate, the realization that collectivism stifles all the best human impulses.

Since the exodus from Egypt, historians have written of those who sacrificed and struggled for freedom—the stand at Thermopylae, the revolt of Spartacus, the storming of the Bastille, the Warsaw uprising in World War II. More recently we've seen evidence of this same human impulse in one of the developing nations in Central America. For months and months the world news media covered the fighting in El Salvador. Day after day we were treated to stories and film slanted toward the brave freedom-fighters battling oppressive government forces in behalf of the silent, suffering people of that tortured country.

And then one day those silent, suffering people were offered a chance to vote, to choose the kind of government they wanted. Suddenly the freedom-fighters in the hills were exposed for what they really are—Cuban-backed guerrillas who want power for themselves, and their backers, not democracy for the people. They threatened death to any who voted, and destroyed hundreds of buses and trucks to keep the people from getting to the polling places. But on election day,⁵ the people of El Salvador, an unprecedented 1.4 million of them, braved ambush and gunfire, and trudged for miles to vote for freedom.

⁵ March 28, 1982.

They stood for hours in the hot sun waiting for their turn to vote. Members of our Congress who went there as observers⁶ told me of a woman who was wounded by rifle fire on the way to the polls, who refused to leave the line to have her wound treated until after she had voted. A grandmother, who had been told by the guerrillas she would be killed when she returned from the polls, and she told the guerrillas, “You can kill me, you can kill my family, kill my neighbors, but you can’t kill us all.” The real freedom-fighters of El Salvador turned out to be the people of that country—the young, the old, the in-between.

Strange, but in my own country there’s been little if any news coverage of that war since the election. Now, perhaps they’ll say it’s—well, because there are newer struggles now.

On distant islands in the South Atlantic young men are fighting for Britain.⁷ And, yes, voices have been raised protesting their sacrifice for lumps of rock and earth so far away. But those young men aren’t fighting for mere real estate. They fight for a cause—for the belief that armed aggression must not be allowed to succeed, and the people must participate in the decisions of government—[*applause*]*—*the decisions of government under the rule of law. If there had been firmer support for that principle some 45 years ago, perhaps our generation wouldn’t have suffered the bloodletting of World War II.

In the Middle East now the guns sound once more, this time in Lebanon,⁸ a country that for too long has had to endure the tragedy of civil war, terrorism, and foreign intervention and occupation. The fighting in Lebanon on the part of all parties must stop, and Israel should bring its forces home. But this is not enough. We must all work to stamp out the scourge of terrorism that in the Middle East makes war an ever-present threat.

But beyond the troublespots lies a deeper, more positive pattern. Around the world today, the democratic revolution is gathering new strength. In India a critical test has been passed with the peaceful change

⁶ Senator Nancy Kassebaum (R–Kansas) and Representatives Robert Livingston (R–Louisiana) and John Murtha (D–Pennsylvania). See *Report of the U.S. Official Observer Mission to the El Salvador Constituent Assembly Elections of March 28, 1982, A Report to the Committee on Foreign Relations, United States Senate, by Senator Nancy L. Kassebaum, November 1982* (Washington: Government Printing Office, 1982).

⁷ Reference is to the March–April war between Argentina and the United Kingdom over the South Atlantic island territories of the Falkland Islands/Islands Malvinas, South Georgia, and the South Sandwich Islands.

⁸ On June 3, Israeli Ambassador to the United Kingdom Shlomo Argov was shot and wounded in London. The act precipitated additional violence in Lebanon between the PLO and Israel. UN Security Council Resolution 508 (S/RES/508), adopted unanimously by the Security Council on June 5, called for an immediate cease-fire within Lebanon and across the Lebanese-Israeli border and also requested that the Secretary-General undertake efforts to ensure implementation and compliance with the resolution.

of governing political parties. In Africa, Nigeria is moving into remarkable and unmistakable ways to build and strengthen its democratic institutions. In the Caribbean and Central America, 16 of 24 countries have freely elected governments. And in the United Nations, 8 of the 10 developing nations which have joined that body in the past 5 years are democracies.

In the Communist world as well, man's instinctive desire for freedom and self-determination surfaces again and again. To be sure, there are grim reminders of how brutally the police state attempts to snuff out this quest for self-rule—1953 in East Germany, 1956 in Hungary, 1968 in Czechoslovakia, 1981 in Poland. But the struggle continues in Poland. And we know that there are even those who strive and suffer for freedom within the confines of the Soviet Union itself. How we conduct ourselves here in the Western democracies will determine whether this trend continues.

No, democracy is not a fragile flower. Still it needs cultivating. If the rest of this century is to witness the gradual growth of freedom and democratic ideals, we must take actions to assist the campaign for democracy.

Some argue that we should encourage democratic change in right-wing dictatorships, but not in Communist regimes. Well, to accept this preposterous notion—as some well-meaning people have—is to invite the argument that once countries achieve a nuclear capability, they should be allowed an undisturbed reign of terror over their own citizens. We reject this course.

As for the Soviet view, Chairman Brezhnev repeatedly has stressed that the competition of ideas and system must continue and that this is entirely consistent with relaxation of tensions and peace.

Well, we ask only that these systems begin by living up to their own constitutions, abiding by their own laws, and complying with the international obligations they have undertaken. We ask only for a process, a direction, a basic code of decency, not for an instant transformation.

We cannot ignore the fact that even without our encouragement there has been and will continue to be repeated explosions against repression and dictatorships. The Soviet Union itself is not immune to this reality. Any system is inherently unstable that has no peaceful means to legitimize its leaders. In such cases, the very repressiveness of the state ultimately drives people to resist it, if necessary, by force.

While we must be cautious about forcing the pace of change, we must not hesitate to declare our ultimate objectives and to take concrete actions to move toward them. We must be staunch in our conviction that freedom is not the sole prerogative of a lucky few, but the inalienable and universal right of all human beings. So states the United Nations

Universal Declaration of Human Rights, which, among other things, guarantees free elections.⁹

The objective I propose is quite simple to state: to foster the infrastructure of democracy, the system of a free press, unions, political parties, universities, which allows a people to choose their own way to develop their own culture, to reconcile their own differences through peaceful means.

This is not cultural imperialism, it is providing the means for genuine self-determination and protection for diversity. Democracy already flourishes in counties with very different cultures and historical experiences. It would be cultural condescension, or worse, to say that any people prefer dictatorship to democracy. Who would voluntarily choose not to have the right to vote, decide to purchase government propaganda handouts instead of independent newspapers, prefer government to worker-controlled unions, opt for land to be owned by the state instead of those who till it, want government repression of religious liberty, a single political party instead of a free choice, a rigid cultural orthodoxy instead of democratic tolerance and diversity?

Since 1917 the Soviet Union has given covert political training and assistance to Marxist-Leninists in many countries. Of course, it also has promoted the use of violence and subversion by these same forces. Over the past several decades, West European and other Social Democrats, Christian Democrats, and leaders have offered open assistance to fraternal, political, and social institutions to bring about peaceful and democratic progress. Appropriately, for a vigorous new democracy, the Federal Republic of Germany's political foundations have become a major force in this effort.

We in America now intend to take additional steps, as many of our allies have already done, toward realizing this same goal. The chairmen and other leaders of the national Republican and Democratic Party organizations are initiating a study with the bipartisan American political foundation to determine how the United States can best contribute as a nation to the global campaign for democracy now gathering force. They will have the cooperation of congressional leaders of both parties, along with representatives of business, labor, and other major institutions in our society. I look forward to receiving their recommendations and to working with these institutions and the Congress in the common task of strengthening democracy throughout the world.

It is time that we committed ourselves as a nation—in both the public and private sectors—to assisting democratic development.

⁹ For the text of the Universal Declaration of Human Rights, adopted by the UN General Assembly on December 10, 1948, see Department of State *Bulletin*, December 19, 1948, pp. 752–754.

We plan to consult with leaders of other nations as well. There is a proposal before the Council of Europe to invite parliamentarians from democratic countries to a meeting next year in Strasbourg. That prestigious gathering could consider ways to help democratic political movements.

This November in Washington there will take place an international meeting on free elections.¹⁰ And next spring there will be a conference of world authorities on constitutionalism and self-government hosted by the Chief Justice of the United States. Authorities from a number of developing and developed countries—judges, philosophers, and politicians with practical experience—have agreed to explore how to turn principle into practice and further the rule of law.

At the same time, we invite the Soviet Union to consider with us how the competition of ideas and values—which it is committed to support—can be conducted on a peaceful and reciprocal basis. For example, I am prepared to offer President Brezhnev an opportunity to speak to the American people on our television if he will allow me the same opportunity with the Soviet people. We also suggest that panels of our newsmen periodically appear on each other's television to discuss major events.

Now, I don't wish to sound overly optimistic, yet the Soviet Union is not immune from the reality of what is going on in the world. It has happened in the past—a small ruling elite either mistakenly attempts to ease domestic unrest through greater repression and foreign adventure, or it chooses a wiser course. It begins to allow its people a voice in their own destiny. Even if this latter process is not realized soon, I believe the renewed strength of the democratic movement, complemented by a global campaign for freedom, will strengthen the prospects for arms control and a world at peace.

I have discussed on other occasions, including my address on May 9th,¹¹ the elements of Western policies toward the Soviet Union to safeguard our interests and protect the peace. What I am describing now is a plan and a hope for the long term—the march of freedom and democracy which will leave Marxism-Leninism on the ash-heap of history as it has left other tyrannies which stifle the freedom and muzzle the self-expression of the people. And that's why we must continue our efforts to strengthen NATO even as we move forward with our Zero-Option

¹⁰ The conference, sponsored by the Department of State, USIA, AID, and the American Enterprise Institute, took place in Washington, November 4–6. For the text of Shultz's November 4 opening address, see Department of State *Bulletin*, December 1982, p. 15. For Reagan's remarks at a luncheon held that same day, see *Public Papers: Reagan, 1982*, Book II, pp. 1427–1428. For additional information, see "President Campaigns for Free Elections," *Washington Post*, November 5, 1982, p. A12.

¹¹ See Document 99.

initiative in the negotiations on intermediate-range forces and our proposal for a one-third reduction in strategic ballistic missile warheads.

Our military strength is a prerequisite to peace, but let it be clear we maintain this strength in the hope it will never be used, for the ultimate determinant in the struggle that's now going on in the world will not be bombs and rockets, but a test of wills and ideas, a trial of spiritual resolve, the values we hold, the beliefs we cherish, the ideals to which we are dedicated.

The British people know that, given strong leadership, time and a little bit of hope, the forces of good ultimately rally and triumph over evil. Here among you is the cradle of self-government, the Mother of Parliaments. Here is the enduring greatness of the British contribution to mankind, the great civilized ideas: individual liberty, representative government, and the rule of law under God.

I've often wondered about the shyness of some of us in the West about standing for these ideals that have done so much to ease the plight of man and the hardships of our imperfect world. This reluctance to use those vast resources at our command reminds me of the elderly lady whose home was bombed in the Blitz. As the rescuers moved about, they found a bottle of brandy she'd stored behind the staircase, which was all that was left standing. And since she was barely conscious, one of the workers pulled the cork to give her a taste of it. She came around immediately and said, "Here now—there now, put it back. That's for emergencies." [Laughter]

Well, the emergency is upon us. Let us be shy no longer. Let us go to our strength. Let us offer hope. Let us tell the world that a new age is not only possible but probable.

During the dark days of the Second World War, when this island was incandescent with courage, Winston Churchill exclaimed about Britain's adversaries, "What kind of a people do they think we are?" Well, Britain's adversaries found out what extraordinary people the British are. But all the democracies paid a terrible price for allowing the dictators to underestimate us. We dare not make that mistake again. So, let us ask ourselves, "What kind of people do we think we are?" And let us answer, "Free people, worthy of freedom and determined not only to remain so but to help others gain their freedom as well."

Sir Winston led his people to great victory in war and then lost an election just as the fruits of victory were about to be enjoyed. But he left office honorably, and, as it turned out, temporarily, knowing that the liberty of his people was more important than the fate of any single leader. History recalls his greatness in ways no dictator will ever know. And he left us a message of hope for the future, as timely now as when he first uttered it, as opposition leader in the Commons nearly 27 years ago, when he said, "When we look back on all the

perils through which we have passed and at the mighty foes that we have laid low and all the dark and deadly designs that we have frustrated, why should we fear for our future? We have," he said, "come safely through the worst."

Well, the task I've set forth will long outlive our own generation. But together, we too have come through the worst. Let us now begin a major effort to secure the best—a crusade for freedom that will engage the faith and fortitude of the next generation. For the sake of peace and justice, let us move toward a world in which all people are at last free to determine their own destiny.

Thank you.

105. Memorandum From Secretary of Defense Weinberger to the President's Assistant for National Security Affairs (Clark)¹

Washington, June 9, 1982

SUBJECT

Prevention of Accidental Outbreak of War

If, as I suspect, it proves to be not possible to insert the proposal on prevention of accidental war into the President's Bonn speech,² I would suggest that the UN Special Session on Disarmament would offer a particularly good and appropriate time to make the point.³

Again, simply to summarize points I have previously made, there would be a strong element of a new, easily understood, basically simple proposal, about which there should be a very wide measure of agreement on all sides. Too, the President would thus certainly appear to have taken the initiative to develop a particular, constructive, and affirmative suggestion, whereas the rest of the meeting will be the usual bloodbath of rhetoric out of which very little is expected to emerge.

Cap

¹ Source: Reagan Library, Executive Secretariat, NSC Agency File, Department of Defense (05/06/1982–06/10/1982); NLR-747-2-29-11-3. Secret; Eyes Only. A stamped notation in the top right-hand corner of the memorandum indicates that Clark saw it. Another stamped notation indicates that it was received at 2:36 p.m. on June 10. Poindexter initialed another copy of the memorandum, on which an unknown hand wrote: "6/11 Staff: Blair—per WC. Darman read memo. Indicated already being done." (Ibid.)

² See footnote 3, Document 104.

³ See Document 106.

106. Address by President Reagan Before the United Nations General Assembly Special Session on Disarmament¹

New York, June 17, 1982

Remarks in New York City Before the United Nations General Assembly Special Session Devoted to Disarmament

Mr. Secretary-General, Mr. President,² distinguished delegates, ladies and gentlemen: I speak today as both a citizen of the United States and of the world. I come with the heartfelt wishes of my people for peace, bearing honest proposals and looking for genuine progress.

Dag Hammarskjöld said 24 years ago this month, “We meet in a time of peace, which is no peace.”³ His words are as true today as they were then. More than a hundred disputes have disturbed the peace among nations since World War II, and today the threat of nuclear disaster hangs over the lives of all our people. The Bible tells us there will be a time for peace, but so far this century mankind has failed to find it.

The United Nations is dedicated to world peace, and its charter clearly prohibits the international use of force. Yet the tide of belligerence continues to rise. The charter’s influence has weakened even in the 4 years since the first special session on disarmament.⁴ We must not only condemn aggression; we must enforce the dictates of our charter and resume the struggle for peace.

The record of history is clear: Citizens of the United States resort to force reluctantly and only when they must. Our foreign policy, as President Eisenhower once said, “is not difficult to state. We are for

¹ Source: *Public Papers: Reagan, 1982*, Book I, pp. 784–789. The President spoke at 11:02 a.m. in the General Assembly Hall. In his personal diary entry for June 17, the President wrote: “This was a day in N.Y. This morning I addressed the U.N. General Assembly. Ambassador Gromyko did not applaud. I said some blunt things about the Soviet U. that needed saying. They were not well received by the large segment which usually votes against the U.S. & with the U.S.S.R. On the other hand, I think my talk added to the results of the trip to Europe & was a plus.” (Brinkley, ed., *The Reagan Diaries*, vol. I, January 1981–June 1985, p. 137)

² Pérez de Cuellar and Kittani, respectively.

³ Cambridge University awarded Hammarskjöld an honorary doctorate on June 5, 1958. The quotation is from his address delivered that day, entitled “The Walls of Distrust.” For the text, see Andrew W. Cordier and Wilder Foote, eds., *Public Papers of the Secretaries-General of The United Nations, Vol. 4: 1958–1960, Dag Hammarskjöld*, pp. 90–95.

⁴ The first special session took place May 23–June 30, 1978. Documentation is in *Foreign Relations, 1977–1980*, vol. XXVI, Arms Control and Nonproliferation, Documents 471–501.

peace first, last, and always for very simple reasons."⁵ We know that only in a peaceful atmosphere, a peace with justice, one in which we can be confident, can America prosper as we have known prosperity in the past, he said.

He said to those who challenge the truth of those words, let me point out, at the end of World War II, we were the only undamaged industrial power in the world. Our military supremacy was unquestioned. We had harnessed the atom and had the ability to unleash its destructive force anywhere in the world. In short, we could have achieved world domination, but that was contrary to the character of our people. Instead, we wrote a new chapter in the history of mankind.

We used our power and wealth to rebuild the war-ravaged economies of the world, both East and West, including those nations who had been our enemies. We took the initiative in creating such international institutions as this United Nations, where leaders of good will could come together to build bridges for peace and prosperity.

America has no territorial ambitions. We occupy no countries, and we have built no walls to lock our people in. Our commitment to self-determination, freedom, and peace is the very soul of America. That commitment is as strong today as it ever was.

The United States has fought four wars in my lifetime. In each, we struggled to defend freedom and democracy. We were never the aggressors. America's strength and, yes, her military power have been a force for peace, not conquest; for democracy, not despotism; for freedom, not tyranny. Watching, as I have, succeeding generations of American youth bleed their lives onto far-flung battlefields to protect our ideals and secure the rule of law, I have known how important it is to deter conflict. But since coming to the Presidency, the enormity of the responsibility of this office has made my commitment even deeper. I believe that responsibility is shared by all of us here today.

On our recent trip to Europe,⁶ my wife, Nancy, told me of a bronze statue, 22 feet high, that she saw on a cliff on the coast of France. The beach at the base of the cliff is called Saint Laurent, but countless American family Bibles have written it in on the flyleaf and known it as Omaha Beach. The pastoral quiet of that French countryside is in

⁵ Eisenhower made these remarks before the National Council of the League of Women Voters on May 1, 1957. The full quotation reads: "A foreign policy is not difficult to state. We are for peace, first, last and always, for very simple reasons. We know that it is only in a peaceful atmosphere, a peace with justice, one in which we can be confident, that America can prosper as we have known prosperity in the past. It is the only way that our people can, in the long run, be freed of great burdens and devote their substance to the constructive purposes that we have—in schools and hospitals and helping the development of our people in every way." (*Public Papers: Eisenhower, 1957*, p. 315)

⁶ See Document 104 and footnotes 2 and 3 thereto.

marked contrast to the bloody violence that took place there on a June day 38 years ago when the Allies stormed the Continent.⁷ At the end of just one day of battle, 10,500 Americans were wounded, missing, or killed in what became known as the Normandy landing.

The statue atop that cliff is called “The Spirit of American Youth Rising From the Waves.” Its image of sacrifice is almost too powerful to describe.

The pain of war is still vivid in our national memory. It sends me to this special session of the United Nations eager to comply with the plea of Pope Paul VI when he spoke in this chamber nearly 17 years ago. “If you want to be brothers,” His Holiness said, “let the arms fall from your hands.”⁸ Well, we Americans yearn to let them go. But we need more than mere words, more than empty promises before we can proceed.

We look around the world and see rampant conflict and aggression. There are many sources of this conflict—expansionist ambitions, local rivalries, the striving to obtain justice and security. We must all work to resolve such discords by peaceful means and to prevent them from escalation.

In the nuclear era, the major powers bear a special responsibility to ease these sources of conflict and to refrain from aggression. And that’s why we’re so deeply concerned by Soviet conduct. Since World War II, the record of tyranny has included Soviet violation of the Yalta agreements leading to domination of Eastern Europe, symbolized by the Berlin Wall—a grim, gray monument to repression that I visited just a week ago. It includes the takeovers of Czechoslovakia, Hungary, and Afghanistan; and the ruthless repression of the proud people of Poland. Soviet-sponsored guerrillas and terrorists are at work in Central and South America, in Africa, the Middle East, in the Caribbean, and in Europe, violating human rights and unnerving the world with violence. Communist atrocities in Southeast Asia, Afghanistan, and elsewhere continue to shock the free world as refugees escape to tell of their horror.

The decade of so-called *détente* witnessed the most massive Soviet buildup of military power in history. They increased their defense spending by 40 percent while American defense actually declined in the same real terms. Soviet aggression and support for violence around the world have eroded the confidence needed for arms negotiations. While we exercised unilateral restraint, they forged ahead and today possess nuclear and conventional forces far in excess of an adequate deterrent capability.

⁷ June 6, 1944.

⁸ Pope Paul VI addressed the UN General Assembly on October 4, 1965; for additional information see Drew Middleton, “Kennedy Quoted: World Urged to Ban Offensive Arms—2,000 Hear Talk,” *New York Times*, October 5, 1965, pp. 1–2.

Soviet oppression is not limited to the countries they invade. At the very time the Soviet Union is trying to manipulate the peace movement in the West, it is stifling a budding peace movement at home. In Moscow, banners are scuttled, buttons are snatched, and demonstrators are arrested when even a few people dare to speak about their fears.

Eleanor Roosevelt, one of our first ambassadors to this body, reminded us that the high-sounding words of tyrants stand in bleak contradiction to their deeds. "Their promises," she said, "are in deep contrast to their performances."

My country learned a bitter lesson in this century: The scourge of tyranny cannot be stopped with words alone. So, we have embarked on an effort to renew our strength that had fallen dangerously low. We refuse to become weaker while potential adversaries remain committed to their imperialist adventures.

My people have sent me here today to speak for them as citizens of the world, which they truly are, for we Americans are drawn from every nationality represented in this chamber today. We understand that men and women of every race and creed can and must work together for peace. We stand ready to take the next steps down the road of cooperation through verifiable arms reduction.

Agreements on arms control and disarmament can be useful in reinforcing peace; but they're not magic. We should not confuse the signing of agreements with the solving of problems. Simply collecting agreements will not bring peace. Agreements genuinely reinforce peace only when they are kept. Otherwise we're building a paper castle that will be blown away by the winds of war.

Let me repeat, we need deeds, not words, to convince us of Soviet sincerity, should they choose to join us on this path.

Since the end of World War II, the United States has been the leader in serious disarmament and arms control proposals. In 1946, in what became known as the Baruch plan, the United States submitted a proposal for control of nuclear weapons and nuclear energy by an international authority.⁹ The Soviets rejected this plan. In 1955 President Eisenhower made his "Open Skies" proposal, under which the United States and the Soviet Union would have exchanged blueprints of military establishments and provided for aerial reconnaissance.¹⁰ The Soviets rejected this plan.

⁹ See footnote 2, Document 56.

¹⁰ Eisenhower outlined his "Open Skies" proposal during the Geneva Conference on July 21, 1955; see footnote 4, Document 95. For the text of his statement, see *Public Papers: Eisenhower, 1955*, pp. 713–716. See also *Foreign Relations, 1955–1957*, vol. V, Austrian State Treaty; Summit and Foreign Ministers Meetings, 1955, Document 221.

In 1963 the Limited Test Ban Treaty came into force.¹¹ This treaty ended nuclear weapons testing in the atmosphere, outer space, or under water by participating nations. In 1970 the Treaty on the Non-Proliferation of Nuclear Weapons took effect.¹² The United States played a major role in this key effort to prevent the spread of nuclear explosives and to provide for international safeguards on civil nuclear activities.

My country remains deeply committed to those objectives today, and to strengthening the nonproliferation framework. This is essential to international security. In the early 1970's, again at United States urging, agreements were reached between the United States and the U.S.S.R. providing for ceilings on some categories of weapons.¹³ They could have been more meaningful if Soviet actions had shown restraint and commitment to stability at lower levels of force.

The United Nations designated the 1970's as the First Disarmament Decade.¹⁴ But good intentions were not enough. In reality that 10-year period included an unprecedented buildup in military weapons and the flaring of aggression and use of force in almost every region of the world. We are now in the Second Disarmament Decade. The task at hand is to assure civilized behavior among nations, to unite behind an agenda of peace.

Over the past 7 months, the United States has put forward a broad-based, comprehensive series of proposals to reduce the risk of war. We have proposed four major points as an agenda for peace: elimination of land-based, intermediate-range missiles; a one-third reduction in strategic ballistic missile warheads; a substantial reduction in NATO and Warsaw Pact ground and air forces; and new safeguards to reduce the risk of accidental war.¹⁵ We urge the Soviet Union today to join with us in this quest. We must act not for ourselves alone, but for all mankind.

On November 18th of last year, I announced United States objectives in arms control agreements. They must be equitable and militarily significant. They must stabilize forces at lower levels, and they must be verifiable. The United States and its allies have made specific, reasonable, and equitable proposals.

¹¹ Initialed on July 25, 1963, and signed in Moscow on August 5. The Limited Test Ban Treaty (14 UST 1313) entered into force on October 10.

¹² The Nuclear Non-Proliferation Treaty was signed in Washington on July 1, 1968. Following ratification by the United States, United Kingdom, Soviet Union, and 40 other states, the treaty (21 UST 483) entered into force on March 5, 1970.

¹³ Presumable reference to SALT I. See footnote 4, Document 36.

¹⁴ A/RES/2602 (XXIV) E, adopted by the UN General Assembly on December 16, 1969, declared the 1970s a "Disarmament Decade."

¹⁵ See Document 105. The President discussed these proposed safeguards within the context of his June 11 Berlin speech; see footnote 7, Document 100, and footnote 3, Document 104.

In February, our negotiating team in Geneva offered the Soviet Union a draft treaty on intermediate-range nuclear forces.¹⁶ We offered to cancel deployment of our Pershing II ballistic missiles and ground-launched cruise missiles in exchange for Soviet elimination of the SS-20, SS-4, and SS-5 missiles. This proposal would eliminate with one stroke those systems about which both sides have expressed the greatest concern.

The United States is also looking forward to beginning negotiations on strategic arms reductions with the Soviet Union in less than 2 weeks. We will work hard to make these talks an opportunity for real progress in our quest for peace.

On May 9th I announced a phased approach to the reduction of strategic arms.¹⁷ In a first phase, the number of ballistic missile warheads on each side would be reduced to about 5,000. No more than half the remaining warheads would be on land-based missiles. All ballistic missiles would be reduced to an equal level, at about one-half the current United States number. In the second phase, we would reduce each side's overall destructive power to equal levels, including a mutual ceiling on ballistic missile throw-weight below the current U.S. level. We are also prepared to discuss other elements of the strategic balance.

Before I returned from Europe last week, I met in Bonn with the leaders of the North Atlantic Treaty Organization. We agreed to introduce a major new Western initiative for the Vienna negotiations on Mutual Balanced Force Reductions.¹⁸ Our approach calls for common, collective ceilings for both NATO and the Warsaw Treaty Organization. After 7 years, there would be a total of 700,000 ground forces and 900,000 ground and air force personnel combined. It also includes a package of associated measures to encourage cooperation and verify compliance.

We urge the Soviet Union and members of the Warsaw Pact to view our Western proposal as a means to reach agreement in Vienna after 9 long years of inconclusive talks. We also urge them to implement the 1975 Helsinki agreement on security and cooperation in Europe.¹⁹

Let me stress that for agreements to work, both sides must be able to verify compliance. The building of mutual confidence in compliance can only be achieved through greater openness. I encourage the special session on disarmament to endorse the importance of these principles in arms control agreements. I have instructed our representatives at the 40-nation Committee on Disarmament to renew emphasis on

¹⁶ See footnote 7, Document 91.

¹⁷ See Document 99.

¹⁸ Reference is to the statement on arms control and disarmament issued by the NAC in Bonn on June 10; see footnote 3, Document 104.

¹⁹ See footnote 4, Document 48.

verification and compliance. Based on a U.S. proposal, a committee has been formed to examine these issues as they relate to restrictions on nuclear testing.

We are also pressing the need for effective verification provisions in agreements banning chemical weapons. The use of chemical and biological weapons has long been viewed with revulsion by civilized nations. No peacemaking institution can ignore the use of those dread weapons and still live up to its mission. The need for a truly effective and verifiable chemical weapons agreement has been highlighted by recent events. The Soviet Union and their allies are violating the Geneva Protocol of 1925, related rules of international law, and the 1972 Biological Weapons Convention.²⁰ There is conclusive evidence that the Soviet Government has provided toxins for use in Laos and Kampuchea, and are themselves using chemical weapons against freedom-fighters in Afghanistan.²¹

We have repeatedly protested to the Soviet Government, as well as to the Governments of Laos and Vietnam, their use of chemical and toxin weapons. We call upon them now to grant full and free access to their countries or to territories they control so that United Nations experts can conduct an effective, independent investigation to verify cessation of these horrors.

Evidence of noncompliance with existing arms control agreements underscores the need to approach negotiation of any new agreements with care. The democracies of the West are open societies. Information on our defenses is available to our citizens, our elected officials, and the world. We do not hesitate to inform potential adversaries of our military forces and ask in return for the same information concerning theirs.

The amount and type of military spending by a country is important for the world to know, as a measure of its intentions and the threat that country may pose to its neighbors. The Soviet Union and other closed societies go to extraordinary lengths to hide their true military spending, not only from other nations but from their own people. This practice contributes to distrust and fear about their intentions.

Today, the United States proposes an international conference on military expenditures to build on the work of this body in developing a common system for accounting and reporting. We urge the Soviet Union, in particular, to join this effort in good faith, to revise the

²⁰ Reference is to the 1925 Protocol for the Prohibition of the Use in War of Asphyxiating, Poisonous or Other Gases, and of Bacterial Methods of Warfare. On January 22, 1975, Ford signed the instruments of ratification for both the Protocol and the Biological Weapons Convention (see footnote 6, Document 56).

²¹ See footnote 10, Document 99.

universally discredited official figures it publishes, and to join with us in giving the world a true account of the resources we allocate to our armed forces.

Last Friday in Berlin, I said that I would leave no stone unturned in the effort to reinforce peace and lessen the risk of war.²² It's been clear to me steps should be taken to improve mutual communication, confidence, and lessen the likelihood of misinterpretation. I have, therefore, directed the exploration of ways to increase understanding and communication between the United States and the Soviet Union in times of peace and of crisis.

We will approach the Soviet Union with proposals for reciprocal exchanges in such areas as advance notification of major strategic exercises that otherwise might be misinterpreted; advance notification of ICBM launches within, as well as beyond, national boundaries; and an expanded exchange of strategic forces data.

While substantial information on U.S. activities and forces in these areas already is provided, I believe that jointly and regularly sharing information would represent a qualitative improvement in the strategic nuclear environment and would help reduce the chance of misunderstandings. I call upon the Soviet Union to join the United States in exploring these possibilities to build confidence, and I ask for your support of our efforts.

One of the major items before this conference is the development of a comprehensive program of disarmament. We support the effort to chart a course of realistic and effective measures in the quest for peace.

I have come to this hall to call for international recommitment to the basic tenet of the United Nations Charter—that all members practice tolerance and live together in peace as good neighbors under the rule of law, forsaking armed force as a means of settling disputes between nations. America urges you to support the agenda for peace that I have outlined today. We ask you to reinforce the bilateral and multilateral arms control negotiations between members of NATO and the Warsaw Pact and to rededicate yourselves to maintaining international peace and security, and removing threats to peace.

We, who have signed the U.N. Charter, have pledged to refrain from the threat or use of force against the territory or independence of any state. In these times when more and more lawless acts are going unpunished—as some members of this very body show a growing disregard for the U.N. Charter—the peace-loving nations of the world must condemn aggression and pledge again to act in a way that is

²² June 11; see footnote 15, above.

worthy of the ideals that we have endorsed. Let us finally make the charter live.

In late spring, 37 years ago, representatives of 50 nations gathered on the other side of this continent, in the San Francisco Opera House. The League of Nations had crumbled, and World War II still raged. But those men and nations were determined to find peace. The result was this charter for peace that is the framework of the United Nations.

President Harry Truman spoke of the revival of an old faith.²³ He said the everlasting moral force of justice prompting that United Nations Conference—such a force remains strong in America and in other countries where speech is free and citizens have the right to gather and make their opinions known. And President Truman said, “If we should pay merely lip service to inspiring ideals, and later do violence to simple justice, we would draw down upon us the bitter wrath of generations yet unborn.” Those words of Harry Truman have special meaning for us today as we live with the potential to destroy civilization.

“We must learn to live together in peace,” he said. “We must build a new world—a far better world.” What a better world it would be if the guns were silent, if neighbor no longer encroached on neighbor, and all peoples were free to reap the rewards of their toil and determine their own destiny and system of government, whatever their choice.

During my recent audience with His Holiness Pope John Paul II, I gave him the pledge of the American people to do everything possible for peace and arms reduction.²⁴ The American people believe forging real and lasting peace to be their sacred trust. Let us never forget that such a peace would be a terrible hoax if the world were no longer blessed with freedom and respect for human rights.

“The United Nations,” Hammarskjöld said, “was born out of the cataclysms of war. It should justify the sacrifices of all those who have died for freedom and justice. It is our duty to the past.” Hammarskjöld said, “And it is our duty to the future so to serve both our nations and the world.”

As both patriots of our nations and the hope of all the world, let those of us assembled here in the name of peace deepen our

²³ For the text of Truman’s April 25, 1945, address to the UN Conference in San Francisco, which was delivered from the White House by direct wire, see *Public Papers: Truman, 1945*, pp. 20–23.

²⁴ See footnote 2, Document 104. In public remarks made following his June 7 meeting with Pope John Paul II, Reagan stated: “Today, Your Holiness, marks the beginning of the United Nations Special Session on Disarmament. We pledge to do everything possible in these discussions, as in our individual initiatives for peace and arms reduction, to help bring a real, lasting peace throughout the world. To us, this is nothing less than a sacred trust.” (*Public Papers: Reagan, 1982*, Book I, p. 737)

understandings, renew our commitment to the rule of law, and take new and bolder steps to calm an uneasy world. Can any delegate here deny that in so doing he would be doing what the people, the rank and file of his own country or her own country want him or her to do? Isn't it time for us to really represent the deepest most heartfelt yearnings of all of our people?

Let no nation abuse this common longing to be free of fear. We must not manipulate our people by playing upon their nightmares. We must serve mankind through genuine disarmament. With God's help we can secure life and freedom for generations to come.

Thank you very much.

107. Editorial Note

On June 25, 1982, President Ronald Reagan announced the resignation of Secretary of State Alexander Haig in remarks made to reporters at 3:04 p.m. in the Briefing Room at the White House. Indicating that he would not entertain any questions, Reagan stated: "It's an announcement that I make with great regret regarding a member of our administration who has served this country for 40 years, above and beyond the call of duty; who has served me so well and faithfully; whose wisdom and counsel I have respected and admired for all the time that our administration has been here, but who now is resigning and leaving government service after all this great time."

The President then indicated that he intended to nominate George Shultz as Secretary. (*Public Papers: Reagan, 1982*, Book I, page 819). Reagan's letter accepting Haig's resignation and Haig's resignation letter, both dated June 25, are *ibid.*, pages 819–820. For Haig's recollections concerning his decision to resign and his last days as Secretary of State, see *Caveat*, pages 346–352.

At his June 30 news conference, the President answered questions regarding the Haig resignation, despite his stated desire to provide no further comments. In response to a question regarding whether there would "be any changes or if anything will be done differently, so that the sort of problems that led to his resignation won't reoccur," Reagan asserted: "There's going to be no change in policy. Foreign policy comes from the Oval Office and with the help of a fine Secretary of State. And I've had that fine Secretary of State. And I must say, fortunately for the country, for the administration, as Secretary Haig leaves, his replacement is a man with great experience and a man of unquestioned

integrity, and I think we're all fortunate that we have been able to have such a replacement.

"My system has been one—and always has been one—not of having a synthesis presented to me of where there are conflicting ideas and then it's boiled down and I get a single option to approve or disapprove. I prefer debate and discussion, a debate all those who have an interest in a certain issue and a reason for that interest, to have their say, not be—sit around as 'yes' men. And then I make my decision, based on what I have heard in that discussion. And that will be the procedure we'll follow." (*Public Papers: Reagan, 1982, Book I, page 828*)

108. Memorandum From Paula Dobriansky of the National Security Council Staff to the President's Deputy Assistant for National Security Affairs (McFarlane)¹

Washington, July 9, 1982

SUBJECT

Shultz Briefing

Per your request, below are several points reflective of the President's foreign policy perspective:

—The President is committed to the pursuit of a consistent and coherent foreign policy which safeguards America's national security interests and upholds our essential democratic values. This policy is implemented in close coordination and consultation with our Allies.

—*East/West*: The President approaches our relations with the Soviet Union as a realist. He has no illusions about the fundamental and implacable nature of conflict between the U.S and the USSR. He is firmly convinced that given the inadequacies and inefficiencies endemic to the Soviet system, the non-communist mode of development would eventually prevail. At the same time, the President is convinced that we can and should negotiate with the Soviets in order to limit the risk of nuclear war, reduce the danger of crisis escalation and attempt to build on those limited areas of agreement which exist between our two countries. It is precisely in this spirit that the U.S has embarked on INF and START negotiations.

¹ Source: Reagan Library, European and Soviet Affairs Directorate, NSC Records, Subject File, Shultz, George P., Secretary of State (1 of 5). Confidential. Sent for information.

—*Allied Relations*: The President attaches great importance to the preservation and strengthening of intra-alliance ties. He is convinced that the U.S. along with the nations of Western Europe and other democratic allies has a special responsibility for the preservation of peace. Our common cultural values and democratic traditions provide a foundation upon which we base our respective foreign policies. The President is cognizant that disagreements on particular issues do exist—in fact, it can hardly be otherwise given the democratic and pluralistic nature of our societies. However, he believes that the existing differences do not detract from the viability of the Western alliance and can be resolved from mutual consultation conducted in a fair and equitable fashion. (C)

109. Editorial Note

On July 13 and 14, 1982, George Shultz testified before the Senate Foreign Relations Committee in support of his nomination as Secretary of State. In his July 13 opening remarks, Shultz highlighted his professional background, including his government service during previous administrations, including his tenure as Secretary of Labor, Director of the Office of Management and Budget, and Secretary of the Treasury, before describing some of the current realities of U.S. foreign policy: “Today most Americans recognize that the nature and strength of our diplomacy and our strategic posture are linked to and heavily dependent on our performance at home. Our economy, despite current rough water, is fundamentally strong and will strengthen further as economic policies now in place and in prospect take hold. A strong and productive America makes us a strong trading partner and a resourceful ally, giving to our friends a confidence that strengthens their will to resist those who would deprive us of our freedoms.

“Today most Americans are uncomfortable with the fact that we spend so much of our substance on defense, and rightly so, and yet most Americans also recognize that we must deal with reality as we find it, and that reality in its simplest terms is an uncertain world in which peace and security can be assured only if we have the strength and will to preserve them.

“We have passed through a decade during which the Soviet Union expanded its military capability at a steady and rapid rate while we stood still. President Reagan has given us the leadership to turn that situation around, and just in time.

“The past decade taught us once again an important lesson about United States-Soviet relations. In brief, it is that diminished American strength and resolve are an open invitation for Soviet expansion into areas of critical interest to the West and provide no incentive for moderation in the Soviet military buildup. Thus it is critical to the overall success of our foreign policy that we persevere in the restoration of our strength; but it is also true that the willingness to negotiate from that strength is a fundamental element of strength itself.

The President has put forward arms control proposals in the strategic theater and conventional arms areas that are genuinely bold and that will, if accepted, reduce the burdens and the dangers of armaments. Let no one doubt the seriousness of our purpose, but let no one believe that we will seek agreement for its own sake without a balanced and constructive outcome.

“We recognize that an approach to the Soviet Union limited to the military dimension will not satisfy the American people. Our efforts in the area of arms reduction are inevitably linked to restraint in many dimensions of Soviet behavior, and as we enter a potentially critical period of transition in Soviet leadership, we must also make it clear that we are prepared to establish mutually beneficial and safer relationships on the basis of reciprocity.

“Today most Americans recognize that a steady and coherent involvement by the United States in the affairs of the world is a necessary condition for peace and prosperity. Over and over again since the close of the World War, the United States has been the global power to whom others have turned for help, whether it be to assist in the process of economic development or in finding peaceful solutions to conflict.”

After highlighting the Caribbean Basin Initiative as emblematic of this assistance, Shultz asserted: “In our international endeavors we are strengthened by a structure of alliances that is of central importance. Ours is not a hegemonic world but a diverse and pluralistic one, reflecting the complexity of the free, independent, and democratic societies with which we are associated.

“Just as we expect others to work in partnership with us, so we must conduct ourselves as a responsible partner. Frictions and differences are inevitable among allies, and we can never assume complacently that they will automatically disappear. Tolerance of the needs and perspectives of others. So is candid recognition of our difficulties and challenges.

“Above all, there has to be a commitment to the common values and interests on which the truly unique multilateral institutions of the last three and a half decades have been based. Our commitment is firm, as President Reagan made clear during his recent European trip. I am confident that the same is true of our allies.

“Mr. Chairman, if we are strong, we buttress our allies and friends and leave our adversaries in no doubt about the consequences of aggression. If we provide assistance to help others to be strong, our own strength can be husbanded and brought to bear more effectively. If we are confident, we give confidence to those who seek to resolve disputes peacefully. If we are engaged, we give hope to those who otherwise would have no hope. If we live by our ideals, we can argue their merit to others with confidence and conviction.” (*Nomination of George P. Shultz: Hearings Before the Committee on Foreign Relations, United States Senate, Ninety-Seventh Congress, Second Session on Nomination of George P. Shultz, of California, to be Secretary of State, July 13 and 14, 1982*, pages 6–12)

The Senate unanimously confirmed Shultz on July 15. Attorney General William French Smith administered the oath of office to Shultz during a July 16 ceremony held in the Rose Garden at the White House at 10 a.m. For the President’s and Shultz’s remarks at the ceremony, see *Public Papers: Reagan, 1982*, Book II, pages 929–930. Shultz also provided details about his selection, nomination, and appointment in his memoir entitled *Turmoil and Triumph*, pages 3–22.

110. Information Memorandum From the Director of the Policy Planning Staff (Wolfowitz) to Secretary of State Shultz¹

Washington, July 24, 1982

SUBJECT

Possible Topics for Your UNGA Speech

We have been asked to give you quickly some possible topics for your speech to the United Nations General Assembly in September. We are told that you do not want to give a global overview which touches all issues briefly. Recognizing that this will probably be your first major address, IO believes you should emphasize your foreign policy, rather than multilateral issues or UN contributions. Naturally, given the forum, the speech must still be of broad international interest

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons PW Chrons to Secy JUL 1982. Confidential. Drafted by Libby; cleared by Wilcox. McManaway’s stamped initials appear on the memorandum. A stamped notation on the memorandum reads: “EXPEDITE.”

and contain some references to our support for the UN and to principles of the Charter. IO believes you could also refer to our intention to strengthen U.S. participation in international organizations.

You will, of course, be speaking to many audiences, not just the one you directly address. These audiences will include particularly domestic commentators, as well as allies and foreign governments. Venue will be a factor in their perceptions of what you say. For example, the UN venue might be an appropriate platform for a speech that addresses the concerns raised by our domestic nuclear debate.

Keeping these factors in mind, we circulated a memo requesting ideas from the various bureaus.² This memorandum incorporates suggestions we received, as well as some from our office.

In pondering possible topics or combinations of topics, it may help you to consider what past secretaries have done. As you know, the President or the Secretary of State addresses UNGA almost every year. We have reviewed a number of these and have summarized four by past secretaries which are fairly representative of the broad scope typical of these past addresses.

A QUICK LOOK AT SOME PAST UNGA SPEECHES BY PREVIOUS SECRETARIES

Last year, Secretary Haig spoke on international economic development.³ He identified five principles for a strategy of growth: open trading; foreign assistance coupled with sound domestic policy; regional cooperation; incentives for individual performance; and an atmosphere of peace and security. He urged a global expansion of trade, an increase in investment, international cooperation on food and energy.

In 1980, Secretary Muskie spoke on three aspects of peace: refraining from aggression (Afghanistan, Kampuchea); settling disputes peacefully (Zimbabwe, Namibia, Iranian hostage crisis); and arms control.⁴

In 1978, Secretary Vance covered economic progress (cooperation on North-South issues, open trade, strengthening commodity markets), managing global resources (food, energy, law of the sea), and the enhancement of human dignity (through political and economic human rights, ending torture, aiding refugees, pursuing peace in troubled areas, and arms control).⁵

² Not found.

³ September 21, 1981. See Document 63.

⁴ Muskie's September 22, 1980, address is printed in Department of State *Bulletin*, November 1980, pp. 57–60.

⁵ Vance's September 29, 1978, statement is printed in Department of State *Bulletin*, November 1978, pp. 45–50.

In 1973, Henry Kissinger reviewed some of the progress since the UN began, asked the world to move from detente to cooperation, and noted U.S. efforts for peace around the world, the problem of shrinking world resources, and areas for world cooperation (curbing conflict, feeding the hungry, aiding development).⁶

SOME POSSIBLE TOPICS

We have four conventional suggestions, and two *slightly* more controversial topics. Any one of these topics could form the basis for a speech, or, if you wish to cover more ground, the topics might be combined quite easily.

1. *Arms Control, Emphasizing Non-Proliferation*

You might echo the comprehensive arms control themes of the President's June 17 SSOD II address.⁷ PM notes that you could add emphasis on CBW arms control, and possible violations to build support for an international meeting on CBW and to reinforce our concern for verification in all arms control agreements.

This portion of the speech could serve an important role in countering the nuclear freeze moment, an issue that will be much debated in the approaching fall elections. Referenda on the freeze will be on at least 5 and possibly 15 ballots. In addition, we can expect candidates for office, including Jerry Brown, to make it an issue.

Having reviewed the central elements of our arms control policy, you could then focus the bulk of your remarks on the subject of non-proliferation. Despite high public interest, as evidenced during your confirmation hearings,⁸ there has been little public discussion of the proliferation problem by senior officials of the Reagan Administration. The result has been not only growing Congressional criticism, but also tentative new efforts on the part of suppliers to cross thresholds once considered taboo. Our new policy depends heavily on quiet cooperation among major suppliers in restricting sensitive technologies from volatile regions of the world. However, we agree with OES that there is a difference between being quiet about our specific efforts, and being quiet about the fundamental problem of proliferation itself.

Your speech would subtly remind the Europeans that proliferation is a nuclear arms control problem for which they themselves continue to bear important responsibilities. By showing the great destructive

⁶ For Kissinger's speech, see *Foreign Relations, 1969-1976*, vol. XXXVIII, Part 1, Foundations of Foreign Policy, 1973-1976, Document 17.

⁷ See Document 106.

⁸ See Document 109.

potential and instability which nuclear weapons would bring to already vulnerable regions of the world, your speech could also help refute the developing countries' rhetorical argument that non-proliferation simply preserves the special interests of the superpowers. Such a speech could also help to recover some of the ground lost by recent publicity on our test ban treaties.

2. *Economic Issues*

Given your background, economic development and international economic policy would be a natural topic.⁹ However, as noted above, it was the topic of Secretary Haig's UNGA address last year, and was covered in President Reagan's Philadelphia speech just prior to the Cancun Summit. We would have to deal with several areas where the audience might criticize U.S. performance, including our failure to accept the Law of the Sea Treaty,¹⁰ our sugar import restrictions,¹¹ steel, high interest rates, and the stalled Caribbean Basin Initiative.¹² In addition, we

⁹ Shultz earned a Ph.D. in economics from MIT and taught at both MIT and the University of Chicago. He served as Director of the Office of Management and Budget from 1970 until 1972 and Secretary of the Treasury from 1972 until 1974.

¹⁰ On April 30, the Third United Nations Conference on the Law of the Sea approved the Law of the Sea Treaty. The United States did not vote in favor of the treaty. In a July 9 statement, the President announced "that the United States will not sign the convention as adopted by the conference, and our participation in the remaining conference process will be at the technical level and will involve only those provisions that serve United States interests." (*Public Papers: Reagan, 1982*, Book II, p. 911) Documentation is in *Foreign Relations, 1981–1988*, vol. XLI, Global Issues II, Documents 114–202.

¹¹ On May 4, the administration decided to impose a quota on sugar imports. The decision was made in order to protect a price support program for sugar, instituted in December 1981, which guaranteed U.S. sugar producers a set price of 17 cents a pound. (Seth S. King, "U.S. Plans Quotas on Sugar Imports: Prices to Rise as Government Avoids Crop-Support Cost," *New York Times*, May 5, 1982, pp. A1, D14) Secretary of Agriculture Block justified the policy as "necessary to staunch a massive flow of foreign sugar into domestic markets. 'If allowed to continue,' he said, that development 'could only lead to foreign sugar displacing domestic sugar on the U.S. market while domestic production flowed into the Commodity Credit Corp. . . . at the expense of U.S. taxpayers.'" (Paul Taylor and Lou Cannon, "New Sugar Quotas Approved; Consumers to Pay \$1 Billion," *Washington Post*, May 5, 1982, pp. A1, A10) For the President's May 5 statement on the import quota program, see *Public Papers: Reagan, 1982*, Book I, pp. 568–569. In telegram 123287 to all diplomatic and consular posts, May 6, the Department transmitted the text of the President's statement. (Department of State, Central Foreign Policy File, Electronic Telegrams, D820238–0237) Additional documentation on sugar policy is scheduled for publication in *Foreign Relations, 1981–1988*, vol. XXXVIII, International Economic Development; International Debt; Foreign Assistance.

¹² On July 15, the House Foreign Affairs Committee approved by voice vote the \$350 million in economic aid the President had requested as a component of the CBI (see footnote 3, Document 97); however, the House added restrictions on the use of funds. On September 10, the Senate Foreign Relations Committee reported its authorization bill, including \$350 million for CBI. Neither the House nor Senate authorization bills made it to the floor; however, CBI funding was included in H.R. 6863, the omnibus FY 1982 supplemental funding bill. The President vetoed the legislation in August, but Congress overrode the veto on September 10. (*Congress and the Nation*, vol. VI, 1981–1984, pp. 149)

would have to face the question of whether we have made any progress since last year.

Nonetheless, there are real dangers to raise. Prolonged recession has raised pressures for protectionism, sapped enthusiasm for long-haul development, and accentuated debt and credit problems.

We have a very good position on the goals of economic efficiency and individual freedom, which can only be produced by a free market approach. You could convey that confrontation over ideological issues is sterile and that the UN should concentrate on stimulating growth by building on the strengths of the system we have. The speech would emphasize free market themes raised by the President and Secretary Haig last year. EB suggests you note the opportunity to expand the framework for trade offered by the forthcoming GATT Ministerial and to encourage development of LDC's hydrocarbon and alternative energy resources through private investment. In addition, U.S. programs of economic assistance, investment, trade, aid to international banks and organizations, and limited regulation are sound grounds to boast and contrast favorably to Soviet inaction and inability.

3. *Agenda for Regional Peace*

Regional disputes raise the gravest risk of confrontation between the superpowers, pose a dangerous context for proliferation, cause great suffering, and have created a worldwide problem of refugees. The U.S. is the party to which the world turns to resolve such crises and is currently involved in several efforts to resolve regional disputes. Thirty years ago, your speech might note, a regional dispute on the Korean peninsula brought UN troops into action and created a dangerous confrontation.

The Middle East may be very much on everyone's mind at the time of the speech and would be a main focus of a speech on this topic, provided the subject is not too hot. You would also want to mention U.S. and international efforts to resolve problems in Namibia, Afghanistan, Kampuchea, and possibly the Falklands. Poland, a slightly different case, might be raised, as might our concern for violent movements in North Africa and the Caribbean.

The UN Charter emphasizes the duty of peaceful settlement of disputes. L notes that our submission of the Gulf of Maine boundary dispute to the International Court of Justice¹³ and the creation of

¹³ Reference is to the Treaty Between the Government of the United States of America and the Government of Canada to Submit to Binding Dispute Settlement the Delimitation of the Maritime Boundary in the Gulf of Maine Area. United States and Canadian officials signed the treaty in Washington on March 29, 1979; it entered into force on November 20, 1981.

the U.S.-Iranian claims tribunal are concrete steps in furtherance of this duty.¹⁴

4. *The Human Side of our Agenda to Peace*

P raises the possibility that you cover a number of traditional issues, including those touched on above, under the general theme that human tragedies lie behind the headlines of world affairs. This would allow you to show some familiarity with a number of issues while reflecting our strong dedication to peace, individual liberty and humanitarian concerns.

This theme would permit a discussion of the refugee problem. Two issues relating to refugees will be before the UN this session: the renewal of the mandate of the High Commission for Refugees and the election of a new High Commissioner.¹⁵ Your speech could recognize the great contributions of the U.S. in this field, highlight major problem areas and frame the prime issues for UN attention. In addition, if our policy review recommends ratification of the Genocide Convention, this could be announced.¹⁶

SOME SLIGHTLY MORE CONTROVERSIAL TOPICS

The four suggestions above are all relatively safe topics. While this is not the occasion for very controversial issues, you might want to consider being a little more contentious with the following themes (that overlap to some extent the topics listed above).

5. *Preserving Nuclear Peace*

This speech would have the same purpose as topic No. 1 above, to address concerns about nuclear war, but it would specifically try to educate people to the fact that preventing nuclear war involves far more than just arms control. In this respect it would at least combine topics 1 and 3 (resolving regional disputes) above. I believe it should also to some degree point to the trend toward the use of force by the Soviet Union and its proxies as the greatest threat to peace, although how far to go along these lines must be weighed carefully.

¹⁴ The 1981 Algiers Accords established the Iran-U.S. Claims Tribunal, which met in The Hague for the first time in May 1981.

¹⁵ A/RES/37/196, adopted by the UN General Assembly on December 18, maintained the Office of the UN High Commissioner for Refugees for 5 years from January 1, 1984. Former Danish Prime Minister Poul Hartling, who had served as High Commissioner since 1978, was reelected by the General Assembly on December 18 for a 3-year term beginning January 1, 1983. (*Yearbook of the United Nations: 1982*, pp. 1195, 1626)

¹⁶ Reference is to the Convention on the Prevention and Punishment of the Crime of Genocide, adopted by the UN General Assembly on December 9, 1948 (A/RES/260(III)A).

A month ago I gave a speech along these general lines, which I have attached.¹⁷ Given at the Naval War College, the speech was very different in tone and content from what would be right for the UN. Nonetheless, it will give you a fuller notion of the way that I think regional peace should be tied to nuclear issues.

6. *The Democratic Revolution*

In his London speech, the President returned democracy to the political offensive by emphasizing the ideals of human freedom and by promoting democracy as the surest route to reaching those ideals.¹⁸ The President argued that democracy is the wave of the future. You might take up that call, perhaps tying the argument to concepts in the UN Charter. Such a speech might even be tied to the more traditional concerns about economic development by explicitly raising the issue of the ends that development is meant to serve.

Unavoidably, such a speech will raise (if only implicitly) the failure of most UN members to live up to the ideals of the Charter, and the active opposition of the Soviet Union and its allies to those ideals. The tone would have to be carefully modulated.

The speech should distinguish between areas of legitimate political differences and areas of human freedom not honestly at issue. For example, a choice of a free market economy as opposed to government ownership of certain industries might be noted as an honest difference that does not impinge on basic freedoms. You might note your preference for the efficiency and equity that can come from less regulation, but note also that neither side of this argument (which, after all, divides us from most UN member nations) falls outside the realm of acceptable moral behavior. On the other hand, suppression of free speech, free association, or a free press, or the use of torture and terrorism, for example, do violate fundamental notions of human dignity. Alternatives that extinguish all hope of political freedom deserve special condemnation.

Recommendation

The most important consideration in choosing a speech theme is that it provide a vehicle for presenting *your* thoughts and projecting the image that *you* are most comfortable with, so I offer my personal

¹⁷ Attached but not printed is Wolfowitz's June 22 address, which is printed as Department of State *Current Policy* No. 406. In it, Wolfowitz stated: "The prospects for preventing nuclear war depend on far more than just what we do about nuclear weapons themselves. They depend also on what we do to reduce the many local sources of conflict in the world and on what we do to promote possibilities of peaceful change. And they depend on what we do to restrain the Soviet use of force to exploit these sources of conflict."

¹⁸ See Document 104.

opinions with some hesitation. That said, my own belief is that it is better to present some sharp edges than to stick to bland themes with which no one can disagree—but which likewise not draw any strong agreement either. (This is not a recommendation for confrontational rhetoric. Precisely if one speaks clearly about areas of disagreement, one should do so in firm but moderate and non-provocative language.)

Accordingly, I would recommend either topics 5 or 6. Were it not for the urgency of addressing our own domestic nuclear debate, I would prefer the Democratic Revolution theme. However, given our impending elections and referenda, I think it would be best to address the nuclear issue at this time.

A Further Thought on the Middle East

It might be tempting on this occasion to say something new and important on the Middle East. Such thoughts could easily fit under the Agenda for Regional Peace topic, and perhaps others. However, if you break any significant new ground on the Middle East, that will become the dominant theme of all the headline writers, obscuring any other message you might want to get across and creating the impression that you are a one-issue Secretary.

If you deem these risks worth running, you could do something useful and important for our Middle East policy by clearly criticizing both sides—the Israelis for settlements, removal of Mayors and other annexationist policies; the Arabs for their basic refusal to accept Israel's existence and for the consistent maximalism that has in the past rejected almost all attainable progress (starting with the Arab rejection of the UN's own partition plan in 1947). By using the device of *balanced* criticism of both sides, you could make harsher comments than we have previously made in official statements. Such a course would run the risks—but also bring the benefits—of having the extremists of both sides angry at you. It would express our determination to press *both* sides hard for real progress, and thus embolden moderates in both camps. (You should not, however, appear to be exclusively or mainly criticizing Israel, and thus implicitly apologizing for the U.S.; to do so risks encouraging an Arab belief that the tide is finally turning and that they *can* hold out for maximalist goals.)

111. Memorandum From the Under Secretary of State for Economic and Business Affairs-Designate (Wallis) to Secretary of State Shultz¹

Washington, July 30, 1982

SUBJECT

Possible Topics for Your UNGA Speech²

I would like to see your speech start with a hymn to the human spirit, rising to a crescendo about the great things humanity has achieved, is achieving, and will yet achieve—if (and here the crescendo diminishes and becomes somber) we are successful in overcoming certain threats.

The hymn to the human spirit could touch on moral values that are common to all religions and most cultures; on achievements in art, music, literature, understanding of nature, and man; on expanding opportunities for leisure, education, travel, sports, recreation; on the broad dissemination of cultural activities and enlightenment through radio, television, movies; printing (and literacy), airplanes, telephones. In short, we have before us possibilities for a finer life, more widely shared, than humanity has ever dreamed of.

You need a philosopher to prepare the libretto and a poet to prepare the score of that hymn; and a meticulous editor to keep it from sounding evangelical or fatuous and to keep underdeveloped countries in focus. But get people's eyes off their feet and the rocks and show them the view from the top of the mountain.

Then shift to the more somber side. What hazards lie in our way, and how can we cope with them? Bring in the nitty-gritty issues that the Wolfowitz memo enumerates.³ But bring them up in the context of grand, noble, and inspiring possibilities that make it desperately necessary to tackle them and will make success infinitely rewarding.

Marvelous things are truly within reach for all humanity if we can achieve peace and international cooperation. But those cannot be

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons PW Chrons to Secy JUL 1982. Confidential. In a handwritten note attached to the memorandum and Kirkpatrick's August 6 memorandum to Shultz (see Document 112) Kaplan wrote: "Other principals have been asked for their views. Here is the 1st response."

² See Document 120.

³ See Document 110.

attained by love and lofty thoughts alone. Indeed, a basic requirement is a world order in which people can cooperate without loving one another or sharing the same lofty thoughts. Such a world order requires sustained hard work on messy problems and details. But we must do it, we can do it—indeed, we are on the way.

I do not suggest skipping the mundane points in the Wolfowitz memo—quite the contrary. But package them with the perspective of wonderful things in reach if we succeed, not the perspective of horrors if we fail—though those horrors should be recognized to contrast with the rewards for success.

One of the hazards confronting us is overeagerness to attain the ultimate immediately. A country that promises its people goodies before those goodies can be produced risks economic chaos that may prevent the goodies ever being available and that may disrupt international trade to that country's own detriment. A healthy world economy is essential to a healthy world order, but simple formulas for economic health are hazardous.

Similarly, simple formulas for preventing nuclear war are hazardous.

More generally, the wonders that are in sight did not come about instantly or easily, and neither will control of the hazards. The wonders are the joint product of all the cultures of the world, and so will be control of the hazards.

112. Memorandum From the Representative to the United Nations (Kirkpatrick) to Secretary of State Shultz¹

New York, August 6, 1982

I have given a good deal of thought to your U.N.G.A. speech. As you know, the speech will have a world-wide audience. No speech you make as Secretary of State is likely to receive more press attention.

The U.N. is above all an institution of and for the so-called Third World. Their perspectives dominate its agenda as thoroughly as those nations dominate the membership. Furthermore, U.N. affairs get the

¹ Source: Department of State, Executive Secretariat, S/P Records, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons PW Chrons to Secy JUL 1982. Confidential.

most coverage in their countries. Therefore, it is important to speak to them with sympathy and understanding. Nothing else is quite “right” for the U.N.

I have already suggested the audience will think best of a speech that is long (at least 25 minutes long), broad in focus, constructive, even optimistic in tone.

I suggest you consider a speech that is somewhat “visionary;” perhaps a kind of modified utopia that describes some aspect of the international system (economic and/or political) you intend to work toward, then perhaps consider how you get there from here, including principle obstacles and how to overcome them.

As a methodological technique, postulating and delineating “preferred futures” guarantees clarity about goals and the relevance of policies to goals. As a dramatic technique it emphasizes and accentuates the positive.

Personally, I like the 1973 Kissinger speech.² His focus on curbing conflict, feeding the hungry and aiding development is perfect U.N. fare. I also like the idea of continuing the President’s theme of a democratic revolution as the wave of the future.

A focus on freedom would give you the opportunity to speak about both economic and politics; discussing the undoubted facts that freedom stimulates innovation, industry and economic development, political participation, loyalty and stability; that is, higher standards of living, higher levels of citizenship, a higher quality of life.

I agree with Paul, it is important above all that the speech express you: views, visions and values.

I will be happy to help anyway you like—on this as on all matters. Call on me.

² See footnote 6, Document 110.

113. Memorandum From the Director of the Policy Planning Staff (Wolfowitz) to Secretary of State Shultz¹

Washington, August 25, 1982

SUBJECT

UNGA Speech

Attached (TAB 1) is a first draft of a possible UNGA speech.² At this stage we have kept headings and some aspects of an outline format to make it clearer what particular sections are designed to do.

Based on Allen Wallis's comments (TAB 2)³ on the outline we sent you earlier, we have changed the structure of the speech substantially. It still addresses the nuclear issue—including nonproliferation—at length. But in addition to reacting, as Wallis puts it, to the agenda set by others, it also talks about *our* agenda—the promotion of political and economic freedom—and explains how the advance of freedom and democracy helps to promote the cause of peace.

The basic structure is:

—Man has great potential prospects; but also great dangers threaten all that has been or might be accomplished;

—The importance of efforts to control nuclear weapons: what the United States is doing to that end; also what we are doing to prevent nuclear proliferation and why we think that serves the interests of everyone;

—But we must do more than just limit weapons. We must:

- strengthen barriers to aggression;
- work to resolve regional conflicts;
- and, perhaps most important;

—We must work to channel man's energies away from war

—economic freedom, which not only spurs development and benefits the international trading system, but enhances political freedom;

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons PW Chrons to Secy AUG 1982. No classification marking. Not for the System. Shultz's stamped initials appear in the top right-hand corner of the memorandum. Bremer initialed the memorandum and wrote "8/25."

² Not attached. Roche sent the 12-page outline to Shultz under an August 18 memorandum. (Ibid.)

³ Attached but not printed is an August 20 memorandum from Wallis to Roche.

—promoting democracy and political freedom, which enhance the chances for international peace.

—THE BASIC MESSAGE: The cause of freedom is the cause of peace.

We will begin working immediately on improving the present draft, but it would be helpful to have your guidance as soon as possible. Specific ideas or comments about the development of the themes would of course be useful (and we are getting some useful comments through Allen Wallis on specifics of presentation), but the most important thing to know at this stage is whether the general themes are on target, whether you are comfortable with a speech as broad and philosophical as this one, etc.

114. Note From the Director of the Policy Planning Staff (Wolfowitz) to Secretary of State Shultz¹

Washington, August 27, 1982

Mr. Secretary:

We received some very general guidance from S/S that you wanted a paper on U.S. strategy for the Pacific. We have tried earlier to develop an overall strategy just for East Asia. Even here, where our Asia expert is not burdened with the concentration on a particular bilateral relationship, that effort foundered on the difficulty of looking at Asian policy as anything more than a series of bilateral, or at most sub-regional, policies. There is a real question whether it makes sense to look at Asia any other way, given among other things, the deep differences that divide the region, the possible tensions between such an effort and smaller regional groupings (such as ASEAN) that we are seeking to encourage, and the advantages to the U.S. of dealing with individual countries bilaterally rather than *en bloc*.

¹ Source: Department of State, Executive Secretariat, S/P Records, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons PW Chrons to Secy AUG 1982. Confidential. Shultz's stamped initials appear at the top of the memorandum. In the top right-hand corner of the memorandum, Shultz wrote: "Paul—An interesting paper—Pls organize a discussion of people inside Gov't (say 6 or 8, no more than 10) to spend an hour or two with me on this—some time in the next month. G."

The attached paper does not actually present a strategy for the Pacific, with all of the necessary country detail. Nor does it present a plan for a Pacific-wide institution (another subject that S/S thought you might be interested in). Rather, it addresses the issue of whether either of these enterprises is worth pursuing further.

My own feeling is that it does make sense to look at the region as a whole, despite the arguments mentioned above and the unquestioned need to pay primary attention to our rich and varied bilateral relationships. We already have to do so in developing our military strategy. That is paradoxical since the security issue is one subject on which it would be pointless to try to organize a Pacific community. Nevertheless, the U.S. military role underpins the stability that is essential if the remarkable dynamism of the region is to continue. Broadening our strategy to include a political and economic dimension could:

- 1) help to secure and strengthen our basic security role;
- 2) expand our participation in the economic growth of the region;
- 3) provide a useful complement to our European policy (and perhaps a bit of a nudge to the Europeans); and, finally,
- 4) if skillfully managed, might help to overcome some of the sense in this country that our involvement in foreign affairs is increasingly nothing more than a formula for taking on the burden of other people's problems.

Those are my hunches, but before proceeding further I would like to get some more precise guidance from you—and from others in the Department—about where we should be heading. Hopefully, the attached paper can be a useful vehicle for that discussion.

Paul Wolfowitz²

² Wolfowitz signed "Paul" above his typed signature.

Attachment**Information Memorandum From the Director of the Policy Planning Staff (Wolfowitz) to Secretary of State Shultz³**

Washington, undated

SUBJECT

US Posture Toward the Pacific Basin

Introduction

In an article entitled "Illusions of Distance,"⁴ Albert Wohlstetter once cautioned against "mechanical regionalism:"

". . . Some (economic) unions might represent a gain; some surely would be a loss, particularly if their composition were determined solely on the basis of criteria as unrelated to economic efficiency as contiguity. They may be mainly rival exporters of the same commodities. . . . Neighborhood in international relations, as Jacob Viner has pointed out, has never guaranteed neighborly feelings, and often has prevented them. . . . Indeed, one of the largest defects of regionalism in the postwar period has been a frequent neglect of the hard truths of differences in political interest inside regions and the varying bonds of interests with countries outside. Regionalism, which has seemed a half-way house between nationalism and a utopian universalism, has itself sometimes been a kind of utopia for hard-headed Realpolitikers. . ."

Despite those cautions—but with them in mind—it is worth considering whether U.S. interests in the Pacific might in some way be usefully served by considering the region as a whole and developing a strategy for it. As a basis for such a consideration, this paper considers: (1) what are US interests in the Pacific region; (2) whether, and in what respects, it is useful to look at the Pacific region as a whole; and (3) whether the Pacific should receive increased emphasis in our overall strategy and if so whether that is best done through existing bilateral relationships or whether some broader organizational arrangement would be useful.

³ Confidential. Drafted by Randolph on August 26; cleared by Glassman. Adams initialed the top of the memorandum and wrote "8/27." A stamped notation in the top right-hand corner of the memorandum reads: "82 AUG 27 P2:08." Table III, "US Trade with East Asia, January to December 1981," was not found.

⁴ Printed in *Foreign Affairs*, Vol. 46, No. 2 (January 1968), pp. 242–255.

*I. The US in the Pacific**(A) Dynamism of the Pacific Region*

—The Pacific Basin is an area of remarkable economic growth and dynamism. This is based in part on the region's wealth of human and natural resources. It is also based on successful Asian adaptations of some of our most fundamental economic and political principles. This makes the Pacific region a showcase for key American values.

—In recent years the Pacific area has witnessed the emergence of: ASEAN; economic dynamism among the NICs; Japan as a global economic power with growing international responsibilities; a somewhat more open China; a more activist Australia with major trade links to Japan and a substantially more powerful and growing Soviet presence. These developments increasingly engage major US interests.

—US trade is shifting toward the Pacific. In 1981 US Asia-Pacific trade surpassed trade with all of Western Europe. If our key trading partners, Mexico and Canada (also Pacific nations) were included, this shift would appear even more pronounced (see Table II).⁵ In addition to major trade in consumer goods and machinery, the US relies on the Pacific for more than 90% of its natural rubber, and large amounts of imported wool, tin, meat, plywood, bauxite, sugar and oil. In the latter part of 1981 Indonesia replaced Nigeria as our second largest source of oil, after Saudi Arabia. On the export side, the Pacific has now surpassed the EEC as our largest market for agricultural products (see Table IV).⁶

—The Pacific is an area of comparative stability at present, despite deep antagonisms and substantial military imbalances. These latter factors also make it prone to instability, should current political balances be disrupted.

(B) US Interests and Objectives in the Pacific Region

The US is the only major Pacific power, in a comprehensive sense (political/military/economic). It enjoys significant trade and positive political relationships with most nations of the region (an advantage not shared by the USSR). US interests and objectives in the region should include:

—Strengthening of formal and informal security cooperation with and among friendly states, so as to create a favorable security

⁵ Not attached is Table II, "US Trade With Major Areas 1981."

⁶ Not attached is Table IV, "Rank of Country as Importer of Commodity from the US in 1981."

environment in which the enormous potential of the region can be realized. In this context, should the US encourage: (1) greater reliance on American power; (2) greater self-reliance; (3) greater reliance on other regional powers (such as Australia and Japan); or (4) some combination of these strategies?

—Promotion of communication/cooperation among friendly states in the area (e.g., closer Japan-ROK, Japan-Australia, ROK-ASEAN, Australia-ASEAN-Pacific Island ties) as a means of strengthening regional political stability.

—Strengthening economic ties with the growing economies of the region in a manner which will promote strong economies and the free trading system, counteract protectionist pressures, and create a strong market for US exports.

—Encouragement of economic growth in regional LDCs through balanced multilateral and bilateral aid, and private sector involvement (e.g., investment and technology transfer).

(C) *Other Possible Objectives of a Comprehensive "Pacific" Approach*

—Develop a comprehensive global policy, more effectively linking friends and interests in the Atlantic with those in the Pacific.

—Develop a coherent focus of US interest outside Europe, as a means of developing visible alternatives to a Euro-centered strategy.

—Improve US export competitiveness through the development of a more effective working relationship between the US Government and business communities.

—Develop an initiative which would add a new sense of dynamism and direction to US foreign policy, and help to build and maintain the domestic consensus needed to maintain a strong US role in the Pacific.

II. *US Policy: What Basis for a Regional Focus?*

(A) *Pacific Rim vs. Pacific-Oriented Countries*

(1) Location on the Pacific Rim alone does not create shared interests. The core of a Pacific policy should focus on these states with a common Pacific orientation. Such an orientation clearly exists among the US, Japan, Australia/New Zealand, ASEAN, South Korea, Taiwan, Hong Kong, and (on a smaller scale) the Pacific Island states. Common interests include market-oriented economic systems, significant trade, investment and capital flows, a greater or lesser adherence to Western democratic values, and shared (explicit or implicit) security concerns.

(2) Canada and Mexico, though not fundamentally oriented toward the Pacific, are also Pacific nations. As our #1 and #3 trading partners Canada and Mexico, when taken together with East Asia, constitute the top three areas of US economic interest, aside from Western Europe.

(3) The Pacific countries of Latin America are seeking to expand their Pacific ties, and therefore should not be excluded from a Pacific policy. For the moment, however, their hemispheric orientation suggests that they relate to US Pacific-wide interests in only a secondary sense.

(4) The Soviet Union at present relates to US and other Pacific-area interests primarily—but very importantly—in the security area.⁷ Our desire to encourage the constructive integration of China into the world community suggests that China should clearly be part of our Pacific policy. Chinese security concerns and developmental objectives link it to the US and the Pacific. The overlap of shared interests is only partial, however, and systemic differences may, for the time being, preclude integration of the PRC into a broader Pacific community.

(B) *How Do US Interests Interact with Those of the Other Pacific Nations?*

(1) *Trade and Economic*

There is considerable regional interdependence in trade flows. The pattern, however, is asymmetrical, with domination by the US and Japan. With the exception of the United States and Japan, whose regional trade is only a fraction of their global trade, all market economies in the Asia-Pacific region do over 50% of their trade within the region. The importance of regional trade is greatest for the LDCs. The NICs fall in the middle, with heavy regional trade, but a declining fraction of the total as they seek to expand into wider global markets. (See Table I.)⁸

Significant interdependence also exists in regional investment and aid flows, with the US and Japan again as the principal investors/donors (this is despite the fact that US investment in East Asia—\$22 billion in 1981—is only about 11% of total overseas investment, and US bilateral aid to the region is significantly less than it was 10 years ago).

(2) *Political Interests*

A sense of political community is at best incipient. Outside of already-existing groupings, the region is divided by distance, ideology (in the case of the Communist states), history (e.g., profound historic animosities toward Japan that affect relations with Korea, China and

⁷ An unknown hand changed “related” to “relates.”

⁸ Not attached is Table I, “Pacific Basin Intraregional Trade (1981 data).”

the ASEANs), economic competition (between the US and Japan and among several of the NICs), and aligned/non-aligned distinctions. Nevertheless, shared political interests do exist. Common security concerns underlie political and military ties with the US and in some cases with each other. Growing trade ties serve as a unifying as well as a dividing force. Generally harmonious relations with the US and an array of shared bilateral US interests with nearly all Pacific nations is a further thread which runs throughout the Pacific Basin.

(3) *Security*

All states in the Pacific (with the exception of the USSR, North Korea, and Indochina), whether aligned or non-aligned, share a common interest in preventing the growth of Soviet regional power. To a greater or lesser extent, all states (outside of the South Pacific and the PRC itself) share a common fear of China. On both counts, the US is looked to as the explicit or implicit guarantor of regional security. This reliance could increase if Sino-Soviet tensions were to significantly lessen. With US support providing the underpinning of Pacific area stability, from a security perspective the region should be looked at as a whole.

In the wake of the US withdrawal from Vietnam and declining global capabilities during the Carter Administration, deep and persistent doubts remain in Asia concerning the reliability of US defense commitments. While progress has been made during the past two years in reassuring Asian friends and allies, continued efforts will be required to demonstrate our sustained role as a Pacific power.

At present we have no pressing security problems in the Pacific. We should not forget, however, that this is the area where the US has fought its two major post World War II conflicts. This is no accident. Though quiescent, there are great military imbalances in the region. The local balance favors the USSR, the PRC, Vietnam and North Korea, leading to a heavy dependence on the US for a countervailing role. That dependence is aggravated by the rapid increase of Soviet military forces in the area. The substantial stability of recent years is in part a product of tensions and conflicts among actual or potentially hostile countries. This situation makes the US continually vulnerable to the possibility of a Sino-Soviet rapprochement, and individual national susceptible to political or military intimidation.⁹

(C) *Has the US Given Sufficient Attention to Its Pacific Ties?*

—Growing US interests in the Pacific Basin, both economic and political, may require greater US engagement.

⁹ An unknown hand changed "national" to "nations."

—While lacking the same ties of history and culture, our present level of Pacific involvement has grown to the point where it is arguably comparable to the Atlantic. We should consider, therefore, moving toward a policy which would place our Pacific and Atlantic relationships more on a par.

III. *Proposals for a “Pacific Community” Mechanism*

Over the past 15 years a number of proposals have been made for the formation of a Pacific Basin-wide organization, to draw together the threads of an incipient Pacific Community.

(A) *Structure*

—First officially articulated by the Japanese in 1967 with a proposal for a Pacific Free Trade Area (PAFTA). PAFTA was to function as an equivalent and counterweight to the EEC. This idea led to the initiation of a conference series, the Pacific Trade and Development Conference (PAFTAD), which has included eleven meetings since 1968. Participants have been mostly academics and businessmen.

—Organization for Pacific Trade and Development (OPTAD) was proposed by the Conference as a successor concept to PAFTA. OPTAD would be modeled after the OECD, and would include the five Pacific members of OECD, the ASEANs and South Korea, with special status for Taiwan, Hong Kong and the Pacific Island states. Its organization would consist of a secretariat in each member country with regional problems being dealt with on a task force basis.

—Other proposals for Pacific Basin cooperation include the formation of a private, non-governmental body with limited consultative functions, as a preliminary step toward an OPTAD-type structure.

—In 1978 Japan’s Prime Minister Ohira added new impetus to the discussion by publicly calling for a new Pacific area association. Further momentum was also given by the Canberra Pacific Community Seminar, held in Australia in September 1980 pursuant to a joint communique by the Japanese and Australian governments.¹⁰ It also became clear in Canberra, however, that there existed substantial ASEAN opposition to the setting up of a Pacific-wide inter-governmental organization. The result was the establishment of a Pacific Cooperation Committee (PCC), which was to be a private,

¹⁰ Held at Australian National University, September 15–17, 1980. In telegram 272163 to all East Asian and Pacific diplomatic posts and Ottawa, October 12, 1980, the Department transmitted the text distributed to the press in Canberra regarding the results of the conference. (Department of State, Central Foreign Policy File, Electronic Telegrams, D800488–0163)

informal body composed of 25 unofficial representatives of the countries attending the conference.

—On July 31 of this year South Korea's President Chun Doo Hwan issued a call for a Pacific Basin Summit.¹¹

(B) *Attitudes of Pacific Nations*

—Japan has historically been the strongest proponent of a Pacific Basin Community. (Japan has an important interest in regional stability and open markets, as its principal markets and sources of raw materials are in or pass through the region.)

—Significant support exists in Australia, on an unofficial basis (as demonstrated by PM Fraser's backing for the 1980 Canberra Conference).

—South Korea can be presumed to be supportive.

—ASEAN, which is essential to any Pacific organization, is skeptical. The ASEANs are concerned that:

- (1) the concept remains too unfocused to be of interest;
- (2) the United States and Japan will dominate any Pacific region organization;
- (3) ASEAN's non-aligned status will be compromised by great power involvement;
- (4) ASEAN as an organization will be submerged or divided;
- (5) economic benefits may also entail political costs (in terms of sovereignty).

—The US has taken a non-committal position. While offering passive support, we have been clearly unenthusiastic.

IV. Possible US Strategies (Should We Support a Pacific Mechanism?)

It should be considered whether a bilateral approach to regional problems alone is sufficient. US interests are currently being effectively served by bilateral diplomacy, but emerging regional challenges—particularly in the fields of trade, investment, aid, and resource development—suggest that a broader, multilateral approach could serve as an effective supplement. Possible options are:

¹¹ In telegram 8123 from Seoul, August 4, the Embassy discussed Chun's proposal, outlining the five principles designed to aid in the creation of a "Great Pacific Age," noting: "The proposal remains vague, but the ROKG seems determined to pursue the idea despite the apparent lack of enthusiasm for it on the part of other potential participants." (Department of State, Central Foreign Policy File, Electronic Telegrams, D820404-0008)

(A) *Continue Our Present Bilateral Approach Essentially Unchanged*

Outside of annual consultations with ANZUS and ASEAN, US problems and objectives in the Pacific region are addressed on an essentially bilateral basis. Continuation of this policy would conserve resources and avoid the compromises which necessarily come with broader multilateral endeavors. Regarding a possible Pacific Community organization, the United States would aim to let the idea mature at a private level before committing itself to government involvement. Without active US support, it can be expected that the Pacific Basin concept will not advance in the near future beyond private and academic circles.

(B) *Assume a More Active Posture*

(1) *Expand our Existing Bilateral Efforts*

This should include increased conceptual focus within the Department on means for enhancing our Pacific relationships. The level and number of high-level visits might be expanded. Bilateral consultations on subjects of mutual interest (military as well as economic and political) could be intensified. In addition, thought should be given to the shifting of additional human and financial resources to the Pacific area.

(2) *In Addition to Expanding Bilateral Efforts, Consider Moving in the Direction of a Multilateral Approach to the Pacific, Looking Toward Making First Steps to Build a Pacific Community Consultative Mechanism.*

This approach would focus on the Pacific area in a manner both directly and indirectly supportive of US interests. Common concerns might be addressed through either:

(a) a broadly-based, general consultative mechanism; or

(b) more narrowly-focused, functionally-oriented working groups, organized initially on an *ad hoc* basis.

Initial topics for region-wide consultation might include the promotion of regional trade and investment, the management of trading relationships so as to forestall protectionism and support the free market system, the coordination of regional aid flows, the facilitation of technology transfer, or the management of marine resources. Though essentially economic, common efforts along the above lines could have the added advantage of indirectly nurturing support for US political and strategic interests in the Pacific by encouraging a general perception of shared interests among nations friendly to the US and emphasizing US interest in the Pacific.

115. Memorandum From the Director of the Policy Planning Staff (Wolfowitz) to Secretary of State Shultz¹

Washington, August 27, 1982

SUBJECT

Soviet Strategy Seminar

You opened Saturday's meeting² by asking the participants' view of the Soviet Union and of the relationship we should seek with it. The discussion that followed brought to light *three fundamentally different approaches to Soviet-American relations*, with disagreements among them centering on whether and how the two sides' competition can be moderated. There was the familiar disagreement between the view that it can be moderated only by the *break-up* of the Soviet Union, and alternately, the view that it can be adequately moderated by the right *bargaining* approach on issues that affect Soviet interests. A third analysis, which emphasized the importance of *blocking* Soviet opportunities, assumed no fundamental moderation is possible.

Not every participant, of course, fits neatly into the following description of these views. This is sometimes due to shadings in their view, sometimes to outright contradiction.

Three Outlooks

1. For the *bargainers*, the key to a satisfactory relationship lies in positioning ourselves to maximize our bilateral leverage. There is a potential for mutual accommodation, created by the vulnerabilities of the Soviet system (and resultant Soviet caution). Yet to exploit this potential several steps are needed: trade must increase substantially, the U.S. government must acquire the legal power *and* flexibility to control trade, and we must earn European confidence and cooperation by setting out a balanced strategy for using this leverage. To further strengthen this cooperation, we must also assign the highest

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons PW Chrons to Secy AUG 1982. Secret; Sensitive. Shultz's stamped initials appear on the memorandum. Wolfowitz sent the memorandum to Shultz under an August 27 typewritten note, stating: "Attached is a broad-brush summary of what emerged to me as the most interesting aspect of last weekend's discussion of Soviet policy: the broad distinction among three quite different schools of thought. There was much more useful detail and many more thoughts in my head that I would still like to get down on paper, but this should be a useful first installment." (Ibid.) Also printed in *Foreign Relations, 1981-1988*, vol. III, Soviet Union, January 1981-January 1983, Document 206.

² August 21.

priority, not only to conducting arms talks, but to the early conclusion of an agreement, even though its impact on the overall balance is expected to be negligible. The *bargainers* favor other agreements as well, and express confidence that the use of rewards and penalties will facilitate “rules of the game” for competition in the Third World. Although based on a picture of Soviet weakness, this view foresees an enduring relationship even as the weakness passes: our task is to limit the Soviet Union’s misbehavior, and this will be possible even as it prospers.

2. For the proponents of *breaking the Soviet Union up*, the West’s only choice is between a Soviet demise and the “Finlandization” of Europe. With no basis left for a stable relationship, contacts must be kept to a minimum. Arms control merely unravels our defense efforts, and trade merely creates reverse leverage against the West; in this way, the Soviets have exploited Western internal weakness in the past. Now, however, the application of economic pressures is the key to Western success: the Soviet Union’s internal weakness (above all, its economic crisis) is great enough to bring it down, if—and only if—the *US squeezes*. To do so requires the same government control over economic relations that the bargainers desire. On the basis of such an all-out struggle, the problem of managing Western public opinion can also be solved: our leaders, rather than offer a complex and multifaceted relationship with the enemy, can now hold out victory. (They do not, however, have to scare our people: the pressure tactics of the *break-up* school are “risk-free.”)

3. Those who focus on *blocking Soviet misbehavior* spell out the implications of concluding that the competition cannot be fundamentally moderated: first, that *overturning the Soviet system requires more leverage than we have*; second, that *bargaining directly with the Soviets—on trade or arms control—gives us less leverage than we need*. Effective leverage comes instead from creating an environment in which Soviet opportunities are limited, and Soviet advances can be resisted—through an improved military balance, cooperation with like-minded states, and promotion of political and economic stability. *Trade and arms control are not incompatible with this approach*, but the *marginal* benefits they yield must be strictly weighed against the confusing signals they send our own public. *Economic pressures are also not incompatible*, but because they too yield only *marginal* benefits these have to be weighed against the damage done to our efforts to promote cooperation and unity with other states.

Assessment

All three of these outlooks are found in the Administration, and obviously have some ground in common. In particular, all emphasize the importance of pursuing a policy that can sustain public support

over the long term. You heard some sophisticated advice from all sides about managing this difficult problem:

—The *bargaining* partisans point out that a showy openness to negotiation is not enough. To command the public and allied support that will strengthen our negotiating hand, we need a convincing strategy that promises *results*, that can get from here to there.

—The *break-up* advocates would sustain public support by stating our differences with the Soviets in maximum terms, in principled, ideological rhetoric.

Yet both of these analyses expect to put the Soviet-American relationship on a new basis, and for this reason they may compromise sustainability for other goals. For example:

—The *bargainers* set an extremely stiff test for showing that our policy is realistic and effective: in this way an early arms agreement becomes a top priority. The paradoxical conclusion is that *the only way to sustain a long-term competitive posture is to satisfy the public's desire for an end to competition*. In practice, this may be simply self-defeating.

—The *bargainers'* view of economic leverage makes the same compromise. To strengthen our hand in the long run, we have to increase the US share of East-West trade; in the short run, this is not likely to convince our allies to practice restraint. If it does not, our leverage will not increase.

—The *break-up* school similarly compromises its long-term prospects for a massive effort in the short run. Our allies and our publics will demand early results, which may prove unattainable.

Implications

The problem of sustainability, by contrast, looks most acute to those who envision continuing Soviet opportunities throughout (and beyond) this decade. The *blocking* strategy you heard at the meeting rejected our bilateral leverage toward the Soviets as marginal. In this view, there is less to be gained and more to be lost by nuanced use of rewards and penalties. The key word here is "simplicity." The economic, diplomatic and security dimensions of our policy must be consistent.

This seemed to me a very powerful line of argument. The Soviet Union retains considerable flexibility and our policy must serve us whether the Soviets hunker down for a few years or take a more confrontational line. One difficult problem is left unresolved, however: our approach to negotiation. The public wants consistency but it also wants all means for resolving conflicts explored. And those who have least hope of moderating the competition for good are *always* suspected of negotiating half-heartedly.

If we are not to be whip-sawed by these conflicting pressures, we need a *fuller negotiating strategy*, particularly for arms control, but

extending to other areas as well. We run risks whether we stand indefinitely by radical proposals or fall back to positions that seem to call the competition off. To resolve this problem, we need to see the fundamental difference between agreements that put the competition on a new, qualitatively safer basis and those that affect it marginally at best. In the right circumstances, either one *can* be acceptable as long as we know—and the public knows—which is which. If we are settling for second-best, it should be *clear* that we are settling, and that the broader competition goes on. An innovative approach (botched in the follow-up) to solving this problem was the Carter Administration's March 1977 double offer on SALT: letting the Soviets choose between major and marginal change. Our problems are a bit different now, but this may not be a bad model for our relationship as a whole.

116. Address by President Reagan to the Nation¹

Burbank, California, September 1, 1982

Address to the Nation on United States Policy for Peace in the Middle East

My fellow Americans:

Today has been a day that should make us proud. It marked the end of the successful evacuation of PLO from Beirut, Lebanon.² This peaceful step could never have been taken without the good offices

¹ Source: *Public Papers: Reagan, 1982*, Book II, pp. 1093–1097. The President spoke at 6 p.m. from the studios of KNBC-TV. The address was broadcast live on nationwide radio and television networks. Shultz later recounted that, prior to the speech, he took part in "a large press briefing in the Loy Henderson Auditorium at the State Department. The atmosphere was tense with anticipation. This was my first major substantive experience with the press since confirmation. They had copies of the president's speech, embargoed until after delivery. My briefing was piped live to the press corps accompanying the president in California, all this in an effort to present a coherent and consistent picture of the president's peace plan." (Shultz, *Turmoil and Triumph*, p. 96) The Department sent the transcript of the background briefing to all diplomatic and consular posts in telegram 247598, September 2. (Department of State, Central Foreign Policy File, Electronic Telegrams, D820457–0082)

² On August 20, the President announced the agreement reached by the Governments of Lebanon, the United States, France, Italy, and Israel, and the PLO to a plan for the departure of the PLO from Lebanon. The President's statement and the text of the departure plan are printed in Department of State *Bulletin*, September 1982, pp. 1–3, and 5. See also Colin Campbell, "Last Guerrillas Quit West Beirut," *New York Times*, September 2, 1982, pp. A1, A10.

of the United States and especially the truly heroic work of a great American diplomat, Ambassador Philip Habib.

Thanks to his efforts, I'm happy to announce that the U.S. Marine contingent helping to supervise the evacuation has accomplished its mission. Our young men should be out of Lebanon within 2 weeks. They, too, have served the cause of peace with distinction, and we can all be very proud of them.

But the situation in Lebanon is only part of the overall problem of conflict in the Middle East. So, over the past 2 weeks, while events in Beirut dominated the front page, America was engaged in a quiet, behind-the-scenes effort to lay the groundwork for a broader peace in the region. For once there were no premature leaks as U.S. diplomatic missions traveled to Mideast capitals, and I met here at home with a wide range of experts to map out an American peace initiative for the long-suffering peoples of the Middle East—Arab and Israeli alike.

It seemed to me that with the agreement in Lebanon we had an opportunity for a more far-reaching peace effort in the region, and I was determined to seize that moment. In the words of the scripture, the time had come to "follow after the things which make for peace." Tonight I want to report to you the steps we've taken and the prospects they can open up for a just and lasting peace in the Middle East.

America has long been committed to bringing peace to this troubled region. For more than a generation, successive United States administrations have endeavored to develop a fair and workable process that could lead to a true and lasting Arab-Israeli peace.

Our involvement in the search for Mideast peace is not a matter of preference; it's a moral imperative. The strategic importance of the region to the United States is well known, but our policy is motivated by more than strategic interests. We also have an irreversible commitment to the survival and territorial integrity of friendly states. Nor can we ignore the fact that the well-being of much of the world's economy is tied to stability in the strife-torn Middle East. Finally, our traditional humanitarian concerns dictated a continuing effort to peacefully resolve conflicts.

When our administration assumed office in January of 1981, I decided that the general framework for our Middle East policy should follow the broad guidelines laid down by my predecessors. There were two basic issues we had to address. First, there was the strategic threat to the region posed by the Soviet Union and its surrogates, best demonstrated by the brutal war in Afghanistan, and, second, the peace process between Israel and its Arab neighbors.

With regard to the Soviet threat, we have strengthened our efforts to develop with our friends and allies a joint policy to deter the Soviets

and their surrogates from further expansion in the region and, if necessary, to defend against it.

With respect to the Arab-Israeli conflict, we've embraced the Camp David framework as the only way to proceed. We have also recognized, however, solving the Arab-Israeli conflict in and of itself cannot assure peace throughout a region as vast and troubled as the Middle East.

Our first objective under the Camp David process was to ensure the successful fulfillment of the Egyptian-Israeli peace treaty. This was achieved with the peaceful return of the Sinai to Egypt in April 1982.³ To accomplish this, we worked hard with our Egyptian and Israeli friends and, eventually, with other friendly countries to create the multinational force which now operates in the Sinai. Throughout this period of difficult and time-consuming negotiations, we never lost sight of the next step of Camp David—autonomy talks to pave the way for permitting the Palestinian people to exercise their legitimate rights. However, owing to the tragic assassination of President Sadat and other crises in the area, it was not until January 1982 that we were able to make a major effort to renew these talks.

Secretary of State Haig and Ambassador Fairbanks made three visits to Israel and Egypt early this year to pursue the autonomy talks.⁴ Considerable progress was made in developing the basic outline of an American approach which was to be presented to Egypt and Israel after April.

The successful completion of Israel's withdrawal from Sinai and the courage shown on this occasion by Prime Minister Begin and President Mubarak in living up to their agreements convinced me the time had come for a new American policy to try to bridge the remaining differences between Egypt and Israel on the autonomy process. So, in May I called for specific measures and a timetable for consultations with the Governments of Egypt and Israel on the next steps in the peace process. However, before this effort could be launched, the conflict in Lebanon preempted our efforts.⁵

The autonomy talks were basically put on hold while we sought to untangle the parties in Lebanon and still the guns of war. The Lebanon war, tragic as it was, has left us with a new opportunity for

³ April 25. For the White House statement on the completion of the Israeli withdrawal, see *Public Papers: Reagan, 1982*, Book I, p. 513.

⁴ See footnote 9, Document 77. Fairbanks was in Cairo and Jerusalem for talks with Egyptian and Israeli officials in early May; see Bernard Gwertzman, "U.S. Aides Expect Egypt and Israel to Resume Talks: Negotiations on Autonomy Are Seen After Reagan Meets with Begin Next Month," *New York Times*, May 17, 1982, pp. A1, A6.

⁵ See footnote 8, Document 104.

Middle East peace. We must seize it now and bring peace to this troubled area so vital to world stability while there is still time. It was with this strong conviction that over a month ago, before the present negotiations in Beirut had been completed, I directed Secretary of State Shultz to again review our policy and to consult a wide range of outstanding Americans on the best ways to strengthen chances for peace in the Middle East.⁶

We have consulted with many of the officials who were historically involved in the process, with Members of the Congress,⁷ and with individuals from the private sector. And I have held extensive consultations with my own advisers on the principles that I will outline to you tonight.

The evacuation of the PLO from Beirut is now complete, and we can now help the Lebanese to rebuild their war-torn country. We owe it to ourselves and to posterity to move quickly to build upon this achievement. A stable and revived Lebanon is essential to all our hopes for peace in the region. The people of Lebanon deserve the best efforts of the international community to turn the nightmares of the past several years into a new dawn of hope. But the opportunities for peace in the Middle East do not begin and end in Lebanon. As we help Lebanon rebuild, we must also move to resolve the root causes of conflict between Arabs and Israelis.

The war in Lebanon has demonstrated many things, but two consequences are key to the peace process. First, the military losses of the PLO have not diminished the yearning of the Palestinian people for a just solution of their claims; and, second, while Israel's military successes in Lebanon have demonstrated that its armed forces are second to none in the region, they alone cannot bring just and lasting peace to Israel and her neighbors.

⁶In his memoir, Shultz indicated that "President Reagan, in our early conversations, had encouraged me to develop my ideas as well as a strategy to reinvigorate Middle East diplomacy. My first Saturday seminar on July 17 got the ball rolling. I then collected a small core group to work with me on the details of the new strategy. I knew that total secrecy would be required. Any premature hint that the United States was reconsidering its position on the Palestinian issue would have disruptive effects not only on Phil Habib's work in getting the PLO out of Beirut but also on the ability of the United States to make something positive emerge from this terrible war. I called together a very few of our people, swore them to total secrecy, and told them we needed to hammer out a new approach within a few weeks. What I wanted was a fresh start to the Middle East peace process." (Shultz, *Turmoil and Triumph*, p. 85)

⁷Shultz briefed members of the Senate Foreign Relations Committee on August 17 and the House Foreign Affairs Committee on August 18 regarding the initiative. See, for example, "Shultz Solicits Views on Palestinians' Future," August 17, 1982, p. A14, and Bernard Gwertzman, "Shultz on the Hill: Not Your Usual 'Consultations'," August 19, 1982, p. B10; both *New York Times*.

The question now is how to reconcile Israel's legitimate security concerns with the legitimate rights of the Palestinians. And that answer can only come at the negotiating table. Each party must recognize that the outcome must be acceptable to all and that true peace will require compromises by all.

So, tonight I'm calling for a fresh start. This is the moment for all those directly concerned to get involved—or lend their support—to a workable basis for peace. The Camp David agreement remains the foundation of our policy. Its language provides all parties with the leeway they need for successful negotiations.

I call on Israel to make clear that the security for which she yearns can only be achieved through genuine peace, a peace requiring magnanimity, vision, and courage.

I call on the Palestinian people to recognize that their own political aspirations are inextricably bound to recognition of Israel's right to a secure future.

And I call on the Arab States to accept the reality of Israel—and the reality that peace and justice are to be gained only through hard, fair, direct negotiation.

In making these calls upon others, I recognize that the United States has a special responsibility. No other nation is in a position to deal with the key parties to the conflict on the basis of trust and reliability.

The time has come for a new realism on the part of all the peoples of the Middle East. The State of Israel is an accomplished fact; it deserves unchallenged legitimacy within the community of nations. But Israel's legitimacy has thus far been recognized by too few countries and has been denied by every Arab State except Egypt. Israel exists; it has a right to exist in peace behind secure and defensible borders; and it has a right to demand of its neighbors that they recognize those facts.

I have personally followed and supported Israel's heroic struggle for survival, ever since the founding of the State of Israel 34 years ago. In the pre-1967 borders Israel was barely 10 miles wide at its narrowest point. The bulk of Israel's population lived within artillery range of hostile Arab armies. I am not about to ask Israel to live that way again.

The war in Lebanon has demonstrated another reality in the region. The departure of the Palestinians from Beirut dramatizes more than ever the homelessness of the Palestinian people. Palestinians feel strongly that their cause is more than a question of refugees. I agree. The Camp David agreement recognized that fact when it spoke of the legitimate rights of the Palestinian people and their just requirements.

For peace to endure it must involve all those who have been most deeply affected by the conflict. Only through broader participation in

the peace process, most immediately by Jordan and by the Palestinians, will Israel be able to rest confident in the knowledge that its security and integrity will be respected by its neighbors. Only through the process of negotiation can all the nations of the Middle East achieve a secure peace.

These, then, are our general goals. What are the specific new American positions, and why are we taking them? In the Camp David talks thus far, both Israel and Egypt have felt free to express openly their views as to what the outcome should be. Understandably their views have differed on many points. The United States has thus far sought to play the role of mediator. We have avoided public comment on the key issues. We have always recognized and continue to recognize that only the voluntary agreement of those parties most directly involved in the conflict can provide an enduring solution. But it's become evident to me that some clearer sense of American's position on the key issues is necessary to encourage wider support for the peace process.

First, as outlined in the Camp David accords, there must be a period of time during which the Palestinian inhabitants of the West Bank and Gaza will have full autonomy over their own affairs. Due consideration must be given to the principle of self-government by the inhabitants of the territories and to the legitimate security concerns of the parties involved. The purpose of the 5-year period of transition which would begin after free elections for a self-governing Palestinian authority is to prove to the Palestinians that they can run their own affairs and that such Palestinian autonomy poses no threat to Israel's security.

The United States will not support the use of any additional land for the purpose of settlements during the transitional period. Indeed, the immediate adoption of a settlement freeze by Israel, more than any other action, could create the confidence needed for wider participation in these talks. Further settlement activity is in no way necessary for the security of Israel and only diminishes the confidence of the Arabs that a final outcome can be freely and fairly negotiated.

I want to make the American position well understood. The purpose of this transitional period is the peaceful and orderly transfer of authority from Israel to the Palestinian inhabitants of the West Bank and Gaza. At the same time, such a transfer must not interfere with Israel's security requirements.

Beyond the transition period, as we look to the future of the West Bank and Gaza, it is clear to me that peace cannot be achieved by the formation of an independent Palestinian state in those territories, nor is it achievable on the basis of Israeli sovereignty or permanent control over the West Bank and Gaza. So, the United States will not support the establishment of an independent Palestinian state in the West Bank

and Gaza, and we will not support annexation or permanent control by Israel.

There is, however, another way to peace. The final status of these lands must, of course, be reached through the give and take of negotiations. But it is the firm view of the United States that self-government by the Palestinians of the West Bank and Gaza in association with Jordan offers the best chance for a durable, just, and lasting peace. We base our approach squarely on the principle that the Arab-Israeli conflict should be resolved through negotiations involving an exchange of territory for peace.

This exchange is enshrined in United Nations Security Council Resolution 242, which is, in turn, incorporated in all its parts in the Camp David agreements.⁸ U.N. Resolution 242 remains wholly valid as the foundation stone of America's Middle East peace effort. It is the United States position that, in return for peace, the withdrawal provision of Resolution 242 applies to all fronts, including the West Bank and Gaza. When the border is negotiated between Jordan and Israel, our view on the extent to which Israel should be asked to give up territory will be heavily affected by the extent of true peace and normalization, and the security arrangements offered in return.

Finally, we remain convinced that Jerusalem must remain undivided, but its final status should be decided through negotiation.

In the course of the negotiations to come, the United States will support positions that seem to us fair and reasonable compromises and likely to promote a sound agreement. We will also put forward our own detailed proposals when we believe they can be helpful. And, make no mistake, the United States will oppose any proposal from any party and at any point in the negotiating process that threatens the security of Israel. America's commitment to the security of Israel is ironclad, and, I might add, so is mine.

During the past few days, our Ambassadors in Israel, Egypt, Jordan, and Saudi Arabia have presented to their host governments the proposals, in full detail, that I have outlined here today.⁹ Now I'm convinced that these proposals can bring justice, bring security, and bring durability to an Arab-Israeli peace. The United States will stand by these principles with total dedication. They are fully consistent with Israel's security requirements and the aspirations of the Palestinians.

We will work hard to broaden participation at the peace table as envisaged by the Camp David accords. And I fervently hope that the

⁸ See footnote 9, Document 63.

⁹ Documentation on these proposals is scheduled for publication in *Foreign Relations*, 1981–1988, vol. XIX, Arab-Israeli Dispute, and *Foreign Relations*, vol. XXII, Middle East Region, Arabian Peninsula.

Palestinians and Jordan, with the support of their Arab colleagues, will accept this opportunity.

Tragic turmoil in the Middle East runs back to the dawn of history. In our modern day, conflict after conflict has taken its brutal toll there. In an age of nuclear challenge and economic interdependence, such conflicts are a threat to all the people of the world, not just the Middle East itself. It's time for us all—in the Middle East and around the world—to call a halt to conflict, hatred, and prejudice. It's time for us all to launch a common effort for reconstruction, peace, and progress.

It has often been said—and, regrettably, too often been true—that the story of the search for peace and justice in the Middle East is a tragedy of opportunities missed. In the aftermath of the settlement in Lebanon, we now face an opportunity for a broader peace. This time we must not let it slip from our grasp. We must look beyond the difficulties and obstacles of the present and move with a fairness and resolve toward a brighter future. We owe it to ourselves—and to posterity—to do no less. For if we miss this chance to make a fresh start, we may look back on this moment from some later vantage point and realize how much that failure cost us all.

These, then, are the principles upon which American policy toward the Arab-Israeli conflict will be based. I have made a personal commitment to see that they endure and, God willing, that they will come to be seen by all reasonable, compassionate people as fair, achievable, and in the interests of all who wish to see peace in the Middle East.

Tonight, on the eve of what can be a dawning of new hope for the people of the troubled Middle East—and for all the world's people who dream of a just and peaceful future—I ask you, my fellow Americans for your support and your prayers in this great undertaking.

Thank you, and God bless you.

117. Memorandum From the Under Secretary of State for Political Affairs (Eagleburger) to Secretary of State Shultz¹

Washington, September 9, 1982

SUBJECT

General Foreign Policy Framework

You know of my concern that we develop a coherent vision of what we want to achieve over the next two years, lest we remain hostage to events and find ourselves unable to explain, much less execute, a consistent, purposeful foreign policy. The Administration's original emphasis, quite rightly, was on rebuilding American strength and credibility. But we have failed to articulate, except in piecemeal fashion, how we intend to use our refound strength and credibility to improve the international order and advance our interests.

I would like you to consider the attached package, which contains some preliminary thoughts on where we should be headed. The central theme of the core paper (Tab 1) is that strengthening the fabric of the non-communist world—politically, economically, and strategically—is a necessary complement to a policy of restraining the Soviet Union. This does not imply a shift in emphasis from the last two years. Rather, it completes an overall concept of how the US can advance its strategic interests and strengthen international order in this dangerous decade and the next. The concept places a premium on the revitalization of Western institutions, a drawing together of the West and the Third World, and the fostering of a non-communist order based on peaceful change and the rule of law.

This is by no means an approach free of controversy or cost, if we push beyond mere slogans. It envisions, *inter alia*, an intensive effort to overcome political differences with key countries (e.g., Germany, China, Saudi Arabia), an effort to bring developing countries more fully into the Western economic—and, less directly, security—system, and a program of improving international peacekeeping/peacemaking mechanisms. It contemplates a continued willingness on the part of the US to shoulder the burden of “system maintenance”, while recognizing that we are more dependent than ever on the cooperation of our partners. It calls for no radical departures. Indeed, it incorporates some of

¹ Source: Department of State, Executive Secretariat, S/S Files, The Executive Secretariat's Special Caption Documents: Lot 92D630, Not for the System Documents September 1982. Secret. Not for the System. Bremer initialed the memorandum at the top and wrote “9/10.”

the initiatives we already have underway, but in a more integrated way than we've done so far.

This core paper is not meant to be a detailed blueprint. But it could, with your imprint, serve as a general guide to help form specific regional and functional policies. More refined thinking is needed, though this framework can provide a common conceptual reference point. An agenda of specific policy reviews is also attached (Tab 2).² Some of these studies (e.g., those on international economic policy) are already underway; but these should now be viewed in light of the general framework.

You'll notice that I've suggested a study on rebuilding bipartisan support for foreign policy. With the possible exception of the nuclear arms race issue, I see no foreign policy question on the horizon with the potential to divide the country as severely as Vietnam and detente. Moreover, a general framework of the sort presented here should evoke broad support. So we have an opportunity—the first in a generation—to rebuild a bipartisan foreign policy, and we should seize that opportunity.

I would welcome your reactions. At a minimum, this paper will, I hope, help you organize your thoughts about what we should be trying to achieve. Beyond that, you may want to plan a relaxed discussion with your principal officers. You might also want to discuss it with an outsider or two. I stand ready to refine—or overhaul—the paper if you decide it's worth coming up with a finished product to send to the President or simply circulate in the Department.³

Lawrence S. Eagleburger⁴

² Not attached. The undated agenda, entitled "Agenda of Policy Reviews," and consisting of six clusters: "Western Politico-Economic Health," "Improving Strategic Partnerships," "Drawing the Third World Closer," "Peaceful Settlement of Disputes," "USSR and Its Allies," and "Rebuilding National (Bipartisan) Consensus for U.S. Foreign Policy" is attached to another copy of the memorandum in the Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons PW Chrons to Secy SEP 1982.

³ In an October 12 memorandum to Shultz, Eagleburger wrote: "You have reacted favorably—albeit preliminary—to the general foreign policy framework paper I sent you. The attached talking points reflect the ideas in that paper, though of course cast in conversational terms." (Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons PW Chrons 10/21–31/82)

⁴ Eagleburger initialed "LSE" above his typed signature.

Tab 1

**Paper Prepared in the Office of the Under Secretary of State
for Political Affairs⁵**

Washington, undated

TOWARD A STRONGER NON-COMMUNIST ORDER

Introduction: Basic U.S. Interests and the International System

With an eye to the past and an eye to the future, the US intended the Post-War order to serve three purposes, each crucial to American strategic and, secondarily, economic interests: (1) to facilitate recovery, prosperity and stability in the West; (2) to provide for peaceful settlement of disputes; (3) to prevent Soviet expansion. While the basic purposes remain valid, the order is in need of rehabilitation if it is to serve and advance our national interests for the remainder of the century. Each of the main elements needs attention:

(1) The political-economic health and integrity of the *advanced industrialized West* is endangered by protracted recession, lack of cooperation, a reduced sense of responsibility among some of the key partners, and the failure of societies to adapt as their economies have evolved.

(2) The *Third World* has become more important strategically, yet prospects for peaceful change and stability remain poor, owing to artificial boundaries, Soviet subversion, uneven (at best) economic development, lack of sustained Western interest, immature political institutions, and the failure of international mechanisms to help settle disputes.

(3) *East-West stability* has remained elusive, largely because US efforts to remain strong have been cyclical, while Soviet efforts to grow stronger have been unrelenting.

In its first two years, the Administration's emphasis has been on restoring American power, credibility, and leadership—the premise being that in the absence of these qualities our vital interests cannot be preserved. This emphasis, coupled with recent Soviet failures and greater awareness of Soviet vulnerabilities, has begun to reduce a decade's accumulation of doubts about America's will and ability to restrain the Soviet Union.

But the economic health and political integrity of the West—crucial in their own right to US interests as well as in helping us compete effectively with the Soviet Union—have not fared well. Nor has the Third

⁵Secret. No drafting information appears on the paper.

World grown less susceptible to Soviet encroachment, though developing countries are growing more suspicious of the Soviets. Finally, despite the move toward a more robust U.S. military posture, we face major political obstacles in strengthening relationships which are crucial in maintaining and improving our position in four key strategic arenas: Central Europe, Southwest Asia, East Asia, and Central America. *In sum, owing to our own efforts and Soviet failures, there has been an erosion in our adversary's position, but the fabric of our own order has become weaker and, in places, torn.*

Against this backdrop, *the main task for the next two years must be to strengthen the non-communist international order.* The main elements of this task are:

- (1) to foster political-economic health in the West;
- (2) to build partnerships in the four key strategic arenas;
- (3) to draw the Third World closer to the West and erect regional barriers to Soviet influence, presence, and subversion;
- (4) to intensify the quest *and* strengthen mechanisms for peaceful settlement of disputes.

Within two years, we would like to see a non-communist order—of which the Third World is increasingly an integral part—which is *more capable of peaceful change, more conducive to economic growth, and more resistant to Soviet disruption.* Such an order would be more *peaceful*, more *lawful*, more *prosperous*, and more *hospitable for American strategic and economic interests* than is today's world. To the degree that it also serves our partner's interests, they will feel a stronger sense of responsibility, a greater willingness to share the burden, and a view closer to our own about how to deal with the East. Success in strengthening the non-communist order will yield lasting advantages to the US in its historic competition with the USSR.

This is not to suggest that the effort to expand American power and remove doubts about our resolve can be relaxed. Indeed, if it is thought that we will retreat from our military program and fail to act when our interests are threatened, the effort to rehabilitate the non-communist order will be stillborn.

I. *A Healthier Western Political-Economy*

Preserving an open trading system will not guarantee Western economic recovery; but protectionism is sure to retard recovery. Moreover, whereas allies can compete commercially and still be allies, security cooperation and political trust are sure to suffer if competition turns to economic confrontation and to efforts to shift both the costs and the blame.

Because of our strategic interests, our economic interests (especially with the US economy becoming more exposed to the world economy), and the fact that only we have the political stature and purposefulness to take the lead, we should be prepared—indeed determined—to:

—break the protectionist cycle and be the most relentless, principled advocate of open, non-discriminatory trading;

—reinvigorate—and, where necessary, adapt—trade, monetary investment, banking, and energy institutions within the advanced industrialized “family”;

—develop cooperative efforts to hasten recovery without fueling inflation;

—create mature US–EC, US–Japan—and, ideally, EC–Japan—relationships, such as through innovative consultation procedures and joint anticipation of problems;

—work out a consensus on rules and goals to govern economic relations with the USSR and with Eastern Europe;

—develop a strategy for drawing the Third World closer to the West, economically and politically, and promoting solvency.

Recognizing that our partners follow interventionist economic and industrial policies largely because the socio-political adjustment to economic evolution is too painful, we have got to show sensitivity if we expect them to cooperate in the interest of the system. In return, we should insist that our major partners subordinate—if gradually—their own narrow, near-term interests, as we would be doing, to the goals of openness, fairness, and efficiency, recognizing that our interest in these goals remains strong even if EC and Japanese performance is uneven. The EC presents a special problem, in that discriminatory policies can have a role in achieving the larger goal of enhanced European political cohesion, which we continue to support. But we should not allow the Europeans to use that larger goal as a cover for discrimination that is really commercially motivated. Finally, we should make clear to our partners that, as by-products of recovery, we expect expanded defense efforts and assistance to key Third World areas.

II. *Improved Strategic Relationships*

Based on the location of our vital interests abroad and the importance of “forward bases” in our global military strategy, our main *strategic* interests are in Central Europe, Southwest Asia, East Asia, and Central America. Yet key relationships in all these areas are encumbered by serious *political* problems:

—In *Europe*, recession, qualms about nuclear weapons, and differences over East–West relations weaken the foundation for defense cooperation and political cohesion.

—In *Southwest Asia*, intra-regional conflicts and the Arab-Israeli dispute hamper our effort to strengthen and work with key natural allies.

—In *East Asia*, stagnation or future disruptions in Sino-American relations would relieve pressure on the Soviets; and the same political-economic problems that plague the Atlantic partnership trouble our relationship with Japan.

—In *Central America*, our ability to work with key natural partners has been damaged by the Falklands crisis⁶ and other, less transient, political differences, including spillover from our quarrels with the Europeans.

The pivotal countries are: Germany, Saudi Arabia, China, Japan and, in this Hemisphere, Brazil, Mexico and Venezuela.⁷ These are difficult partners—indeed, “partnership” is too ambitious a concept for the sort of relationship we can expect or want with China. But if Soviet leaders could list the countries whose relationships with us they would most like to see collapse, these would be at or very near the top.

In two cases, China and Saudi Arabia—and, more generally, East and Southwest Asia—relations are impaired by important US political (as distinct from strategic) ties to Taiwan and Israel respectively. Our ability—and, in domestic political terms, freedom of action—to improve relations and cooperation in these two areas depends on success in enhancing the sense of security of Taiwan and Israel:

—In the case of Taiwan, we have China’s commitment to peaceful intentions toward Taiwan, and should now set our sights on the opening of a serious process toward accommodation.⁸

—In the case of Israel, we should aim to keep Egypt out of an Arab military coalition and secure the broadest possible—including Palestinian—acceptance of Israel’s right to exist.

Both problems are, of course, circular. Our handling of arms sales to Taiwan and our ability to bring the Israelis to negotiate in good faith on the autonomy question will, respectively, determine our chances of enhancing Taiwan’s and Israel’s sense of security.

Japan has the economic means *and* interests to be not simply a regional partner but a global partner. Indeed, a more active Japanese

⁶ See footnote 7, Document 104.

⁷ An unknown hand inserted “Brazil” between “Hemisphere” and “Mexico.”

⁸ Reference is to the joint communiqué issued by the United States and the People’s Republic of China on August 17 concerning the sale of U.S. arms to Taiwan. For Holdridge’s August 18 statement before the House Foreign Affairs Committee and the text of the communiqué, see Department of State *Bulletin*, October 1982, pp. 19–22. The communiqué is also scheduled for publication in *Foreign Relations, 1981–1988*, vol. XXVIII, China, 1981–1983.

non-security role outside of East Asia would be more acceptable than an expanded security role within East Asia. The constraints and superstitions that apply to Japanese defense capabilities need not limit Japanese resource transfers to front-line states in Southwest Asia, Africa, and Latin America. Indeed, we should not allow our own (not altogether groundless) fears about eventual remilitarization to inhibit our effort to get the Japanese to accept greater responsibilities. As we try to overcome our economic problems with Japan and resume growth, it has to be clear to the Japanese that they must share more of the load for making the Western economic and security system work.

With regard to NATO, economic cooperation and recovery are necessary but insufficient. We must work to restore within German society, on the broadest possible basis, the unambiguous sense of belonging to the West that characterized Adenauer's Germany.⁹ No relationship—between the two governments and between the two peoples—is more in need of attention. The polarization of German politics has become a distinct possibility, what with the left-ward movement of the SPD, which is likely to accelerate once out of power. This is potentially a dangerous development, especially if it produces competition within Germany between extreme views of how that country should provide for its security. As frustrating and distasteful as it may be, US contacts with even a radicalized SPD must be maintained.

The Federal Republic is our natural ally in attempting to resuscitate the economic institutions of the advanced industrialized community and to improve conventional defense of the Central Front; Germans have more incentive and ability to do both than any other partner. Moreover, our reaching out for such a partnership could give Germans a greater sense of responsibility and attachment.

As a nation bound by restraints, the Germans are extraordinarily sensitive to—indeed, transfixed with—whether others are taking their interests into account. Our performance in INF negotiations—which are essentially about the nuclear threat to Germany—means as much, if not more, to Germans as START means to Americans. This will require a genuine effort to produce progress in INF talks. Progress in START but not in INF would remind Germans that those entrusted to take care of German interests tend first to take care of their own.

Finally, while Central America may now rank fourth in our strategic concerns, it could easily become first. A threat on our border, in the form of cancerous instability and/or Soviet foothold, would skew our entire outlook. The key to American military strategy, in the broadest sense, is forward position; this is demanding under the best of

⁹Konrad Adenauer served as Chancellor of the Federal Republic of Germany from 1949 until 1963.

conditions, but far more difficult with an Achilles heel. We need partners, and Venezuela and Mexico are the only serious candidates. Yet the Falklands crisis seems to have damaged quite seriously Venezuelan interest in cooperation with us; and the myriad trade and emigration problems bedeviling US-Mexican ties—and Mexico's own serious sickness—make political-security cooperation difficult. The strategic significance of these two countries must enter into all decisions affecting the future of the relationships.

III. *Drawing the Third World Closer*

Economic recovery in the OECD will help produce economic recovery in the Third World only to the extent that the latter is connected with the former. In the absence of access to Western markets, financing, investment, and aid, the Third World will remain vulnerable to economic disease, political instability, and Soviet exploitation. Conversely, the frequently hostile rhetoric of the NAM should matter little to us if the Third World fundamentally identifies with the West, subscribes to the same principles of international order, and makes economic progress. Indeed, the anti-colonialist glue of the NAM is crumbling, and we can hasten this by expanding West-South cooperation.

Rather than "global negotiations", we and our Western partners should extend an offer to cooperate to ensure that our growth becomes theirs as well.¹⁰ Through such an offer of "global cooperation", we should try to steer West-South trade, technology transfer, banking and investment patterns in a way that will give at least key developing countries a stake in the Western system. Concessional aid should be concentrated in the "poorest" category, where the benefits of expanding, efficient, international markets will be felt less.

West-South economic cooperation is more practical on a regional or bilateral basis than on a global basis. Natural CBI-like groupings can be identified in every continent, and our Western partners could and should take the lead where we can't. As the ASEAN experience shows, supporting regional cooperation has the additional advantage of raising barriers to Soviet influence and intrusion, even if that cooperation is economic and not security-oriented. If relationships with key regional Third World countries can be pursued without our damaging ties to their neighbors, these poles of development, stability, and strength can help toughen the entire Third World structure against Soviet subversion. Brazil, Nigeria, India, Egypt, Kenya and Mexico may not fit the mold of regional policeman, as we hoped Iran would, but their prospects and policies can contribute importantly to regional stability. The key is not to be too explicit about our interest in promoting regional

¹⁰ See footnote 2, Document 65.

powers—and not to confuse specific bilateral differences with the important structural role these countries can play.

IV. Peaceful Settlement of Disputes

Violence and lawlessness in the international order—whether or not perpetrated by the USSR—are inimical to US interests. There is, of course, no substitute for imaginative, energetic American diplomatic efforts to settle disputes peacefully, or at least to prevent them from being settled non-peacefully. Uniquely qualified to produce results, we should be less timid—without becoming clumsy—about “getting into the middle” of disputes (e.g., in Latin American and the Horn), to go with our efforts underway in Southern Africa and the Middle East.

But in addition, we should try to strengthen the rule of law by supporting, using, and, where need be, reforming international mechanisms which serve the rule of law. The UNSYG, ICJ, and regional peacemaking/peacekeeping mechanism are worth promoting, especially at the expense of the UNSC and UNGA. Of course, our interest in strengthening international mediation and adjudication authority may collide with our interest in keeping ourselves free of such authority, particularly if it can be used by anti-Western elements. Still, on balance, we should be willing to run some risks if the return is an improved ability to settle disputes before they become crises, especially since we have the political power to safeguard our interests from excessive international authority. The US should consider calling for a serious new look at strengthening international security mechanisms.

More generally, instead of casting our rhetoric in terms of the Soviet challenge to *US*, or even Western, vital interests, we should stress the Soviets’ disregard for a moderate world order and peaceful change. We should stress—and, in general, our policies should reflect:

- the unacceptability of attempting to obtain by force what can’t be obtained peacefully;
- the obligation of states to negotiate over their differences;
- the insistence that agreements be kept;
- the illegality of subversion; and
- self-determination.

Emphasizing these standards—especially if we’re prepared to live by them—can help establish that US foreign policy is based on the same principles of international order that most non-communist countries consider important. Along with expanding our power and convincing others of our will to act, the key to effective leadership is standing for widely shared principles.

It is equally important—politically and strategically—to support peaceful change, in rhetoric and in practice. Attempting to preserve

the status quo can weaken the system, create uncontrollable pressures, and permit our adversaries to claim that they are fighting for justice. Similarly, fostering democratic institutions can enhance stability and non-violent change. Indeed, we will usually find that acting in accordance with our values serves equally well our strategic interests, since the kind of order that is hospitable to our values will be hospitable to our interests.

Dealing with the USSR and Its Allies

How we conduct our relations with the USSR and its allies will have a major effect on our ability to strengthen ties with our allies and to draw the Third World closer to us. In managing this crucial relationship, we face two imperatives.

- to maintain and improve our capability to respond to direct or indirect Soviet aggression;
- to establish a credible dialogue with Moscow on certain global trouble spots (e.g., Southern Africa) and arms control.

Both are necessary; an “either/or” approach won’t work. Particularly during this leadership transition period, we need to earn Soviet respect for our capacity to compete for the longer-term, and to demonstrate that we are willing to reach accommodations in our mutual interest in the near-term.

Simultaneously, we should pursue a differentiated policy towards Eastern Europe and towards Soviet clients and proxies in the Third World. Our goal toward Soviet clients should be to increase their foreign policy independence and their domestic democratization. This will require a mix of stick and carrot, with the precise proportions decided in each specific situation. It may well be easier with those countries not contiguous to the Soviet Union to bring about a reduction in ties with Moscow and repudiation of a Soviet-style communist system. Our goal toward Soviet proxies should be to heighten their concern about direct US reactions. We need to decide how best to bring about one or more individual reversals, i.e., whether to target disproportionate resources/assets on a few countries. We should examine the vulnerabilities of each separately.

Throughout, we need to be conscious of the fact that too confrontational a policy towards the Soviet Union will alienate our Allies, just as too accommodationist a policy will disarm them. A balanced approach will avoid talking about sudden collapse and nuclear war, but it will focus on the essentially antagonistic relationship between the closed Soviet system and the open Western system, on the need for prudent measures to bring about more moderate Soviet behavior internally and

externally, and on stimulating independence and diversity among its allies. Our Allies and most of the Third World would view this as a sound approach.

118. Information Memorandum From the Director of the Policy Planning Staff (Wolfowitz) to Secretary of State Shultz¹

Washington, September 22, 1982

SUBJECT

Some Differing Thoughts on Our Emerging China Strategy

Agreement on the Joint Communiqué between the United States and China marks the beginning of a new phase in US-China relations.² This will not permit, however, a simple resumption of the US-China relationship as it existed before these negotiations began. In the interim, Chinese policy has undergone significant changes. In the last year Beijing has moved to distance itself from the US, and has become more openly critical of US positions internationally.

Despite the Communiqué (and in some ways because of it) the Taiwan question will continue to be a major irritant in US-China relations. Beijing clearly does not accept our interpretation of the Communiqué, and can be expected to sustain its pressure for an early termination to Taiwan arms sales and for an implicit right to consultation whenever future sales are made.

Under these circumstances, a close alliance or association with the Chinese is likely to be out of reach. It will be important, therefore, that future US initiatives be premised on balance and reciprocity in the relationship. If not, the Chinese may perceive us as suitors and, paradoxically, feel greater liberty to adopt a standoffish posture. We share many of the points of view of EA on this subject. But we favor a more cautious strategy, one which sets very modest expectations for the relationship. We might, for example, 1) pursue a consciously low-key policy, the pace

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons PW Chrons to Secy SEP 1982. Secret. Bremer's stamped initials appear at the top of the memorandum. Another stamped notation reads: "82 SEP 24 P4:44." A notation in an unknown hand, presumably Kaplan's, indicates that copies were sent to Holdridge, Howe, Walters, Dam, and Eagleburger. Also scheduled for publication in *Foreign Relations, 1981–1988*, vol. XXVIII, China, 1981–1983.

² See footnote 8, Document 117.

of which is measured by the degree of positive interest which Beijing itself demonstrates in the US relationship; or 2) pursue a more forward-leaning—but still carefully modulated—policy aimed at extending incentives in return for concrete benefits.

I have attached as Tab A a more detailed elaboration of this issue and of possible policy alternatives. After reading it, you may wish to schedule a short discussion with John Holdridge, Jon Howe, Vernon Walters, Larry, Ken³ and myself. Once we adopt a basic style in the new relationship, we will have to live with it for a while.

Tab A

Paper Prepared in the Policy Planning Staff⁴

Washington, undated

PLANNING CONSIDERATIONS FOR U.S.-CHINA POLICY

The recent agreement to a joint communique opens the door for the resumption of a more positive U.S.-China relationship. *Nevertheless a simple return to the relationship we enjoyed one year ago is improbable.* The last year has been a sobering experience in U.S.-China relations. The Chinese have shown themselves to be hard bargainers, with a strong sense of their own interests and how to project them. Those interests often differ from our own. We can expect in the coming year and beyond that the Chinese will continue to take a tough line with the U.S., particularly on Taiwan matters, and will continue to act more from concrete self-interest than from a conceptual commitment to the benefits of cooperation.

Momentum to Where?

We will need to be no less hard-headed. If, as EA has pointed out, it is important to establish a sense of “momentum” and “steady growth” in the relationship, *it will be no less important to identify from an early point the limits and the potential of that relationship and the goal that we want to establish momentum toward.* This kind of analysis will be necessary if we are to properly determine the extent and limits of the investment in our Chinese ties.

In partial answer to that question, I believe that China—because of its size, location, and anti-Soviet orientation—offers a range of potential strategic benefits, both globally and regionally. It is also in

³ References are to Eagleburger and Dam.

⁴ Secret. Drafted by Randolph and Glassman on September 22.

our interest to encourage a stable China, constructively tied to the West and to the world community, since a hostile or instable China could move closer toward the USSR, and could threaten U.S. friends and interests in Asia.

We must, nevertheless, be cautious in our evaluation of the possible extent of "strategic cooperation" with the PRC. Already the basis for strategic cooperation has begun to contract. This is evidenced in part by the significantly curtailed nature of the strategic portion of our joint communique, and by the Chinese desire during the later stages of the negotiations to further restrict or to eliminate it entirely. Beijing has recently moved to publicly distance itself from the U.S., and has become more openly critical of U.S. positions internationally. In part, this was a reaction to the uncertainty of the Taiwan arms negotiations. More broadly, though, the PRC now appears to be moving away from a perceived partnership with the U.S. against the USSR, and toward a position less identified with uncompromising anti-Sovietism. Efforts are accelerating to cultivate Third World nations and even radical states close to the Soviets. While near-term detente between Beijing and Moscow remains unlikely, and while China will continue to oppose Soviet "hegemonism," some relaxation of Sino-Soviet relations in the political, cultural and economic fields has already begun and can be expected to continue. Communist Party Chairman Hu Yaobang's recent speech to the Twelfth Party Congress stands as only the latest indicator of the changing nature of the U.S.-China relationship.⁵ Based on this realignment, we can expect that Beijing will seek to avoid the appearance of either alliance or alignment with the United States, and while continuing to pursue policies "parallel" to our own, will in the future follow an increasingly independent policy.

A Modulated Policy

Overall, these developments indicate the need for a U.S. policy which is positive and cordial, but less expensive and more at arm's length than was once anticipated. We should continue to encourage the pursuit and coordination of parallel interests wherever possible, but with a more limited set of expectations than in the past regarding the prospects for true cooperation. In particular, much greater attention must be given to the need to modulate future U.S. initiatives to the constructiveness of actual Chinese behavior. This will be necessary to ensure a proper balance in the relationship, and to avoid a situation in which the U.S. is cast in the role of suitor. The perception of a United States which is overly anxious to build a close relationship could serve to encourage those in the PRC who are inclined to leverage us on issues where differences

⁵ In telegram 12046 from Beijing, September 4, the Embassy transmitted a summary of the address. (Department of State, Central Foreign Policy File, Electronic Telegrams, D820460–1101)

still remain, and, paradoxically, those inclined to distance themselves from us in order to maintain an independent image. This suggests, among other things, the need to maintain appropriate restraint on the pacing and timing of future initiatives toward Beijing, including near-term high-level visits.

In this context, *we need to ask not only how we can advance our China relationship by actions designed to meet Chinese demands or expectations, but also what concretely we ourselves want or expect to gain from the Chinese.* While, as some have suggested, it may be desirable to loosen controls on technology exports to the PRC or to go forward in the area of peaceful nuclear cooperation (an enhanced focus on economic development, China's principal national objective, may in fact be our best strategy for the moment), these actions should not occur in a vacuum. Instead they should be related to a clearly demonstrated Chinese desire for constructive cooperation. *We should not give something for nothing.* As outlined below, this could be measured by concrete indicia. In addition, we should also consider the possible negative sanctions available (such as the withholding of technology) should Beijing again threaten a retrogression or should Chinese policies turn in a direction decidedly hostile to U.S. interests.

Pressure and Firmness on Taiwan

We should, in addition, avoid focusing excessive attention on those areas where the U.S. and the PRC continue to disagree. Such a focus would detract from our objective of rebuilding a positive, broad-based relationship. The immediate issue remains Taiwan. *Despite the communique, the Chinese have told us directly they do not consider this the end of the issue, and that they reserve the right to scrutinize our future sales.* Since our agreement to the communique, we have continued to be pressured on this score. According to the Chinese Foreign Ministry, the communique "only marks a beginning of the settlement of this issue," and a through resolution "is indispensable to the maintenance and development of Sino-U.S. relations." We have been told privately that Beijing expects that reductions in arms sales to Taiwan will not be "dollar-a-year," but rather will be rapid and will lead to an early termination. We are currently being pressed for data on past sales levels, and it is clear that Beijing will attempt to use language in paragraph 9 of the communique calling for "appropriate consultations" to support their claim to a voice in our future arms decisions. China has publicly rejected the fundamental linkage between our willingness to reduce future sales and the PRC's commitment to a peaceful resolution of the issue (*Xinhua*, August 29). Beijing has also continued to heavily criticize the Taiwan Relations Act, suggesting it will remain a specific target of Chinese policy. An authoritative editorial in the *People's Daily* has predicted that the

U.S.-China relationship will face a crisis if U.S. policymakers insist on adhering to this “internal law.”⁶

I do not believe these objections to U.S. policy are “pro forma.” Instead, it seems clear that even if these statements are made to some extent for internal consumption, they are no less indicative of the true Chinese position. While some are hopeful that the communique will allow us to put the Taiwan issue on the “back burner” for one or more years, if experience is any indication our respite will be short. Under these circumstances, *we must be prepared to be very firm in adhering to the President’s desire to sell Taiwan the arms it needs for its legitimate self-defense, and must strongly resist pressure from Beijing to explicitly or implicitly accept a Chinese role in determining the pace of our movement on this score.* Such pressure should be met, I suggest, not with discussion of the merits of proposed arms sales, but rather should be deflected by general reassurances of our commitment to the terms of the communique as we interpret it.

Implications

The analysis above suggests that the United States might move in a number of directions.

(a) *Pursue a positive but low-keyed relationship.* The U.S. can go forward with its relationship with China on a reserved basis, based on the judgment that current Chinese attitudes may restrain for the foreseeable future the extent of Sino-American cooperation. Under this strategy, U.S. initiatives should be undertaken at a measured pace related directly to the degree of reciprocity demonstrated by the Chinese. Specific steps might include initial restraint in near-term high-level visits (e.g., postponement of some high-level visits to Beijing until early 1983, or waiting for Zhao Ziyang to visit Washington before sending a delegation of comparable seniority), and shifting the primary focus of the relationship, if this should be necessary, in the direction of economic and commercial relations (e.g., enhanced technology transfer and credit extension).

(b) *Expand the relationship, if possible, as a means toward achieving specific objectives.* Pursue a more aggressive policy, aimed at achieving concrete benefits. Under this approach, we would seek to move the Chinese forward by offering up special incentives that may be of interest. Should Beijing prove unwilling to offer concrete, reciprocal benefits, we would need to fall back to a more restrained policy. Specific inducements the United States could offer might include stepped up

⁶ In telegram 11030 from Beijing, August 18, the Embassy highlighted various aspects of the editorial. (Department of State, Central Foreign Policy File, Electronic Telegrams, D820428–0525)

technology transfer and the sale of selected defensive arms (consistent with the interests of China's non-communist neighbors). Specific objectives the United States might hope to pursue (and concrete measures of Chinese interest in constructive cooperation) could include Chinese support or neutrality on third world issues in which we have an interest, a forthcoming position on Southwest Asian problems (such as support for Pakistan), aid to the non-communist resistance in Kampuchea, access to military facilities in China, port calls for US naval vessels, and restraint of Chinese criticism on Taiwan. Though far from certain, this approach could have the added benefit of drawing the Chinese closer to the U.S. strategic network.

In either event, S/P does not recommend an immediate acceleration of the China relationship in the absence of more clearly articulated planning for long-term strategy toward both China and Taiwan.

119. Briefing Memorandum From the Director of the Policy Planning Staff (Wolfowitz) to Secretary of State Shultz¹

Washington, September 24, 1982

SUBJECT

Mid-Term Planning Exercise

Ed Meese hopes to meet with you soon to discuss the President's foreign policy objectives for the last two years of the first term. Ed has noted the importance of this mid-term planning process for "presidential policy guidance as we prepare the FY 1982 budget, the State of the Union and the other messages the President will send to the Congress in early 1983".

¹ Source: Department of State, Executive Secretariat, S/P Records, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons PW Chrons to Secy SEP 1982. Limited Official Use. Drafted by Kaplan; cleared by Gompert. Kaplan initialed for Gompert. Bremer initialed the memorandum at the top and wrote "10/12." In a September 18 note to Wolfowitz, Adams requested that he prepare "a briefing paper with talking points" for Shultz. (Ibid.) Wolfowitz sent the memorandum to Shultz under a September 24 covering note, indicating that it was "the briefing memorandum requested for your meeting with Ed Meese on mid-term foreign policy planning." He continued, "Since your meeting with Ed is not for another month (October 20), you will want to regard this as a first cut. After the UNGA, and once you have a better idea of what he has in mind, you may wish us to provide other materials or to hold a meeting to discuss the subject." No record of Shultz's meeting with Meese has been found.

Meese's memo, which was sent to all Cabinet officers, is at Tab A.² We have provided you at Tab B with summary of the information he requested on the President's foreign policy objectives, accomplishments and remaining issues. The paper at Tab C covers major resource implications. You may wish to leave Tabs B and C with Ed.

Themes for Meeting with Ed Meese

- The President has moved effectively to set a *new direction in US foreign policy*: more vigorous defense of US ideals and interests and more realistic approach to foreign policy problems.

- As a result, we have made a good beginning toward *reasserting US leadership and recapturing US credibility* in world affairs. This is a long term effort and we must persevere.

- To this end, it is essential that we sustain efforts to restore *American military strength*. That may prove increasingly difficult in view of the budgetary squeeze, the growing peace movement and rising political pressures to shift resources from defense to domestic programs.

- We therefore should continue to meet the peace issue head on. *Peace must be our issue*. The President's speeches on INF, START and MBFR,³ and the dramatic proposals he announced for each negotiation, have helped unite the alliance on arms control and frustrate the Soviets. We can maintain this political high ground by sticking to the President's clear criterion of "militarily significant reductions to equal and verifiable levels," while adjusting our tactics as needed.

- US leadership and credibility also require *close cooperation with our European allies*. This means more than the pipeline. We currently have a number of policy differences—on East-West relations, strengthening NATO's conventional defense, economic policy and approaches toward third world economics and crisis spots. Government changes in Germany, Denmark and Holland, together with policy changes in France, may offer opportunities to forge a stronger allied consensus.

- In *Asia* our *alliances* (Japan, Korea, the Philippines, ANZUS) and relations with *friendly countries* (ASEAN) are in good shape, though

² Attached but not printed is Meese's September 16 memorandum to multiple agency heads, in which he stated: "It is important that we move forward promptly on the mid-term planning exercise. My office will contact yours to arrange a mutually convenient time when we can meet to discuss the President's objectives in the area covered by your department or agency."

³ Presumable references to the President's November 18, 1981, address before the National Press Club, his May 9, 1982, commencement speech delivered at Eureka College, and his June 9 address before the Bundestag in Bonn. For the National Press Club and Eureka College addresses, see Documents 69 and 99. For the President's Bundestag address, see footnote 5, Document 100.

the economic relationship with Japan continues to be troublesome. We have avoided a blow-up with the PRC over military sales to Taiwan but the Chinese are moving toward a more (at least publicly) even-handed approach to Washington and Moscow. A presidential trip to the Pacific could be very helpful in emphasizing our growing interests in that region.

- As to *regional hot spots*, we need to counter adventurism by the USSR and its proxies, while seizing opportunities to play the role of peacemaker.

- No area will involve more of our national interests over the next two years than *the Mideast*, where we must press ahead with the President's peace plan,⁴ while managing the region's seemingly daily crises in Lebanon. We also must persist in our complementary *Southwest Asia security strategy*.

- Beyond the Mideast, *crisis management* now involves Central America, Poland, Afghanistan, Kampuchea and Libya. Crises also entail opportunities: we are making progress toward a Namibia peace settlement in Southern Africa.

- Nuclear non-proliferation is a fundamental element of our peace policy. We will focus on strengthening international safeguards and will concentrate quiet but vigorous non-proliferation efforts on sensitive countries and regions. We will also seek ways to bring new exporters like the PRC into line with existing practices. We must show that unilateral nuclear trade restraints by the U.S. do not by themselves lead to a sound international non-proliferation regime.

- Much of these efforts will depend on the success of the President's domestic *economic program*. The drop in inflation and interest rates is encouraging. Continued progress is essential if we are to help revive the sick world economy which is plagued by mounting debt, growing protectionism and deepening mistrust between developed and developing countries. The November *GATT Ministerial* presents an early opportunity to deal with sensitive trade issues.

- The President's reassertion of *US leadership urgently requires resources* to finance our political goals, just as a stronger military posture requires increased defense budgets. We simply cannot run a first-class foreign policy with second class resources. The President will need to get involved to assure US congressional and public support for these resources. (See Tab C for major resource implications).

⁴See Document 116.

Tab B

Paper Prepared in the Policy Planning Staff⁵

Washington, undated

MID-TERM PLANNING EXERCISE SUMMARY OF
INFORMATION ON U.S. FOREIGN POLICY

1. *President's Objectives*

- a. Reassert US leadership and recapture global credibility.
- b. Restore American military strength and take command of peace issue.
- c. Counter adventurism by USSR and its proxies.
- d. Strengthen Atlantic and Pacific alliances and friendships with key Third World countries.
- e. Bolster international (especially Western) cooperation on world economic problems.
- f. Conclude peaceful settlements in Mideast and southern Africa.

2. *Accomplishments to Date*

- a. Strengthening US defense posture and international leadership.
- b. Proposed comprehensive arms control program concerning START, INF and MBFR, generating Allied support for US security policies.
- c. Established multinational forces, facilitating Israeli withdrawal from Sinai and PLO withdrawal from Beirut, and Israeli departure from Beirut.
- d. Presented dramatic Reagan peace plan for Mideast.
- e. Achieved progress toward Namibia settlement.
- f. Fostered free elections in El Salvador and stymied guerrilla take-over there.
- g. Diplomatic resolution of Taiwan arms issue.

3. *Key Remaining Issues*

- a. Sustain congressional/public support for strengthening the US defense posture.
- b. Maintain support for US arms control program, thereby facilitating INF deployments and Western conventional defense improvements.

⁵No classification marking.

- c. Strengthen Atlantic alliance and NATO solidarity, and seek resolution of pipeline dispute in a way that meets President's objectives.
- d. Press ahead on Reagan Mideast proposals and on withdrawal of all foreign forces from Lebanon.
- e. Conclude Namibia agreement involving Cuban withdrawal from Angola.
- f. Counter Soviet/proxy adventurism in Central America and regional hot spots.
- g. Strengthen international cooperation on world economic problems, including global debt and trade issues.
- h. Build support for our nuclear non-proliferation policy, which emphasizes strengthened international safeguards and which focuses on countries and regions of real proliferation risk.

Tab C

Paper Prepared in the Policy Planning Staff⁶

Washington, undated

MAJOR RESOURCE IMPLICATIONS

Without adequate foreign assistance funding it will be impossible to achieve the President's foreign policy objectives. Reduction of the foreign aid program will force us to make decisions on which objectives to go forward on and which to neglect, since the notion of cutting everyone a little bit is not viable.

The Fiscal 1984 foreign assistance budget I am proposing will require approximately \$14.2 billion. This budget includes no new policy initiatives or programs; rather it is the bare bones amount necessary to implement foreign policy objectives articulated during the President's first two years in office. Major Strategic objectives include:

Middle East Peace—U.S. policy in the Middle East region is based on two mutually reinforcing goals: 1) the search for a just and lasting peace among all of the states in the area and 2) the urgent requirement that our friends in the region be able to assure their security against threats from the outside and from the pressures of Soviet surrogates and radical forces within the region. Our \$4.7 billion FY 1984 assistance program is needed to promote economic and political stability, support development efforts, and to demonstrate the U.S. commitment to the Middle East peace process.

⁶Confidential. Drafted by Feldstein on September 24.

European Strategic—The \$1.7 billion request for FY 1984 will further U.S. policy in Europe by assisting NATO nations in acquiring the material and training needed to meet their NATO commitments. Assistance to this region supports our common defense against threats to the alliance and against challenges to our common interests beyond the geographic bounds of the alliance.

Caribbean Basin—The \$960 million U.S. assistance programs in FY 1984 is designed to counter the challenge posed by attempted exploitation of socio-economic problems and military vulnerabilities. The assistance program will complement trade and investment initiatives which together will promote economic development, address underlying causes of socio-political instability and seek to re-establish security within the region as a whole.

Southwest Asia/Persian Gulf—Southwest Asia remains a critical source of energy for the free world and U.S. policy is to ensure our continued access to and presence in the region in time of crisis. Many of the countries in the area stretching from Pakistan to Morocco are economically troubled. Regional animosity and the potential for East-West conflict make Southwest Asia a potential flash-point that would have consequences far beyond the immediate area. Our \$1.5 billion assistance program will help facilitate their economic development and military preparedness essential to implement U.S. foreign policy and national security objectives in the region.

Pacific—The Pacific region is of historic political, strategic and economic importance to the U.S. We have important treaty relationships with several countries in the region, including in the Philippines, where our bases support U.S. defense objectives in Southwest Asia. Our economic and commercial interests throughout the region are of increasing importance and we and our partners, like Japan, depend on keeping open the sea lanes connecting the Indian and Pacific Oceans. An assistance program of \$711 million is necessary to protect our objectives here in FY 1984.

Southern Africa—Our policy in southern Africa is designed to advance the peace process in Namibia, ensure continued Western access to sources of key strategic minerals, and to support the development process from Zaire to the Cape. In Zaire we and our allies are working together with the multilateral agencies to stabilize and protect one of the most economically valuable and strategic positions in Africa. Our willingness to provide \$265 million in FY 1984 for the front-line states in southern Africa validates our political participation in the peace process. The alternative—a new escalation of conflict—would provide significant new opportunities for the Cubans and Soviets.

120. Address by Secretary of State Shultz Before the United Nations General Assembly¹

New York, September 30, 1982

U.S. Foreign Policy: Realism and Progress

I begin by paying tribute to our new Secretary General, who has brought great distinction to the office during his brief tenure. Dag Hammarskjöld once told the General Assembly that “independence, impartiality, objectivity—they all describe essential aspects of what, without exception, must be in the attitude of the Secretary General.” Javier Perez de Cuellar, a man of the Third World and, I am proud to note, of the New World as well, has already demonstrated his strict adherence to this most exacting standard. In so doing, he has earned the esteem of my government and the gratitude of all who believe in the purposes of the charter.

I congratulate, as well, Mr. Hollai [Imre Hollai, Deputy Foreign Minister] of Hungary upon his election as President of the 37th Session of the General Assembly.

As I stand before you today, I cannot help but reflect on my relation to this city and to this hall. I was born about 4 miles from here. I was reared and educated not far away, just across the Hudson River. And I took a tour through this building just after it opened in 1952 marveling at the reality of a temple erected in the hope, at least, of abolishing war.

When I took that tour back in the early fifties, there was great public interest in what was called “the Meditation Room.” I understand the room is still here. But in the years since then, this institution has become more famous for talk than for meditation. This hall has heard great ideas eloquently expressed. It has also heard doubletalk, platitudes, and ringing protestations of innocence—all too often aimed at camouflaging outrageous and inhuman acts.

But we must not ridicule words. I believe that the greatest advance in human history was not the wheel, the use of electricity, or the internal

¹ Source: Department of State *Bulletin*, November 1982, pp. 1–3, 6–9. All brackets are in the original. Shultz’s delegation in New York sent the Department and USIA the text of the address in Secto 13027, September 30. (Department of State, Central Foreign Policy File, Electronic Telegrams, D820506–1039) All brackets are in the original. Shultz, in characterizing the address, wrote in his memoir that he had “summed up what little wisdom I picked up from the incredible events of August and September. We would start from realism. We would act from strength, both in power and purpose. We would stress the essential need to generate consent, build agreement, and negotiate on key issues. We would conduct ourselves in the belief that progress was possible, even though the road to its achievement was long and hard. I thought these points were straightforward and obvious benchmarks for our foreign policy in the 1980s. They proved to be anything but easy to implement.” (Shultz, *Turmoil and Triumph*, pp. 111–112)

combustion engine. Indispensable to progress as these have been, our most remarkable achievement was the slow, clumsy but triumphant creation of language. It is words that released our ancestors from the prison of the solitary. Words gave us the means to transmit to our children and the future the crowning jewel of human existence: knowledge. The code of Hammurabi, the Bible, the analects of Confucius, the teachings of the Buddha, the Koran, the insights of Shakespeare, the creed of Mahatma Gandhi or Martin Luther King—all these are arrangements of words.

Is it not profoundly revealing that the first victims of tyrants are—words? No people better know the meaning of freedom than those who have been arrested, beaten, imprisoned, or exiled because of what they said. A single man speaking out—a Lech Walesa for example—is more dangerous than an armored division.

All of us here—whether we arrived after a short 1-hour flight, as I did, or came from the other side of the globe, as many of you did—enter this auditorium for one main purpose: to talk about what our governments see as the problems ahead and how they should be solved. On one point, at least, we can all agree: The problems are many and difficult. I shall not try, in the minutes allotted me, to deal with each—or even most—of those issues in detail. Instead, I want to give you some sense of the principles and general approach the United States will take toward our common problems.

Americans are, by history and by inclination, a practical and pragmatic people—yet a people with a vision. It is the vision—usually simple and sometimes naive—that has so often led us to dare and to achieve. President Reagan’s approach to foreign policy is grounded squarely on standards drawn from the pragmatic American experience. As De Tocqueville pointed out, “To achieve its objective, America relies on personal interest, and gives full reign to the strength and reason of the individual.” That is as true now as when it was said 150 years ago. Our principal instrument, now as then, is freedom. Our adversaries are the oppressors, the totalitarians, the tacticians of fear and pressure.

On this foundation, President Reagan’s ideas and the structure of his foreign policy are so straightforward that those of us enmeshed in day-to-day details may easily lose sight of them. The President never does; he consistently brings us back to fundamentals. Today, I will talk about those fundamentals. They consist of four ideas that guide our actions.

- We will start from realism.
- We will act from strength, both in power and purpose.
- We will stress the indispensable need to generate consent, build agreements, and negotiate on key issues.

- We will conduct ourselves in the belief that progress is possible, even though the road to achievement is long and hard.

Reality

If we are to change the world we must first understand it. We must face reality—with all its anguish and all its opportunities. Our era needs those who, as Pericles said, have the clearest vision of what is before them, glory and danger alike, and, notwithstanding, go out to meet it.

Reality is not an illusion nor a sleight of hand, though many would have us believe otherwise. The enormous, grinding machinery of Soviet propaganda daily seeks to distort reality, to bend truth for its own purposes. Our world is occupied by far too many governments which seek to conceal truth from their own people. They wish to imprison reality by controlling what can be read or spoken or heard. They would have us believe that black is white and up is down.

Much of present-day reality is unpleasant. To describe conditions as we see them, as I do today and as President Reagan has over the course of his presidency, is not to seek confrontation. Far from it. Our purpose is to avoid misunderstanding and to create the necessary pre-conditions for change. And so, when we see aggression, we will call it aggression. When we see subversion, we will call it subversion. When we see repression, we will call it repression.

- Events in Poland, for example, cannot be ignored or explained away. The Polish people want to be their own master. Years of systematic tyranny could not repress this desire, and neither will martial law. But in Poland today, truth must hide in corners.

- Nor can we simply turn our heads and look the other way as Soviet divisions brutalize an entire population in Afghanistan. The resistance of the Afghan people is a valiant saga of our times. We demean that valor if we do not recognize its source.

- And Soviet surrogates intervene in many countries, creating a new era of colonialism at the moment in history when peoples around the globe had lifted that burden from their backs.

- Nor will we shy away from speaking of other problems affecting the free and developing worlds. Much of the developing world is threatened by a crisis of confidence in financial institutions and the stultifying effects of state-controlled economies. The naturally vibrant economies of many Western nations and trade between the world's major trading partners are threatened by recession and rising protectionism. The great alliances that shore up world stability and growth—our hemispheric partnership and NATO, and the Western and Japanese

industrial democracies—are challenged by new as well as chronic strains.

- Finally, the shadow of war still darkens the future of us all. There is no ultimate safety in a nuclear balance of terror constantly contested. There is no peace of mind at a time when increasing numbers of nations appear willing to launch their armies into battles for causes which seem local but have ramifications for regional and even global harmony.

The list of troubles is long; the danger of despair great. But there is another side to the present reality; it is a reality of hope. We are living in a fantastic time of opportunity.

Historians in the future will surely marvel over the accomplishments achieved by human beings in the last half of this century. We have expanded the frontiers of thought—in science, biology, and engineering; in painting, music, and mathematics; in technology and architecture—far beyond the point anyone could have dared predict, much less hoped for. We know much today about the oceans and forests and the geological strata that lock in the story of our past. We know more about a baby—or the brain—than was accumulated in 10 millenia before our time. We are learning to produce food for all of us; we are no longer helpless before the threat of disease; we explore our universe as a matter of course. We are confronting the nature of nature itself. The opportunities are grand. This, too, is a clear reality.

Thus, realism shows us a world deeply troubled, yet with reason for hope. There is one necessary condition: The only way we can enhance and amplify the human potential is by preserving, defending, and extending those most precious of conditions—freedom and peace.

Strength

America's yearning for peace does not lead us to be hesitant in developing our strength or in using it when necessary. Indeed, clarity about the magnitude of the problems we face leads inevitably to a realistic appreciation of the importance of American strength. The strength of the free world imposes restraint, invites accommodation, and reassures those who would share in the creative work that is the wonderful consequence of liberty.

Strength means military forces to insure that no other nation can threaten us, our interests, or our friends. But when I speak of strength, I do not mean military power alone. To Americans, strength derives as well from a solid economic base and social vitality at home and with our partners. And, most fundamentally, the true wellspring of strength lies in America's moral commitment.

The bulwark of America's strength is military power for peace. The American people have never accepted weakness, nor hesitancy, nor abdication. We will not put our destiny into the hands of the ruthless. Americans today are emphatically united on the necessity of a strong defense. This year's defense budget² will insure that the United States will help its friends and allies defend themselves—to make sure that peace is seen clearly by all to be the only feasible course in world affairs.

Along with military readiness and capability must come the willingness to employ it in the cause of peace, justice, and security. Today in Beirut the U.S. Marines—together with our allies Italy and France—are helping the Lebanese Government and Armed Forces assure the safety of the peoples of that tormented capital. Our Marines represent an extension of American power, not for war but to secure the peace. They are there to speed the moment when all foreign forces depart from Lebanon. There must be early agreement on a timetable for the full application of Lebanon's independence, sovereignty, and territorial integrity. Lebanon deserves the world's help—to secure peace and to rebuild a thriving society.

America will continue to use its strength with prudence, firmness, and balance. We intend to command the respect of adversaries and to deserve the confidence of allies and partners.

The engine of America's strength is a sound economy. In a time of recession, industrialized and less developed nations alike are bedeviled by excessive inflation, restricted markets, unused capacity, stagnating trade, growing pressure for protectionism, and the most potent enemy of expansion—pervasive uncertainty.

The United States, with its vast human and scientific resources, can survive an era of economic strife and decay. But our moral commitment and our self-interest require us to use our technological and productive abilities to build lasting prosperity at home and to contribute to a sound economic situation abroad.

President Reagan has instituted a bold program to get the American economy moving. Our rate of inflation is down markedly, and we will keep it down. This will add stability to the value of the dollar and give greater confidence to international financial markets.

The recent drop in U.S. interest rates will stimulate new investments within and beyond our shores. Conservation through market

² The President transmitted the FY 1983 budget, including proposed defense expenditures, to Congress on February 8. For his message to Congress, see *Public Papers: Reagan, 1982*, Book I, pp. 121–134. On August 18, Congress cleared the Department of Defense Authorization Act for 1983 (S.2248; P.L. 97–252; 96 Stat. 718), which the President signed into law on September 8. (*Congress and the Nation*, vol. VI, 1981–1984, p. 217)

pricing of energy has reduced U.S. demand for world energy supplies. We are putting the recession behind us. A growing and open American economy will provide new markets for goods and services produced elsewhere and new opportunities for foreign investment. Just as we have a stake in worldwide recovery, others will prosper as our recovery develops.

For wider prosperity to take hold, we must cooperatively attend these international issues.

- The lure of protectionist trade policies must be resisted—whether in the form of overt import restrictions and export subsidies or by more subtle domestic programs. These can only distort world trade and impair growth everywhere. Let us determine to make the November ministerial meeting of the GATT [General Agreement on Tariffs and Trade] a time to stem these protectionist pressures and reinvigorate positive efforts for a more open trading system.

- The implications of the external debt of many nations must be understood. Immediate debt problems are manageable if we use good sense and avoid destabilizing actions. But the magnitude of external debt will almost inevitably reduce resources available for future lending for development purposes. Economic adjustment is imperative. The International Monetary Fund can provide critical help and guidance in any country's efforts to smooth the adjustment process. The new borrowing arrangement proposed by the United States can be crucial to this effort.

- And the necessity of reducing government interference in the market must be recognized. Every nation has the right to organize society as its inhabitants wish, but economic facts cannot be ignored. Those facts clearly demonstrate that the world's command economies have failed abysmally to meet the needs of their peoples. The newly prosperous industrialized nations are those with the most free and open markets.

The bedrock of our strength is our moral and spiritual character. The sources of true strength lie deeper than economic or military power—in the dedication of a free people which knows its responsibility. America's institutions are those of freedom accessible to every person and of government as the accountable servant of the people. Equal opportunity; due process of law; open trial by jury; freedom of belief, speech, and assembly—our Bill of Rights, our guarantees of liberty and limited government—were hammered out in centuries of ordeal. Because we care about these human values for ourselves, so must we then be concerned, and legitimately so, with abuses of freedom, justice, and humanitarian principles beyond our borders. This is why we will

speak and act for prisoners of conscience, against terrorism, and against the brutal silencing of the Soviet Helsinki Watch Committee.³ This is why we are anxious to participate in periodic reviews of the human rights performance of ourselves as well as others. We welcome scrutiny of our own system. We are not perfect, and we know it, but we have nothing to hide.

Our belief in liberty guides our policies here in the United Nations as elsewhere. Therefore, in this forum the United States will continue to insist upon fairness, balance, and truth. We take the debate on human rights seriously. We insist upon honesty in the use of language; we will point out inconsistencies, double standards, and lies. We will not compromise our commitment to truth.

Readiness To Solve Problems

The world has work to do for the realists, the pragmatists, and the free. With a clear understanding of the troubled circumstances of the hour and with a strengthened ability to act, we need, as well, the vision to see beyond the immediate present.

All of us here represent nations which must understand and accept the imperative of fair engagement on the issues before us and, beyond that, of common effort toward shared goals. Whether we are seeking to bring peace to regional conflict or a resolution of commercial differences, the time of imposed solutions has passed. Conquest, pressure, acquiescence under duress were common in decades not long past, but not today. Not everybody who wants his concerns addressed will find us automatically receptive. But when negotiations are in order, America is prepared to go to work on the global agenda and to do so in a way that all may emerge better off and more secure than before.

We manage our problems more intelligently, and with greater mutual understanding, when we can bring ourselves to recognize them as expressions of mankind's basic dilemma. We are seldom confronted with simple issues of right and wrong, between good and evil. Only those who do not bear the direct burden of responsibility for decision and action can indulge themselves in the denial of that reality. The task of statesmanship is to mediate between two—or several—causes, each of which often has a legitimate claim.

It is on this foundation that the United States stands ready to try to solve the problems of our time—to overcome chaos, deprivation, and the heightened dangers of an era in which ideas and cultures too often

³ Reference is to the dissolution of the Soviet Helsinki Watch Committee, which had been established to monitor Soviet compliance with the 1975 Helsinki Accords. For additional information, see "Other Helsinki Units Deplore Soviet Move," *New York Times*, September 9, 1982, p. A3.

tend to clash and technologies threaten to outpace our institutions of control.

We are engaged in negotiations and efforts to find answers to issues affecting every part of the globe and every aspect of our lives upon it.

The Middle East. The agony of the Middle East now exceeds the ability of news bulletins or speeches to express; it is a searing wound on our consciousness. The region is in constant ferment. Unrest flares into violence, terror, insurrection, and civil strife. War follows war. It is clear to everyone in this hall that international peace, security, and cooperative progress cannot be truly achieved until this terrible regional conflict is settled.

All of us have witnessed in the past several months a graphic reminder of the need for practical peace negotiations in the Middle East. Of the nations in the world which need and deserve peace, Israel surely holds a preeminent place. Of the peoples of the world who need and deserve a place with which they can truly identify, the Palestinian claim is undeniable.

But Israel can only have permanent peace in a context in which the Palestinian people also realize their legitimate rights. Similarly, the Palestinian people will be able to achieve their legitimate rights only in a context which gives to Israel what it so clearly has a right to demand—to exist, and to exist in peace and security.

This most complex of international conflicts cannot be resolved by force. Neither the might of armies nor the violence of terrorists can succeed in imposing the will of the strong upon the weak. Nor can it be settled simply by the rhetoric of even the most carefully worded document. It can only be resolved through the give and take of direct negotiations leading to the establishment of practical arrangements on the ground.

In other words, it can only be resolved through hard work. For those who believe that there is no contradiction between permanent peace for Israel and the legitimate rights of the Palestinian people—and for those who believe that both are essential for peace and that neither can be achieved without the other—the task can truly be a labor of love.

On September 1, President Reagan challenged the parties to the Arab-Israeli conflict to make a fresh start on the road to peace in the Middle East.⁴ The Camp David agreements, resting squarely on U.N. Security Council Resolution 242,⁵ with its formula of peace for territory, remain available to those who would accept the challenge to make this journey with us. The road will not be easy but, in his statement, President

⁴See Document 116.

⁵See footnote 9, Document 63.

Reagan made a number of proposals which, for those who are willing to join the effort, make the journey safer and easier. I call on all concerned to accept President Reagan's challenge and hasten the realization of true peace in the Middle East.

Arms Control. In addition to the imperative need to resolve regional problems, there is an equally significant global imperative: to halt, and reverse, the global arms buildup. As an American, I am aware that arms control and disarmament are a special responsibility of the world's most powerful nations—the United States and the Soviet Union. And as an American, I can report that we are fulfilling our responsibility to seek to limit and reduce conventional and nuclear arms to the lowest possible levels.

With this goal in mind, President Reagan has initiated a comprehensive program for negotiated arms reductions. In central Europe, the most heavily armed region on this planet, the Western allies are seeking substantial reductions in NATO and Warsaw Pact troops to equal levels. To achieve this goal, we have recently introduced a new proposal designed to revitalize the talks in Vienna on mutual and balanced reductions in military manpower.⁶

In the area of strategic arms, the United States has also taken the initiative by calling for a one-third reduction in the number of nuclear warheads that American and Soviet ballistic missiles can deliver.⁷ And in the talks in Geneva on intermediate-range nuclear forces, the United States has gone even further, by asking the Soviet Union to agree to a bold proposal for eliminating an entire category of weapons from the arsenals of the two sides.

But as important as these negotiations are, the problem of arms control cannot be left to the two superpowers. The threat of nuclear proliferation extends to every region in the world and demands the attention and energy of every government. This is not solely, or even

⁶ In a statement issued July 8, Rostow indicated that the President, in his June 9 Bundestag address, had remarked that the North Atlantic Alliance had agreed to a "proposal designed to give new life to the Vienna negotiations" and that NATO leaders had recently announced that the Western MBFR participants would "soon present a draft treaty embodying a new, comprehensive proposal." Rostow continued, "This morning in Vienna's Hofburg Palace, where the MBFR plenary sessions take place, the West formally tabled its draft treaty. This new initiative is the result of an effort by this Administration to develop an arms control approach on the question of conventional forces in central Europe which calls for substantial reductions—reductions which, if implemented, could reduce the risk of war in central Europe." Concluding, he commented, "This is the first time that a Western proposal in the MBFR negotiations has been tabled in the form of a draft treaty. Doing so underscores Western seriousness in the negotiations and readiness to bring about substantial reductions." (Department of State *Bulletin*, August 1982, p. 53)

⁷ Reference is to the proposal made by the President in his Eureka College commencement address; see Document 99.

primarily, a concern of the superpowers. The non-nuclear countries will not be safer if nuclear intimidation is added to already deadly regional conflicts. The developing nations will not be more prosperous if scarce resources and scientific talent are diverted to nuclear weapons and delivery systems.

Unfortunately, as the task becomes more important, it also becomes more difficult. Greater quantities of dangerous materials are produced, and new suppliers emerge who lack a clear commitment to nonproliferation. But the technology that helped to create the problems can supply answers as well. Vigorous action to strengthen the barriers to aggression and to resolve disputes peacefully can remove the insecurities that are the root of the problem. The United States, for its part, will work to tighten export controls, to promote broader acceptance of safeguards, to urge meaningful actions when agreements are violated, and to strengthen the International Atomic Energy Agency. As our action last week in Vienna should make clear, we will not accept attempts to politicize—and, therefore, emasculate—such vital institutions.⁸

Progress

Perhaps the most common phrase spoken by the American people in our more than two centuries of national life has been: “You can’t stop progress.” Our people have always been imbued with the conviction that the future of a free people would be good.

America continues to offer that vision to the world. With that vision and with the freedom to act creatively, there is nothing that people of goodwill need fear.

I am not here to assert, however, that the way is easy, quick, or that the future is bound to be bright. There is a poem by Carl Sandburg in which a traveler asks the sphinx to speak and reveal the distilled wisdom of all the ages. The sphinx does speak. Its words are: “Don’t expect too much.”⁹

That is good counsel for all of us here. It does not mean that great accomplishments are beyond our reach. We can help shape more constructive international relations and give our children a better chance at life. It does mean, however, that risk, pain, expense, and above all endurance are needed to bring those achievements into our grasp.

We must recognize the complex and vexing character of this world. We should not indulge ourselves in fantasies of perfection or unfulfillable plans or solutions gained by pressure. It is the responsibility of

⁸ On September 24, the U.S. delegation withdrew from the 26th General Conference of the International Atomic Energy Agency in Vienna after the IAEA voted to reject Israel’s credentials.

⁹ Reference is to Sandburg’s 1936 work *The People, Yes*.

leaders not to feed the growing appetite for easy promises and grand assurances. The plain truth is this: We face the prospect of all too few decisive or dramatic breakthroughs; we face the necessity of dedicating our energies and creativity to a protracted struggle toward eventual success.

Conclusion

That is the approach of my country—because we see not only the necessity, but the possibility, of making important progress on a broad front.

- Despite deep-seated differences between us and the Soviet Union, negotiators of both sides are now at work in a serious, business-like effort at arms control.

- President Reagan has issued an important call for an international conference on military expenditure.¹⁰ The achievement of a common system for accounting and reporting is the prerequisite for subsequent agreement to limit or curtail defense budgets.

- The Caribbean Basin initiative establishes the crucial bond between economic development and economic freedom. It can be a model for fair and productive cooperation between economies vastly different in size and character.

- And the diplomatic way is open to build stability and progress in southern Africa through independence for Namibia under internationally acceptable terms.

Realism and a readiness to work long and hard for fair and freely agreed solutions—that is our recipe for optimism. That is the message and the offer which my government brings to you today.

I began my remarks here today with an informal personal word. Let me end in the same spirit. We must be determined and confident. We must be prepared for trouble but always optimistic. In this way the vast bounties produced by the human mind and imagination can be shared by all the races and nations we represent here in this hall.

A predecessor of mine as Secretary of State, whose portrait hangs in my office, conveyed the essence of America's approach to the world's dangers and dilemmas. He said we would act with "a stout heart and a clear conscience, and never despair."

That is what John Quincy Adams said nearly a century and a half ago. I give you my personal pledge today that we will continue in that spirit, with that determination, and with that confidence in the future.

¹⁰ The President proposed the international conference in his June 17 address before the UN General Assembly Special Session on Disarmament; see Document 106.

121. Memorandum From Steven Sestanovich of the Policy Planning Staff to the Director of the Policy Planning Staff (Wolfowitz)¹

Washington, October 29, 1982

SUBJECT

Comments on “General Foreign Policy Framework”²

This paper has some of the windiness appropriate to a long-term planning document and I like that, but it’s not very discriminating. It doesn’t make the distinctions and choices that are needed if it really is to drive policy.

1. There is a difference between the *justifications* and *goals* of policy. Articulating the nature of the international order to which we aspire is useful more for the former than the latter: it may convince governments and others who have their doubts about us to go along with the short-term actions we take, since our heart is in the right place. But we still have to select the practical objectives for what is, after all, a short time-frame (two years).

2. A revised version of this document should distinguish among different types of objectives: fully-completed accomplishments (to which a President can point in a reelection campaign), accomplishments still underway but with visible progress (to which he can also point), and areas of accomplishment where real groundwork has been laid but no visible payoff yet made. The last category is important (and not just because political opponents may point to it), and a lot of the goals stated in this paper fall into it: institution-mongering, fabric-repairing, and so forth. But they are very difficult from the first two.

3. Given these distinctions, a second draft should probably also consider the ways in which we are—very loosely and often tacitly—willing to trade off among different areas of policy. My own preference, for example, would be to cede some ground in our dispute with the allies over East-West economic policy (where a large part of our agenda is either unattainable or likely to be taken care of by the market) in exchange for stronger and tangible support in other specific areas where they can help us counter the Soviets—whether it’s conventional defense spending, foreign aid, out-of-area deployments, covert action,

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals, Lot 89D149, S/P Chrons PW Chrons 10/21–31/82. Confidential.

² See Document 117.

etc. In other words, this paper may over-focus on the “West” as a whole; we need to consider the specific bargains we will strike with specific partners on specific issues (Glassman calls this idea the “balance-sheet” approach—a good term).

4. This Administration came to power very confident of the galvanizing effects on our doubting allies of American leadership. We probably ought to acknowledge that the payoff has been much less than we hoped in case after case, especially the select three of this paper (Germany, China, Saudi Arabia). It is arguable that each of these three (for powerful internal and other reasons beyond our control) will continue to be less helpful to us over the next two years, no matter how strong our determination to the contrary. If so, we have to have our fall-back positions well prepared; a next cut at this planning exercise should perhaps zero in on these three and compare costs, risks, and benefits of working with them as opposed to others.

5. Finally, planning is not the same as stating your preferences; the chances are quite good that, although we have built a good base in past two years, things will now get *worse*, not better. It seems to me the following is a fair list of even-money probabilities for six months from now:

A. *Pipeline*—stalemate with allies, growing bitterness after US proposals flop.

B. *Lebanon*—further Israel-Syria hostilities, no internal stability, IDF settles in as permanent occupying force.

C. *Pakistan*—military deliveries suspended due to Congressional pressure and Zia’s disregard of assurances; Paks move toward settlement in UN proximity talks.

D. *China*—new steps toward detente with Soviets.

E. *Mexico*—transfer of power disrupted by economic crisis, first signs of civil war.

F. *Namibia*—breakdown of negotiations for independence; clear Cubans won’t go, period.

Add to this total calm in Poland and the death of Khomeini. Does this suggest we shouldn’t be spinning our wheels on warmed-over Wilsonianism?

122. Memorandum From the Deputy Director of the Policy Planning Staff (Kaplan) to the Director of the Policy Planning Staff (Wolfowitz)¹

Washington, October 29, 1982

Paul:

Re – Meeting on Foreign Policy Planning

—Our papers at Tab 2 summarizing goals, accomplishments and issues/major resource implications still appear sound and provide a good basis for your interventions.²

—Bremer dropped our cover memo containing talking points from the package. It should prove helpful as initial talkers at the meeting. (attached)³

—A basic thread running through our presentation, especially on national security issues, is (if you'll pardon the expression) "stay the course"—we've made only a good start. (Larry wants another START.)

—By contrast, Larry's first paragraph (Tab 3)⁴ speaks of "the Administration's *original* emphasis . . . on rebuilding American strength and credibility . . . but we have failed to articulate . . . how we intend to use our *refound* strength and credibility to improve the international order and advance our interests." (emphasis added)

—Beyond this basic difference, there is much we can agree with in Larry's goal of shaping a stronger non-communist order; indeed, we share all three of his key purposes:

- *Facilitate recovery prosperity and stability in the West.* Indeed it has been S/P that was a voice in the wilderness on the debt issue.

- *Provide for peaceful settlement of disputes.* We have active diplomatic initiatives going in the Mideast and southern Africa and face a series of additional problems in Afghanistan, Kampuchea, Central America, etc.

- *Prevent Soviet expansion.* Proxy issue relevant here.

—Larry goes on (p. 2) to set forth a number of tasks essential to strengthening the non-communist order. Again, no big problem

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons PW Chrons 10/21–31/82. Secret.

² Not attached. The two papers are printed as attachments to Document 119.

³ Not attached.

⁴ Not attached; see Document 117.

with goals, but stated as goals (p. 3) without implementing strategy (e.g. break protectionist cycle, reinvigorate trade, etc.).

—Most contentious point is list of “pivotal countries” (p. 4), which include Germany, Saudi Arabia, China, Japan, Brazil, Mexico and Venezuela.

- Excludes *everyone* else.
- Implies we should lean very far over backwards not to annoy these countries ever, ever. . . .
- We’ve dealt with “pivotal countries” before (e.g. Iran).
- *Better approach* is to build our power and devise strategies that “create facts” and thereby help our friends and limit choices of our adversaries.
- Also, simplistic and serious mistake to put all our eggs in any regional basket; if it collapses. We lose all our eggs. . . .
- Each of paragraphs on pp 4–6, on pivotal countries, will suggest obvious rejoinder to you. You could comment especially on Taiwan and Israel. More generally, we fully agree on the need to strengthen the Alliance. But strengthening the Alliance is more likely to result from developing cooperation on the range of allied political, economic, security and regional issues than on achieving harmony by adjusting to lowest common denominator positions.

—Third World section is fairly light. I’d suggest S/P work further with McCormack and Wallis on it. Regional policemen reappear in silly way (Kenya? Mexico? etc.) at bottom of p. 6. Do we want India to police Pakistan? Afghanistan?

—The UN/ICJ stuff (p. 7) under “peaceful settlement of disputes”—the appeal to law—is straight pot.

—The Soviet section (p. 8) moves us toward dialogue from strength and wooing Soviet clients away. Usual Gompert analysis.

—Policy reviews are attached, that flow from above.

—Two final points.

- Resources will continue to be the key, and that means our foreign policy will remain hostage to the revival of our national economy. That’s just the way it is.

- Politics will be in command, especially if the President takes a bath next Tuesday.⁵ This means clear sense of priorities and limited time to achieve them. Democratic Presidential candidates may start

⁵Midterm U.S. election, November 2.

announcing shortly after January 1 in order to get matching funds. And this week three reports contained 1984 related items.

—King Hussein worrying whether US would pursue June 1 Reagan plan beyond 1984;

—Soviets saying summit a bad idea because it could help Reagan in 1984;

—Botha questioning Namibia settlement as Reagan could be replaced by Mondale or Kennedy in 1984.

You could have a lot of fun, but shouldn't in the interest of P/EA relations. Nonetheless, lots to say from our pieces, and much to critique in factual, constructive way.

Bon chance.

Phil

123. Memorandum From the Deputy Secretary of State (Dam) and the Under Secretary of State for Political Affairs (Eagleburger) to all Assistant Secretaries of State and the Directors of the Policy Planning Staff (Wolfowitz), the Bureau of Politico-Military Affairs (Howe), and the Bureau of Intelligence and Research (Montgomery)¹

Washington, November 3, 1982

SUBJECT

Foreign Policy Directions

The Secretary is most interested in getting underway some fresh thinking about how to advance U.S. world interests. He sees this not merely as a mid-term exercise but one that should set policy directions and favorable trends for the longer haul.

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons 1/1–15/83. Confidential. Sent through Bremer. No drafting information appears on the memorandum. A stamped date indicates that it was received on November 4 at 6:26 p.m.

The general framework for this work should be the recognition that U.S. interests are best served by a healthy non-communist international order. Such an order requires American leadership, which in turn requires that we sustain the effort to restore U.S. strength and credibility, and to insist on Soviet restraint. Conversely, the healthier the security and economic systems we lead, the stronger our strategic competitive position.

In broad terms, we should be working toward an order in which:

—the “Western” political-economic system—the markets, institutions, and rules of the advanced industrialized countries—is operating effectively and facilitating general growth;

—the developing countries are drawn into this system, thus boosting development and making them less susceptible to disorder and Soviet subversion;

—political problems are overcome in our relations with key countries in vital strategic regions (Central Europe, Southwest Asia, East Asia, and Central America);

—Western diplomacy, supported by effective international dispute-settlement machinery, has reduced the number of festering and potentially dangerous disputes;

—the US is seen—and treated—as the champion of an international order based on the rule of law, peaceful change, and human rights.

It is obviously a lot easier to define such broad goals than to translate them into practical, achievable policies. The Secretary has asked us to ask you to do the hard part. Bearing in mind his general sense of the sort of international order we want to promote, as well as his desire to receive innovative and far-reaching—albeit concrete—ideas, bureaus are being asked to prepare specific policy studies.

Several such studies are tasked below in clusters that correspond to several of the broad goals; others will be tasked in due course as part of what we expect will be an open-ended stream of Department-wide policy planning. Like the challenges we face, the studies are neither strictly regional nor strictly functional. A collegial effort among bureaus will therefore be essential.

We do not want this to become a massive, mechanical exercise. We leave format up to you, asking only that there be separate sections for analysis and prescriptions, and that analysis and arguments be rigorous, objective, and backed up by concrete facts. Prescriptions may, but need not, include specific action plans. The papers need not be formally cleared, though we have indicated where we expect the lead bureau to solicit ideas from others. S/P is invited to offer views on any and of the topics. INR is encouraged to produce analytical papers that dovetail with the issues. Lead bureaus should ensure that differences of opinion are clearly stated.

There are no deadlines. Suffice it to say that the Secretary is keenly interested in these products. As they are completed, he will want to meet on them, by cluster, starting next month. In some cases he will want to assign specific follow-up actions; in others the knowledge we've gained as a result of the process will be the sole product.

This process will be coordinated through S/S—Clay McManaway. Dave Gompert and Ned Walker will be available, along with Clay, to get together with you and/or those you select to do this work, if, for instance you want to clarify or re-shape the studies.

Cluster I—Toward A Healthier Western Political-Economy

1. How can we break protectionist pressures and encourage adjustment in trade and industrial patterns that will curb such pressures in the future? (EB, with inputs from EUR and EA.)

2. How can we revive and adapt Western economic institutions, in light of favorable economic realities? (EB, with inputs from EUR and E.)

3. How can we make U.S., European, and Japanese recovery efforts mutually reinforcing? (EB, with inputs from EUR and EA.)

4. How can we create more mature and stable US–EC and US–Japan political-economic relationships? Should we propose new consultative arrangements? (EUR and EA, respectively, with inputs from EB.)

5. Can we use the effort underway to shape a common Western approach to East-West economic relations as a model to bring about greater harmony in “West-West” economic relations? (EUR, with inputs from EB and EA.)

Cluster II—Overcoming Political Obstacles in Relations with Key Countries in Vital Strategic Regions

1. How can we reinforce German attachment to the West across the broadest range of German political opinion? How can we build a more assertive US–German partnership to deal with some of the problems mentioned in Cluster I? (EUR, with inputs from PM and EB.)

2. What kinds of security relationships do we want, over the long run, with key moderate Arab countries, and how do we get from here to there, taking into account our commitment to Israel and political conditions in the Arab world? (NEA, with inputs from PM.)

3. How can we preserve (or enhance) the strategic benefits of US–Chinese relations—and Sino–Soviet antagonism? (EA)

4. How can we strengthen and use to our advantage, especially in Central America, our relations with key Latin American countries: Mexico, Venezuela, Brazil? How should our “strategic” interests in these relationships affect the bilateral agendas? (ARA)

Cluster III—Drawing the Third World Closer and Erecting Barriers to Disorder and Subversion

1. How can we better engage developing countries in “Western” markets, institutions, rules and consultations? (EB)

2. What are the proper regional roles for Brazil, Nigeria, and India, from the point of view of our interests, and how can we foster these roles? (ARA, AF, NEA)²

² In a January 4, 1983, memorandum to multiple recipients, Dam and Eagleburger indicated that responsibility for the papers requested in their November 3, 1982, memorandum “is being transferred to the newly formed Foreign Policy Planning Council under the chairmanship of Steve Bosworth.” (Ibid.) In a January 7, 1983, memorandum to the S/P staff, Bosworth requested that they provide their “initial reactions” concerning “the substance and procedure of this project” to Kaplan. (Ibid.)

124. Memorandum From the Assistant Secretary of State for African Affairs (Crocker) to Secretary of State Shultz¹

Washington, November 5, 1982

SUBJECT

Foreign Policy Planning

At the end of the most useful discussion of this subject on October 30,² you invited us to send along to you any further thoughts we had. The

¹ Source: Department of State, Executive Secretariat, S/S Files, The Executive Secretariat’s Special Caption Documents: Lot 92D630, Not for the System Documents November 1982. Confidential. Not for the System. Drafted by Crocker. Bremer initialed the memorandum at the top and wrote “11/6.”

² Reference is to an October 30 morning meeting Shultz held in his office on foreign policy planning. In an October 29 memorandum to Dam, Eagleburger, Wolfowitz, Howe, Burt, Crocker, Bosworth, and Veliotis, Bremer conveyed Shultz’s invitation to the meeting, which would discuss the two papers prepared by the Policy Planning Staff in response to Meese’s September 16 request (see Document 119 and Tabs B and C thereto) and Eagleburger’s September 9 memorandum to Shultz (see Document 117). (Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P PW Chrons 10/21–31/82) Wolfowitz’s handwritten notes from the meeting are *ibid.* No minutes of the October 30 meeting have been found.

thoughts below are offered in that spirit. While they inevitably reflect an AF perspective, they are hopefully relevant to others and might help us bridge some important gaps between bureaus.

Foreign Policy Planning Process and Structure

Foreign policy planning staffs are subject to well-known dilemmas and pitfalls. Typically, they become one of three things: (a) irrelevant, (b) speechwriters, (c) operators in the sense of direct competition with the operating bureaus and offices. I know of no abstract structural solution to this problem. Much depends on the quality of people and the chemistry between them.

I do know, however, that the session on October 30 was the most stimulating and worthwhile exchange among Department principals that I have witnessed in some two years in this job. From my perspective, there is a severe structural problem between the sixth- and seventh-floor levels of this building, one that goes back many years and is accounted for in part by the high level of decentralization and dispersion of authority in the building. Partly, it is a simple question of access to very busy senior people, including you. But it is also partly the absence of any forum for trial-ballooning, exchanging ideas, and arguing free of bureaucratic turf constraints. There is a lot of intellectual horsepower at your disposal if there is a way to organize it. I suggest you give consideration to further brainstorming sessions, but I believe that a longer block of intensive time away from telephone, in-boxes, and the building itself would be the way to really address the issues.

The Domestic Base for Foreign Policy

There was apparent consensus on October 30 that we could do a lot better in addressing and strengthening our domestic base. At times we have taken an unnecessary bath, both in terms of being accused of things that are not true and in terms of getting no credit for viable and effective policies. Speaking for AF, my clients overseas in Africa and Europe understand and appreciate what we are doing far better than "US public opinion." I see three remedies: (a) the White House itself must fight more visibly on behalf of its foreign policy; (b) we are not bad at stating what we are against, but there has been a paucity of articulate advocacy on behalf of what we are for, especially as it pertains to the Third World; (c) we have paid a price over the past two years for creating the impression that there is no access to senior people by black Americans with concerns about foreign policy.

The Allies

This bureau conducts a very active dialogue through periodic consultations and ad hoc exchanges with our most important allies in

Africa: Britain, France, Germany, Italy, Canada, Portugal, Japan, and Belgium. I sometimes feel that we do so in a vacuum because other parts of this building and of Washington have no appreciation for the importance of Africa in the eyes of our allies. This shows up continuously when briefing papers are tasked for high-level discussions between us and our allies. When US principals fail to raise African issues, or are inadequately briefed when allies raise them, it undercuts the extensive groundwork laid in the working levels. On the whole, we have relatively good coordination and cooperation with most of our allies on African issues, but we could do a lot better if the message was reinforced from the top. Since we are always short of resources for African policy, this is one good way to get more out of our alliance relationships.

North-South Economic Issues

In the absence of an overall policy framework in the economic field for relations with the Third World—apart from the expectations raised at Cancun—we have nonetheless been forced by events to develop a number of initiatives and responses for dealing with the African economic crisis. We have made some progress in the inter-agency and allied contexts in addressing the fundamentally inter-related issues of IMF conditionality,³ debt relief, and development assistance; but we have a long way to go. Moreover, we are viewed as primarily talking the language of austerity. We are viewed by Africans as having identified the need for policy reform and having the sticks available to insist upon it, but we are also viewed as having very little in the way of carrots. Obviously, carrots can cost money, but there are certainly ideas we should be exploring in the area of trade policy, development assistance, and support for the private sector. AF would be pleased to present our perspective in a future brainstorming session, after which we might be able to staff out some serious ideas with other relevant offices. But I would despair of trying to do this in the formal, bureaucratic channel, given the sensitivities and turf issues that exist.

U.S. Foreign Policy and the Private Sector

Logically, the private sector should be one of the strongest supporters of our foreign policy, but the truth is that the private sector is probably as much confused and mystified as it is supportive. On the one hand, we have made clear in no uncertain terms that private enterprise is the key to economic recovery and economic development in

³ As a condition of receiving assistance from the IMF, member countries agree to undertake economic policy reforms intended to restore balance to their economies.

the Third World. This message is enshrined as a matter of declaratory policy in our bilateral aid programs and in our support for IMF and IBRD policies which go in the same general direction. Here in AF, we have pushed our overseas posts and our colleagues in the economic agencies to push aggressively the importance of getting *our* private sector involved and of creating the necessary climate in Africa to attract it.

But our private sector emperor has no clothes. We have taken few steps to either add incentives or remove disincentives to greater U.S. private sector involvement overseas. As a result, our credibility on the private sector scene is weak, both with Third World countries and with our own private sector. Our failure to support increases for the EXIM Bank, our unwillingness to countenance the use of AID funds as a form of mixed credits, the lack of any new funding to support foreign assistance initiatives and the mortgaging of existing money in older projects all add up to a negative message. Both OPIC and AID's new private enterprise bureau⁴ are spread far too thin to respond to more than one or two opportunities in each region. With the notable exception of some agri-business teams flowing out of the Cancun Summit, which have taken more than a year to organize and deploy, our bureaucratic machinery has done very little to promote positive linkages between U.S. investors and the Third World.

Then, there is the question of how politics and our policies impact on trade and investment and, therefore, on our firms. This is the pipeline issue writ large. We have chosen—or not been able to resist the temptation—to use our firms, our credits and our votes in the IFI's as an expression of our broader policy towards such places as Libya, Angola, and Ethiopia. To take the Ethiopian case, Boeing—the largest industrial exporter in the U.S.—believes itself to be in danger of losing the entire African market to Airbus industry.⁵ Boeing and Lockheed both see their positions in Angola to be endangered by our cautious restrictions on their activity there.

To raise these questions is not to solve them. Rather, I wanted to point out the fact that many companies see little direct benefit to our

⁴ The AID Bureau for Private Enterprise, headed by Assistant Administrator Elise R.W. du Pont, consisted of four offices in 1982: Office of Policy and Project Review, Office of Investment, Office of Housing, and Office of Small and Disadvantaged Business Utilization.

⁵ In telegram 295445 to London and Paris, October 20, the Department reported that Boeing's Washington representative had called several offices in the Department and stated "that Boeing believes Airbus may be undertaking to arrange a leasing agreement with EAL through a third party, and that the leased aircraft could later become a direct sale to EAL." (Department of State, Central Foreign Policy File, Electronic Telegrams, D820524–0486)

foreign policy from such USG positions but considerable damage to their commercial interests. They see little understanding or concrete support for their activity abroad. They find this administration taking actions which disadvantage both trade and investment, at a time when even socialist governments overseas are providing liberal support to help their companies win the competition. Finally, our friends in the Third World, forced by economic crisis to become more pragmatic and to listen to our economic philosophy, are finding us no more able than our predecessors to support the role of the private sector in their countries in a concrete fashion.

A Final Note on Process

Realistically, these and other ideas you get are more numerous than you can take on without support and an operational planning process. My suggestion is that more brainstorming and free exchange should come first. If the time and venue could be arranged, it would be ideal to assemble the ingredients of a rich conceptual stew and let it cook over the course of a day or more. You could then select those few actions and concepts that are viable, and direct specific, follow-on planning efforts led by Ken Dam and other 7th floor principals. In some fields, you may wish to include individuals outside the bureaucracy in concert or parallel with our own senior people.

125. Editorial Note

On November 15, 1982, President Ronald Reagan met with the newly-elected Chancellor of the Federal Republic of Germany Helmut Kohl. During his welcoming remarks, made at 11:06 a.m. on the South Lawn of the White House, the President stated: "The future of both our nations depends so much on friendship and the values we share. In these uncertain times, when a power to the East has built a massive war machine far in excess of any legitimate defensive needs, the Western democracies must stand firmly together if our freedom and peace of the world are to be preserved." (*Public Papers: Reagan, 1982, Book II, page 1467*)

Reagan and Kohl then met with U.S. and West German officials in the Oval Office from 11:44 a.m. until 12:25 p.m. (Reagan Library, President's Daily Diary) At 12:25 p.m. the President escorted the Chancellor to the State Dining Room for a working luncheon, where they were joined by the attendees from the earlier meeting in addition to other U.S. and West

German officials. During the luncheon, which lasted until 1:35 p.m., the President referenced the change in Soviet leadership following the death of Soviet General Secretary Leonid Brezhnev on November 10 and the elevation of Yuri Andropov to the position of General Secretary: "The discussion turned to the new Soviet leadership. The *President* said that it was his evaluation that the new Soviet leader [Yuri Andropov] would be a very tough adversary. He did not see great changes in Soviet policy. The Soviet Union was faced with major economic problems. The change of leadership gave an opportunity to let the Soviet Union know publicly that they could easily have better relations with the West 'if they changed their ways.' The President said that the Soviets did not have to make any great public announcements about changed behavior, but only to take a specific action. If they would take an action to indicate a willingness to deal peacefully with the rest of the world, the United States would be prepared to take an immediate reciprocal action, to meet their *quid* with a *quo*."

Following Kohl's remarks about Soviet leaders, Communist economic development, and Reagan's impact on European audiences, the President returned to the issue of Soviet leadership: "*The President* pointed out that there were two common explanations for Soviet behavior: One was that the Soviets were following the teaching of Marx and spreading the world revolution of the proletariat. The second explanation was they were paranoid and afraid and were expanding in order to protect themselves. The President pointed out that it was absurd for the Russians to believe that any country was out to conquer them. He asked the Chancellor's opinion on this question.

"*The Chancellor* replied that both explanations were correct. Fundamentally, Soviet policy was Russian policy. Marxist-Leninist ideology was an addition, but underneath Soviet policy was imperial great Russian policy. Historically, the Soviet Union had no defensible frontiers. The approaches to the homeland had been wide plains, therefore traditionally the Soviets had attempted to build buffer zones. This explained much of the history of Poland. Twice invading armies from Western Europe had reached the Soviet capital—Napoleon and Hitler. Chancellor Kohl said the President was right. No country seriously threatened the Soviet Union, least of all the Federal Republic. From a rational point of view there was no threat, but there was an irrational but deep fear among the Russian people, which the government exploited to justify military expenditures. The Chancellor noted that he and the President as politicians knew the importance of irrational emotions held by people and how they must be taken into account. It was also important to look at history. In the 19th century, the Russians had had the same fears and Bismarck had recognized these and was therefore careful to maintain the balance which would keep the Russians satisfied. On the other hand,

this fear also offered an opportunity that could be exploited. It was a key element of Russian policy never to take great risks, never to move when the risks were high. The only recent exception to this had been the move into Afghanistan.

"The President recalled the analysis done in two books by Laurence Beilenson, a lawyer who had become an historian after retirement. He had written three books about history, the first, called *The Treaty Trap* had shown that any country which had put its faith in treaties rather than building up its defenses had failed to protect its national interests. The second book, on the use of subversion, had shown that although many countries in history had used subversion against their adversaries to a certain extent, Lenin had uniquely based an entire approach to foreign policy on it. Beilenson had also found that the Soviets or the Russians would not make an aggressive move if it risked a threat to their homeland. They would never gamble if there were a threat to Russia itself. The President said he could not help but remember 1928 when the Soviets had made a proposal for worldwide disarmament. He wished that someone would remind them of that. The President said that he had been recently pursuing quiet diplomacy with the Soviets. As a politician he knew that if he made public demands on the Soviets they would find it impossible to give in, so he had privately asked for a gesture, a concrete action from the Soviets. The President cited as an example the Pentecostals who were in the basement of the U.S. Embassy in Moscow. Their release was the sort of gesture he was looking for. If the Soviets took such an action, the U.S. would not publicize it, but would reciprocate with an appropriate response. The President said that President Nixon had been able to operate in this fashion. He had asked Brezhnev to take a number of actions privately and Brezhnev had taken some of them. President Nixon had responded immediately with reciprocal actions.

"Chancellor Kohl said that the most important issue of the day was peace, that is, peace and freedom. He recalled from his family history that his mother's brother had been killed in World War I, that his parents had then given the same name to his older brother and that brother had been killed in World War II. Chancellor Kohl had given the same name to his son, although his mother had opposed it and that son was now serving in the army before going to university. The Chancellor said he told the story as he understood the President was a man with a heart, a man who could see the human aspects of the problems which confronted him. It was necessary to see the human side of great problems, while not neglecting the danger and the threat. The Chancellor continued to discuss the INF deployments. He said that if in the fall the negotiations had not achieved results in Geneva he expected all of the basing countries to go forward with their deployments, but even if they

did not, the Federal Republic would. The Chancellor said that he had made this clear in his party platform.

“President Reagan said that he was willing to deal with the Soviet Union on a human basis. He recalled that when he was recovering in the hospital from being shot, he had written a letter by hand to Brezhnev asking him to sit down together to talk about the aspirations of their people and what their leaders could do for them. The President said he didn’t know if Brezhnev ever saw the letter, since the reply came through normal diplomatic channels and contained all the normal Soviet propaganda. That did not mean he would give up trying to establish contact with the Soviet leadership. He would try again, but as the Chancellor had said, never losing sight of the threat. It was important for the Soviets to understand that the United States would not buy peace at any price.” (Memorandum of Conversation, November 15; Reagan Library, Executive Secretariat, NSC Subject File, Memorandums of Conversation—President Reagan (11/01/1982–12/06/1982)) The full memorandum of conversation is scheduled for publication in *Foreign Relations, 1981–1988*, volume VII, Western Europe, 1981–1984.

Following the luncheon, Reagan and Kohl spoke at the Diplomatic Entrance on the South Lawn of the White House. For their remarks and a joint statement released following the discussions and dated November 15, see *Public Papers: Reagan, 1982*, Book II, pages 1469–1475. In his personal diary entry for November 15, the President noted: “Our meeting was good. He is entirely different than his predecessor—very warm & outgoing. Mrs. Kohl is the same & very charming.” (Brinkley, ed., *The Reagan Diaries*, volume I, January 1981–October 1985, page 172) Secretary of State George Shultz provided a brief description of Kohl’s visit in his memoir, writing: “Helmut Kohl had come to Washington for meetings on November 15 as the new chancellor. Kohl and President Reagan and I had similar impressions of Andropov, the new Soviet leader: formidable, experienced, tough; we agreed we needed to know him better. Kohl emphasized the importance of a firm and cohesive NATO alliance as the only hope for success in the crucial INF negotiations with Moscow. But it must be ‘a real negotiation, not just a show,’ he said.” (Shultz, *Turmoil and Triumph*, page 149)

126. Remarks by Vice President Bush¹

Nairobi, November 19, 1982

Remarks Before the Kenya Chamber of Commerce

You do the United States a great honor in receiving me this evening. I bring you the greetings of the President of the United States and of millions of my fellow citizens who are sincerely interested in America's longstanding friendship with the Continent and people of Africa. I bring also special greetings to President Daniel arap Moi and to all Kenyans. Your country is an old friend of the United States and is dear to us all.

The past 10 days have been important to me. President Reagan asked me to carry our message of friendship and deep commitment to a true partnership with the nations of Africa. We are determined to work with the leaders of this continent in the quest for peace and progress.² My visit has been particularly satisfying. It has permitted us to see old friends and make new ones.

I have exchanged views with some of Africa's most impressive leaders. I have had an opportunity to see and feel firsthand the diversity of this beautiful continent and to sense its great promise. In several days I will be able to share with President Reagan and my fellow Americans the thinking of Africa's leaders on the major issues important to us.

It should come as no surprise to you that President Reagan thought that it was especially important for me to visit Kenya. Since Kenya's independence,³ close ties have bound our two countries and peoples.

¹ Source: Department of State *Bulletin*, January 1983, pp. 45–49. The Vice President spoke before the Kenya Chamber of Commerce. Bush departed Washington on November 10 for Cape Verde, Senegal, Nigeria, Zimbabwe, Zambia, Kenya, Zaire, and Bermuda. On November 14–15, Bush traveled to Moscow and headed the U.S. delegation to Brezhnev's funeral. He then returned to the United States on November 24. For the text of the Vice President's statements, remarks, and toasts made during the trip, in addition to the text of the U.S.-Nigeria joint communiqué, see *ibid.*, pp. 34–45, and 49–51.

² In a November 4 memorandum to Bush regarding the African trip, Shultz wrote: "Your trip provides a timely opportunity to demonstrate this administration's interest in Africa and our support for our friends on the continent; articulate the activist policies we are pursuing; and emphasize our determination to achieve peace in Southern Africa. All of the countries on your itinerary have important roles to play in addressing the major issues confronting the West in Africa." After noting the importance of the countries to be visited, Shultz underscored: "Your stature guarantees that the trip will attract widespread African attention and will enhance African perceptions of our concerns for their continent and its problems." (Reagan Library, George Shultz Papers, Official Memoranda; NLR 775-26A-32-2-5)

³ Kenya achieved independence on December 12, 1963.

Your nation has been admired in the United States for its political and economic record.

We share important values—democratically elected governments, civilian rule, freedom of press and religion, a multiracial society, and an economy guided by the principles of free enterprise. Kenya has been a strong advocate for peace in the world. Your country and its distinguished president have led the Organization of African Unity (OAU) during a year in which Africa faced many problems. Because Kenya has served this year as spokesman for Africa's aspirations, I am especially pleased to speak from the city of Nairobi to all the people of Africa. I particularly wish to speak about the hopes and values which grew up during Africa's struggle for independence and which will guide Africa as it faces the future. Chief among these values is the desire for freedom—freedom of nations from outside pressures and freedom of people within nations. That desire gave birth to the OAU, thanks to the recognition that—without regional cooperation—the peace, progress, and independence of Africa would not be maintained. Such cooperation is not an easy goal given the great variety of peoples, circumstances, and cultures in Africa. This tremendous diversity, coupled with the harsh impact of today's global economic recession, underscores more than ever the importance of African regional cooperation for common purposes.

There is no justification for despair about Africa's future. Despite trials and setbacks, the history of Africa since the independence era has included significant progress, especially in the development of human resources. Education, talent, and energy—such as that represented by this very audience—prove that Africa has the capacity make good the promise of its enormous potential in spite of the many problems it faces. Thanks to the abilities and values which men and women, like ourselves, bring to the everyday task of national development, Africa can enter its third decade of independence with confidence in the future.

Because we believe that Africa has the capacity and will to be master of its destiny, President Reagan has over the past 20 months worked to forge a new and mature partnership with the nations and people of Africa. We speak of a partnership that begins with mutual respect. We speak of a partnership that includes honest discussions. We speak of a partnership which recognizes that each nation must do its part if the goals we share are to be achieved. Partnership is a two-way street based on shared goals, common principles, and mutual interests.

These principles have guided our Administration's policies toward Africa. The time is ripe for the sort of candid dialogue I have been privileged to experience on this trip. And I have learned a lot. A top priority in our diplomacy is southern Africa, where the choices between

regional strife and regional cooperation are stark. The inescapable need for peaceful change is challenged by a climate of fear, distrust, foreign intervention, and cross-border violence.

Search for Constructive Change in Southern Africa

The United States is committed to the search for constructive change in southern Africa. In cooperation with our allies and in direct response to the will of Africa's leaders, the United States has engaged its influence and resources in the effort to bring Namibia to independence. We are determined to help turn the sad tide of growing conflict and tension in southern Africa. We are fully committed to work for a settlement that will enhance regional security and assure Namibia's early independence on terms acceptable to its people, Africa, and the world at large.

Let me state again, we are fully committed to an independent Namibia. I can assure you that significant progress has been made. A year ago the settlement effort was relaunched with vigor. Since then, the United States and its Western Contact Group partners have worked closely and intensively with all parties. This past July agreement was reached on the principles which will guide Namibia's constituent assembly.⁴ Since then, substantial progress has been made on remaining issues concerning the implementation of Security Council Resolution 435.⁵ We are close to agreement on implementation of the U.N. plan. Remaining issues can be resolved.

From the outset of this Administration's engagement in the peace process, we have emphasized that there are vitally important issues arising from the situation in Angola which must be resolved if Namibia's independence is to be achieved. For 7 years Angola has been engulfed in war, its territory invaded, its progress toward a better economic future stalled. Thousands of Cuban troops remain in Angola. Wouldn't Angola and the region itself be better off with all foreign forces out of that country—South African forces and Cuban forces?

The history of foreign conquest in Africa is replete with examples of armed foreigners who came with the professed purpose of helping others but who stayed in order to help themselves. The withdrawal of Cuban forces from Angola in a parallel framework with South Africa's

⁴ Reference is to the July Contact Group negotiations. On July 13, the Department reported that Pérez de Cuellar had been informed "by representatives of the five Western nations—the United States, France, West Germany, Britain and Canada—that 'all parties to the negotiation now accept the principles concerning the constituent assembly and the constitution for an independent Namibia.'" (Bernard Weinraub, "U.S. Reports Progress in Namibia Talks," *New York Times*, July 14, 1982, p. A3)

⁵ See footnote 10, Document 63.

departure from Namibia is the key to the settlement we all desire. In the final analysis, it is also the surest way to guarantee Angola's long-term security and independence. The United States wants the earliest possible independence for Namibia. At the same time, the United States wants an end to Angola's suffering and to the dangerous cycle of violence in the region. My government is not ashamed to state the U.S. interest in seeing an end to the presence of Cuban forces in Angola. Their introduction 7 years ago tore the fabric of reciprocal restraint between the United States and the Soviet Union in the developing world. Such restraint is vital if African regional security and the global balance are to be maintained.

We recognize there will be no agreement unless all the parties know that their security is protected. We also recognize there will be no settlement unless each party is prepared to make the concessions necessary. If the challenge is accepted, we believe peace can be achieved and a brighter future for southern Africa can begin. The substantial progress already made is based on a diplomatic partnership of equals in which all parties share burdens. That partnership remains vital in our continuing efforts for peace. In the search for that peace, the United States seeks constructive relations with all the states of southern Africa. We are building bridges of communication to each nation in the region, including South Africa.

However, we will not ignore or disguise our strong belief in the importance of justice and equality before the law. Apartheid is wrong. It is legally entrenched racism—inimical to the fundamental ideals of the United States. America's history and America's future can only be understood in terms of our commitment to a multiracial democracy in which all citizens participate and from which all benefit. The rule of law, the principles of consent and participation in the political process, and the right of every human being to citizenship which reflects these principles are to Americans a sacred trust. We will not betray this trust.

Nor can we escape reality: If there is to be security in southern Africa, South Africa must be involved in shaping it. If there is to be constructive change in South Africa, South Africans of all races—not foreigners—must be the ones who shape the pattern of that change. The United States is working for constructive change in ways that benefit all South Africans. Our actions match our words, as our deepening involvement in expanding educational, social, and economic opportunities for black South Africans demonstrates. We also believe there is a relationship between the security of southern Africa and the pace of peaceful change within South Africa. We do not believe that armed conflict must be the road to justice, and we doubt that it can be the road to lasting freedom and well-being.

Support for Human Rights and Regional Stability

The United States believes that it can be helpful in advancing the frontier of freedom and observance of human rights, not only in southern Africa but in Africa as a whole. Without respect for human rights, there is a great risk that Africa's enormous human potential will be wasted. Fear and intimidation keep people from working to achieve their aspirations, from contributing to the common good, and from pursuing the democratic principles and ideals that are denied for too many in the world today. Narrowing political participation by their citizens can be highly counterproductive. African nations that have devised their own national democratic institutions broaden public participation in government, protect the integrity of the individual, and expand the frontier of economic freedom for the ultimate good of all.

In Kenya respect for individual rights is written in your constitution. Democratic institutions that embody the democratic process have been established. They are an essential framework for lasting stability. Experience in Africa and elsewhere clearly demonstrates that the abuse of power, the suppression of diversity, and the denial of individual rights only leads to instability and a loss of confidence at home and abroad. My visit to Africa has shown me encouraging examples of African nations that are building their own institutions to broaden political participation and advance the frontier of freedom. We realize, however, that nations cannot reap the benefits of individual freedom in an environment of insecurity. We attach high importance to strengthening Africa's security and are prepared to be Africa's partner in building the necessary conditions for security.

We have no interest in an East-West confrontation in Africa; such a confrontation increases the threat to world peace. The goal of the United States in Africa is to help establish a framework for restraint and broad rules of conduct which discourage the use of outside force in African conflicts in the region. In this area our goal is consistent with the goals enshrined in the Charter of the Organization of African Unity.

At the same time, the United States is deeply sensitive to the threats which individual nations and the regions of this continent face and probably will continue to face. Internal stability, often fueled by outside interference, and longstanding border and ethnic disputes tax heavily the resources of African governments. The United States has no mandate to act as a policeman in Africa, and it seeks no such role. But neither do we believe that the sovereignty of African nations will be preserved if the West is unable or unwilling to respond to the legitimate defense needs of its friends in Africa. The United States intends to be a reliable partner both in working with our friends on a long-term basis to meet these needs and in responding to their urgent requirements in

emergency situations. We have done so in the past; we are doing so today. Let there be no doubt about our determination and capability to do so in the future.

At the same time, our overall concern, including the concern that guides our military assistance, is to dissuade countries from undertaking military solutions and to encourage negotiated settlements of differences between them. We believe negotiated solutions are possible for even the most difficult and longstanding disputes on the continent. We are ready to lend whatever support we can to those efforts in Africa and to give them the highest priority. In this view, we believe that Africa's capacity for collective security deserves our help. We will, when asked, support multinational peacekeeping forces that Africa creates in its own defense. The record of the United States in support of the OAU peacekeeping role in Chad is the most recent illustration of the importance we attached to regional security. We want African nations to be able to defend their interests and resolve their problems without foreign intervention.

Response to Economic Crisis

Real security, and with it the confidence that can enhance prospects for peace, cannot be achieved without sustained economic growth. During my travels, I have seen Africa's most serious economic crisis in more than 40 years. Because African countries are often dependent on one or two export commodities—and because they have borrowed heavily to spur growth and meet the costs of higher oil prices—they have been vulnerable to commodity fluctuations, high interest rates, and to the impact of world recession. There has been a long, slow decline in per capita food production, population has increased rapidly, and balanced growth has not occurred. Many nations have experimented with subsidies, centralized economic direction, and extensive public ownership of industry and commerce. Those strategies have proved costly.

The present state of the global economy is not of Africa's making. In the world economic system, the United States has a special responsibility not only to put its own house in order but to help rekindle growth in other lands. We are deeply committed to that task, and to achieve it the American people are making real sacrifices. We are confident that when we are successful Africa will benefit quickly and significantly.

At the most fundamental level, we will remain concerned about those imperiled by strife and starvation. We have taken the lead both in mobilizing international relief efforts to help African refugees and in providing emergency assistance. In the past 2 years the United States has provided Africa \$187 million for such programs. But we are equally

concerned about the underlying problems which produce refugees and other forms of human misery.

As we all look at these problems, we can see that the next few years in Africa will be critical. The current economic situation is forcing austerity on all African nations. It points to the need for reexamination of economic strategies and national economic policies. It would be a mistake to view this period as only a temporary phenomenon and to believe that as the world recession begins to ease, Africa will be able to resume an easy path of growth and diversity. On the contrary, in the current situation many fundamental decisions must be made about the future of African development, about the priorities of agriculture and other sectors, and about the degree of sacrifice that should be demanded of the various elements of the population. How these decisions are made will affect the future of African development for decades to come.

We in the United States admit that there are serious differences among experts over the best path to development. We believe that there should be a full exchange among all those involved in African development. We must reach a common agreement regarding the kinds of programs which must be developed, financed, and mobilized. Discipline and self-reliance are necessary. Courageous leadership is necessary. Now is the time for fresh thinking, an eschewing of old ideologies that have not passed the test of experience.

We are prepared to help give African governments the wherewithal and the international political and financial backing to take the steps where necessary to restructure their economies.

During the past 2 years, a growing number of African countries have applied to the International Monetary Fund (IMF) for assistance in meeting immediate balance-of-payments crises. This has led to difficult adjustments in exchange rates, budgets, and other aspects of economic policy.

Recognizing the fundamental nature of the development crisis, we have encouraged a more comprehensive approach by both donors and multilateral agencies in Africa. We have urged that reform be supported with short-term foreign exchange and development assistance adequate to fuel the recovery process. We are fully aware of the importance of debt in this equation. Where countries are making serious efforts to restructure their economies, relief from heavy debt must be part of the foreign exchange program. For our part, we are committed to participating in the difficult process of recovery.

The United States, despite the fact that its resources are under special strain in this time of economic adversity, still remains committed to Africa's stabilization and growth. Our bilateral economic aid for all of Africa now totals approximately \$800 million a year and extends to

46 countries throughout Africa. It encompasses a variety of programs, including fast-disbursing balance-of-payments support, food aid, and development assistance. Including the U.S. contribution to multilateral programs, our total economic aid to sub-Saharan Africa is in excess of \$1.4 billion annually. Of the multilateral portion, the largest share by far—almost \$300 million per year—goes to the soft loan programs of the World Bank's International Development Association.

The Reagan Administration has placed a new emphasis on the role of private enterprise in development. In Africa, as elsewhere, we define "private sector" broadly to include small businesses and farmers, as well as large corporations. Our aid planners are seeking new ways to help develop market institutions and more effective incentives for farmers. Wherever possible, we are encouraging mutually beneficial partnerships between large and small American companies and their African counterparts. The recent enactment of export trading legislation supported by President Reagan will make it possible for small and medium-size U.S. firms to pool expenses and thereby play a more active economic role in Africa.

The economic task that you and we face is enormous. But it is far from impossible if we all work together in a wise and understanding partnership. The exact nature of that cooperation will be as varied as the countries of Africa, but it will have some common elements. We, the industrialized countries, must help Africans manage their debt burden so that private credit, which is so essential to growth, can resume and increase. We must support successful economic policies at both the national and regional levels. We must seek greater coordination among Africa's friends who wish to finance development. The importance of Africa's economic future demands that we do no less.

As we all look to the future and decide how Africa and the United States can work together, the agenda of issues we face is long. It includes essential issues of security, peacemaking, human rights, and economic progress. It calls for advancing the frontiers of freedom.

The United States is a friend which respects your potential and shares your commitment to maintaining the hard-won prize of freedom. With respect to that freedom, our nations are equals which must be prepared to work together, making sacrifices and taking tough decisions at the same time. Each of us has a share of the burden to carry; each has a contribution to make. All have a better future to gain. This is the meaning of a true partnership.

127. Paper Prepared in the National Security Council Staff¹

Washington, undated

President Reagan is personally committed to peace.

Prevention of conflict and reduction of weapons are the most important public issues of our time.

For at least 30 years after World War II, the United States possessed a large military advantage over the Soviet Union. Our strength deterred aggression against us.

Our military objective has always been to maintain peace by preventing war. The irony of modern times is that it still takes weapons to prevent war.

Peace is a goal, not a policy. To achieve lasting peace, the President has two parallel paths—deterrence and arms reductions.

The combination of the Soviets spending more and the US spending proportionally less has changed the military balance and weakened our ability to deter war.

Together with our Allies, we have begun to correct the military imbalance. Part of that correction is the President's decision on where to base the long-range Peacekeeper missile, formerly called the M-X, which has been developed under his three immediate predecessors.²

While modernizing our military, the President is also searching for significant arms reductions.

Never before has the US proposed such a comprehensive program of nuclear arms control as we have put forward in the past year.

Three major negotiations with the Soviets are already underway—aimed at completely eliminating intermediate-range missiles, at deep reductions in the long-range missile arsenal, and at cutting conventional military forces in Europe.

¹Source: Reagan Library, David Gergen Files, Subject File, RR Arms Control Speech and MX—11/22/1982. No classification marking. Clark sent the paper to multiple recipients under cover of a November 22 memorandum, noting that it contained talking points related to the President's November 22 address to the nation on strategic arms reduction and nuclear deterrence. For the text of the address, see *Public Papers: Reagan, 1982*, Book II, pp. 1505–1510.

²On November 22, 1982, the President announced that the United States would emplace 100 M-X missiles, known as "Peacekeepers," in silos in a closely-spaced basing mode at an Air Force base near Cheyenne, Wyoming. For the President's November 22 statement and his November 22 letter to members of Congress informing them of this decision, see *Public Papers: Reagan, 1982*, Book II, pp. 1502–1504.

It is significant that the Soviets are negotiating seriously with us at Geneva and Vienna. They know that we are serious about our own strategic programs and that they must negotiate in earnest.

The latest additions to our arms control initiative are measures to reduce the risks of accident and misunderstanding and thus strengthen mutual confidence between the US and Soviet Union.

These include:

- Advance notification of all US and Soviet intercontinental ballistic missile test launches, and other such tests.
- Advance notification of major military exercises.
- Exchange of information about nuclear forces.
- Examination of the Hotline system between the US and USSR for possible improvements.³

The President's commitment to peace continues to preserve our freedom, and it offers promise of a safer and less threatening world. We should support this dual approach—deterrence and arms reductions—as the best possible way to maintain the peace we now enjoy, and ensure it for future generations.

³ On June 20, 1963, at Geneva, U.S. and Soviet representatives to the Eighteen Nation Disarmament Conference (ENDC) completed negotiations on a memorandum of understanding (14 UST 825) establishing a direct communications link, known as a "hotline." On September 30, 1971, a working group of the U.S. and Soviet SALT delegations updated the agreement to add two additional satellite circuits to the "hotline."

128. Editorial Note

On December 16, 1982, Deputy Assistant to the President for National Security Affairs Robert McFarlane took part in a United States Information Agency (USIA) background briefing for reporters. McFarlane discussed the Ronald Reagan administration's foreign policy accomplishments for 1982 and prospects for 1983. McFarlane began his remarks by indicating that he would "be glad to say a few things" and then respond to questions: "Nearing the two-year mark in the Reagan administration's stewardship in foreign affairs, the President believes that there have been substantial gains in his efforts to foster a more stable climate for peaceful change internationally, as measured in most political and economic terms.

"I think probably organizationally for me, if not for you, that it might be useful if I just touched on the six basic goals and where those have been advanced in the past year.

"You will recall that the President's objectives included, first, reversing the decline in the strength of the United States in establishing a firm foundation of restored military strength. Secondly, to establish a stable basis for U.S. relations with the Soviet Union, based on reciprocity and restraint.

"Thirdly, to foster an improved relationship in the context of North-South relations with developing countries.

"Fourthly, to take a vigorous role in peacemaking internationally because the moral responsibility to do it as well as self interest in key areas.

"Next, to establish an improved relationship of solidarity with our leading allies, the principal industrialized democracies and, next, to undertake a very vigorous program of arms control talks.

"Well, what has happened in these areas in the past year?

"First of all, his efforts to sustain the restoration of U.S. military strength has carried on apace. The second year's budget is being debated even as we sit here. However, the certain outcome with respect to 90 percent of the President's proposals is all but assured. These programs, as you know, are across-the-board efforts to modernize the U.S. strategic force posture as well as conventional or general purpose forces, and to maintain a vigorous research and development effort to be able to compensate, frankly, in some measure, for the Soviet advantage in numbers, whether one talks in tanks or aircraft or whatever.

"And this has gone well. It has required a more determined effort at persuasion in the Congress but the consensus among the American people is still there to sustain the expenditures for restored military strength. I've been a little puzzled at polls, and I won't digress, but recently they've been portraying that sentiment in America at large as declining, and the figure of 17 percent has been quoted here and there and without looking at the poll which portrayed that the American people think that we ought to spend at least what we are doing or more, by almost 70 percent.

"What we are spending is built upon a very high increase that was set last year. So to sustain that or even improve it still commands a very substantial majority here.

"With respect to what is being done in U.S.-Soviet relations, the President has made clear that the United States is willing to negotiate toward the resolution of problems across the board and this past year

has seen the—call it—‘completion of’ the most comprehensive arms control proposals that have been put forward by any modern President, in my recollection.

“At the same time the President has maintained a position of firmness with respect to Soviet repression from Afghanistan to Poland and a position of firmness toward Soviet efforts to expand its influence in other developing countries, notably in this hemisphere, through Cuba, into Central America, and in the past year there has been some evolution in that in a positive sense. That is, that U.S. assistance to these countries has been, on the one hand, sufficient to enable them to hold their own. I wouldn’t go beyond that. But I think, frankly, the expression of U.S. interest and commitment has fostered a different sense of what the future might hold for these countries. We see that manifested not in the tide of battle so much as in events in these countries, political events, elections being held.

“I’ll get to that in a moment. But the four countries of the Central American Democratic Council, the San Jose Conference, the statement of principles, and the formation of a sense of cohesion and some optimism for a democratic future has truly taken on a measure of momentum in the past year, as reflected in these elections in the four countries in Central America.

“With respect to U.S. relations with our allies in Europe, it has been a stormy year and, yet, I think a healthy year as we sit here today, in December, when you look across the spectrum of disagreements that have been taken on and dealt with in the past 12 months.

“We’ve had a measure of allied support, rather strong support, for sustaining continued commitment to defense buildup, a restoration of the balance, as put out in the NATO communiqués in both the ministerial meetings in May and in December of this year.

“The President’s travel to Europe and his visit to several capitals afforded an opportunity in his public addresses there, in Bonn as well as in London, to announce and, I think, engender a measure of support for furthering democratic institutions throughout the world, and this was followed up by the Conference on Free Elections and Democratization in Communist Countries here last month. It’s also been followed up by our increased investment in broadcasting resources which will enable us to better present and project the message of democracy into communist countries.

“We’ve had our share of disagreements and particularly in the area of international economic relations.

“The President’s purpose in this area was, as you know, to ask our allies to consider East-West economic relations from the perspective of national security, their national security and ours, and how we ought to harmonize, where possible, our policies in East-West trade, credits,

technology transfer, so forth, in order to assure that our own security interests are being enhanced and that we are not contributing to the very threat we are asking our own populations to defend against.

"The dialogue, begun really last year, was intensified and at Versailles led to a certain measure of agreement with respect to improving restraint on credits flowing to the East and soon thereafter, clearly, to a measure of disagreement with the enactment by the President of sanctions for the transfer of oil and gas technology and equipment to the Soviet Union.

"And here, a fundamental disagreement led to a very intense round of negotiations which reached a climax at Las Epiniere at the NATO meeting in Canada in September at which point I think the seriousness with which the President viewed this issue was captured by our allied friends and that led to further talks, ultimately to the summary of conclusions, for the conduct of international economic relations with the East.

"This summary of conclusions is but a statement of principles which—and a work program—which must be translated not into study effort which I think, from my own perspective, having worked in NATO relations for about 20 years, is rather remarkable. I think all of you who cover NATO are surely conscious of the fact that whether we talk about military strategy or political matters, that forging any kind of Allied consensus in either area has been extremely difficult; it's taken a long, long time. And usually at the end we end up with outcomes, such as in NATO strategy, where we have fundamental disagreements as to what that strategy really requires.

"This has led us, out of frustration, simply not to undertake these studies or these efforts in the past. In the past decade, if you look at really serious effort that's been devoted to harmonizing our policies, whether economically or militarily, they've really been very rhetorical.

"Now, what we have is the prospect of better harmony, but I wouldn't portray it as more than that right now. Today I think we have, and I think this was borne out in Secretary Shultz's comments of two nights ago in Paris, a consensus that we must deal seriously with our security interests as they are affected by economic ties to the East. And in the course of the next six months we expect the study effort to be seriously undertaken and at the end to have established ground rules which will be a much better basis on which to protect our own security interests.

"In the area of arms control, and I'll get to that in a moment, the Allied consultative process has been a very rich one, a very healthy one, and I think apart from agreement which it has reflected with respect to the substance of our positions in START, INF, MFBR, CD, and so forth, that there is through the process a sense of greater Allied cohesion and

confidence that we are leading and sharing with them a serious effort at reducing the level, particularly of nuclear weapons.

“In the area of North-South relations, the centerpiece of the administration’s policy is the Caribbean Basin Initiative, basically this microcosm of a global effort to try to rely more heavily on the private sector to foster growth in developing countries, the transfer of expertise, entrepreneurship, technology, so forth. But it is more than rhetorical. This program encompasses, as you know, trade, aid, and investment, one-way free trade. Aid, yes, a very substantial infusion of start-up capital for countries in greatest need, emergency support funds, \$350 million. This has been authorized.

“Finally, the investment incentives in the way of tax measure, has been marked up and we have considerable basis for optimism that it will be enacted this year.

“This is a model. This is something the President is extremely committed to. And we enter the new year with a sense of real accomplishment with what we will have on the books in the way of law.

“With respect to peacekeeping, I think the key elements in the past year have been that in the Middle East, in Southern Africa, South Atlantic for that matter, the United States has taken very seriously and invested very heavily, in political terms, in an effort to bring peace to the Middle East and in Southern Africa. In the Middle East the President is basically posing the question to Israel, ‘Is your security better assured by holding onto territory and the apparent prospect of wars every seven or eight years or by reaching an accommodation politically for a stable peace with your neighbors?’ And to the PLO he is posing the question, ‘Does armed struggle enable you to establish your identity or ought you better—would you not be better off to reach an accommodation peacefully?’ The record of the past 12 years, in three serious defeats of the PLO with enormous loss, the President believes, prompts the question in their minds of whether the time has not come to try to accommodate.

“The President’s clear commitment to seeing this process through is unshakable and we anticipate early progress toward the evacuation of all foreign forces in Lebanon and from that to tackle very vigorously the promotion of the September 1st initiative for broadened negotiations in the peace process and an intense effort this coming year.

“But he has set in motion a process to which he is firmly committed.

“In Southern Africa we see the basis for some optimism between ourselves and the contact group. There is an emerging consensus on the basis for independence in Namibia and stability throughout the area.

“The President’s final objective, but of equal importance to any, is his commitment to arms control. Frankly I think for me and this is,

I suppose, gratuitous, but in a year of daily briefings with him it is this recurring theme which is most prominent, even a preoccupation with getting deep reductions in nuclear arsenals of both sides.

“In his Eureka speech in May the President capped a trilogy, if you will, of arms control positions and called for a reduction of warheads by one-third on deployed missiles with a sub-limit on ICBM warheads and a reduction by half of deployed ballistic missiles.

“This proposal has been on the table in Geneva and seriously negotiated by both sides. The INF proposal, initiated in the zero-option speech November 18th of last year, has led to intense talks on both sides, a Soviet position, analysis of it and discussion of it, and we enter the new year with some sense of confidence, surely of commitment from our side, that we can make progress next year in INF.

“These, then, are the principal goals the President set two years ago and where we think we are right now.

“The President today, and there is an interview in progress now, has stressed that basically in the first year his objective was to lay the foundation—the first two years, really—domestically and in foreign affairs, domestically through legislation to restore the economic health of the country, and overseas to establish the foundation of military strength on which to engender renewed confidence by our allies as well as by third countries, and as a foundation from which to enter a very serious effort to solve problems between ourselves and our leading adversary, the Soviet Union, most notably on arms control, and secondly to devote a major investment of time and energy and political capital to the resolution of the disputes in the Middle East and elsewhere.

“In short, the foundation is there and he looks forward to the next two years as requiring the implementation of his principal goals, notably arms control, the Middle East, peacekeeping generally.

“I could carry on but I’m afraid I’ve got little time so it’s probably more worthwhile if I take your questions now.” (Transcript; Reagan Library, European and Soviet Affairs Directorate, NSC Subject File, State of the Union Speech (1 of 4))

Foundations of Foreign Policy, 1983

129. Memorandum From Robert Sims of the National Security Council Staff to the President's Assistant for National Security Affairs (Clark)¹

Washington, January 4, 1983

SUBJECT

Post-midterm Public Affairs Strategy

Which policy issues will attract prime public attention in the coming year, and what courses of action are most likely to produce the kind of public support we want? Few issues have staying power with the public. By taking actions on those issues to gain and maintain public confidence, we multiply support, generating spill-over ability to get things done in important areas not constantly on the public agenda.

Policymakers usually prefer to identify their principal areas of concern, select the most desirable policy options on the basis of merit, and then seek to generate public support for the chosen options. I am suggesting, instead, that we identify prime items of public interest, select policy options that are consistent with our goals, but select options that are more achievable because we can gain public support.

The six basic goals of the Reagan Administration in national security matters provide a conceptual framework for observations about public affairs strategy:

—*To reverse the decline of the United States and restore economic and military strength.*

We have done well in reversing the military trends. With continued commitment to the *defense budget*, this reversal can be maintained. But, lack of economic growth threatens achievement of this goal. The

¹ Source: Reagan Library, Executive Secretariat, NSC Subject File, Public Affairs (January 1983). Secret. A stamped notation on the memorandum reads: "WPC HAS SEEN." An attached NSC Correspondence Profile indicates that the memorandum was sent to Clark for action and that copies were sent to Bailey, Kraemer, Boverie, Myer, and Dobriansky for information.

economy is currently the most salient public issue in America. Defense spending is being made a scapegoat for our economic problems—not only by those who are anti-defense, but also by some who should be supporting the President. Defense expenditures are not the cause of our economic problems, and we should not allow that suggestion to go unchallenged.

On the other hand, the past few months have seen a disenchantment with defense programs and leadership. Critics who said two years ago that the Administration had no defense strategy except to throw money at the problem are still saying that. Now, though, even the *Wall Street Journal* is adopting the same theme.² *Complaints about Defense management*, including a number directed personally at Secretary Weinberger, have been regular media fare. The perception that something is wrong at Defense, and that by fixing it (i.e., cutting the defense budget) we can solve the nation's economic problems, jeopardizes achievement of our goal of rearming America.

In media-like simplification, White House choices seem to be: (a) voluntarily reduce defense spending, (b) ask Congress to continue defense spending at present levels, and passively leave it to Congress to cut defense, (c) continue at present spending levels, and vigorously support the defense budget.

The public does not want defense cut. There may be concern about how many is being spent, but the public supports the concept of a strong America. Thus, voluntary defense cuts would, in the end, result in loss of public support. Likewise, a passive White House that submits the Defense Department's budget and steps back from it, inviting Congress to cut it, foregoes its leadership role. The public will catch on fast, and the Presidency will be weakened. Conversely, vigorous presentation on a *well-scrubbed* defense program that continues the strengthening of America makes sense. However, we could benefit from public awareness of serious White House attention to defense management.

The M-X portion of the defense budget is crucial. At the time of the President's November 1982 M-X decision,³ it appeared that we had an outside chance to win in Congress, if the entire Administration got

² Presumably Sims is referring to a December 30, 1982, *Wall Street Journal* editorial entitled "Dollars and Defense," which read, in part: "Conservatives have had great success with the line that liberals try to solve social problems by throwing money at them. Now it's being charged that conservatives, or at least the Reagan administration, are trying to solve defense problems by throwing money at them. The administration had better quickly improve its sense of defense priorities or the rap could stick." ("Dollars and Defense," *Wall Street Journal*, December 30, 1982, p. 4)

³ See footnote 2, Document 127.

behind it. Administration support was not all-out. We failed.⁴ It was a mistake to underestimate the public affairs component of the decision, and we should not repeat the mistake this spring. As of now, dense pack had almost zero public support.⁵ To gain production approval, we should go back to Congress with something other than an unaltered dense pack basing mode.

In summary, continued progress toward this goal—reversing the military balance—will be affected by our public handling of the defense budget, defense management, and M–X. This analysis suggests that the White House continue strong support of the defense budget, do its best in some dramatic way to reverse the current media perception that we have poor management at Defense, and find a way to finesse the M–X issue.

—*To establish a stable basis for US relations with the Soviet Union based on reciprocity and restraint.*

—*To undertake a vigorous program of arms control.*

Enormous progress has been made toward these two goals, and they have become intertwined as public issues. New leadership in the Soviet Union has moved our relations with that country up a notch on the public agenda. We now see keen media interest in relatively minor developments, such as the Andropov reference to his interest in a summit.⁶ Several areas of US–USSR policy, like East–West trade and the Polish situation, will continue to attract public attention, but barring significant developments, the crucial issues that involve highly visible

⁴ On December 2, 1982, the House Appropriations Committee reported the FY 1983 Defense appropriations bill (H.R. 7355; H. Rept. 97–943), which included provisions for the M–X. However, on December 7, the House of Representatives voted 245 to 176 to drop \$988 million requested to purchase the first five production-line versions of the M–X. The Senate Appropriations Committee included the provisions of its bill (S. 2951; S. Rept. 97–580) in the emergency FY 1983 funding measure (H.J. Res. 631), including M–X funding, but prevented expenditures until Congress approved a concurrent resolution regarding the M–X basing. The final version of H.J. Res. 631 (P.L. 97–377; 96 Stat. 1830), which the President signed into law on December 21, did allocate \$2.509 billion for M–X research and development and required the President to provide Congress with a report outlining basing systems by or after March 1, 1983. (*Congress and the Nation*, vol. VI, 1981–1984, pp. 220–221) For the President’s statement upon signing P.L. 97–377 into law, see *Public Papers: Reagan, 1982*, Book II, pp. 1631–1632.

⁵ An unknown hand changed the word “had” to “has.”

⁶ See John F. Burns, “Andropov Says Talk With Reagan Could Aid Ties,” and “U.S. Aides Assert a Breakthrough On Arms Doesn’t Seem Imminent,” both *New York Times*, December 31, 1982, p. A3. See also Dusko Doder, “New Soviet Leader Expresses Optimism,” and Lou Cannon, “White House Is Cool To Talks Suggestion,” both *Washington Post*, December 31, 1982, pp. A1, A7.

choices for the for the White House in the near term are arms control and summitry.

We have elevated the *arms control talks* to such a level of media consciousness that unless we reach some agreement this year, our policy will be perceived as either inept or insincere. The zero-zero position on INF has current public support here and in Europe. However, we should not be deluded into thinking it likely that the NATO countries can or will stick with us on zero-zero through the deployment of Pershing II. This is also a dynamite US domestic issue, with nuclear freeze complications. Our historic experience tells us that the Soviets would consider reciprocity on our part a sign of weakness, but this is not widely understood by the public.

One apparent choice in INF is for us to make a new proposal soon after the German elections.⁷ Another option is to stick with zero-zero, try to hold the Alliance together, and withstand criticism in the US.

The policy option likely to gain support from publics here and overseas would be a new INF proposal this spring or summer. Intransigence may be a good negotiating tactic, but an unbending policy will eventually cost public support. The Soviets now have the public affairs initiative. We are on the defensive. We need to regain the initiative. We can coast along in START this year, while our weapons modernization program goes forward, if we come up with an INF proposal that helps offset the well-organized, fear-engendering, anti-nuclear movement in this country and overseas.

Otherwise, we should take a new tact in our public posture on arms control. If we are not going to make a deal, we should begin a process of public downgrading of the talks. We should seriously consider breaking off the talks if we are unable to make progress. The public might understand our not negotiating with the Soviets, but it will not understand dragging out negotiations that seem to be going nowhere.

Summitry should be related to progress in the arms talks or some other major indication of a change for the better in Soviet behavior. Why should RR help Andropov by rushing to meet with him? Andropov will improve his stature through such a meeting. A constructive and overt change in Soviet behavior should be a precondition. But summitry based on progress is highly desirable.

From a public affairs point of view, perhaps the best sequence of events would be an INF agreement, a Reagan-Andropov summit in the US in late 1983 to sign the agreement, then a START agreement signed

⁷Scheduled to take place on March 6.

in the Soviet Union prior to the 1984 election. The lure of this sort of rosy scenario could lead to bad agreements. Domestic politics should not be allowed to force agreements: better to break off the talks and honestly blame the Soviets. Nonetheless, arms control agreements endorsed by Ronald Reagan would, in all likelihood, be overwhelmingly supported by the public and would probably be regarded as the major accomplishment of this term.

—*To foster an improved relationship in the context North-South relations with developing countries.*

This goal lacks the burning public interest that comes with defense spending and US-Soviet relations. The President's interest in this hemisphere is now well documented. The Caribbean Basin Initiative will be the measure of commitment in the coming year. The Administration should pursue that with vigor. *Central America* remains a potentially engulfing political issue in this country. A reasonable public affairs goal for the region would seem to be *less public attention*. Careful selection of policy options is highly desirable, as the national media are waiting to pounce on any significant indication of improper US action. We cannot achieve solid US support for an aggressive policy in the region unless US citizens perceive a real threat to themselves from Cuban or Soviet actions. In this must-win region we have a no-win public affairs situation. Information programs are necessary, but it is unrealistic to try to generate significant US public support for anti-Communist policy initiatives in Central America.

—*To take a vigorous role in peacemaking internationally as a moral responsibility, and on our own self-interest.*⁸

Middle East peacemaking remains a *central issue* on the US agenda. Successful policy steps could result in the major foreign policy achievement of this Administration. This will continue to be a top news story. Policy steps should continue to reflect White House leadership and take into account the *fragility of our public support*.

—*To establish an improved relationship with our leading Allies.*

Secretary Shultz has been portrayed as a miracle-worker in establishing improved relations with our European Allies. This may really be the result of renewed US and Presidential leadership, but it is a public relations plus, no matter who gets the credit. The Secretary will have another opportunity to demonstrate his skill as he travels to Northern Asia. Similarly, the *Williamsburg Summit*⁹ will be watched by the media

⁸ Sims changed the word "on" to "in."

⁹ The G-7 Economic Summit meeting was scheduled to take place at Colonial Williamsburg and the College of William and Mary in Williamsburg, Virginia, May 28–30.

for signs of improving relationships. Trade policy and world economy will be of interest to segments of the public. White House decisions have to be made about how to handle the Williamsburg Summit, and about *Presidential overseas travel*. It would seem that, from a public affairs point of view, Japan should be on the President's travel agenda in 1983, and perhaps Korea. Australia and New Zealand would also be popular countries to visit. China is the big question mark, and I am not convinced the President would benefit from a China visit.

In summary, at mid-term the Reagan Administration has made considerable progress toward its national security goals. A public agenda of unfinished business remains. US-Soviet relations, arms negotiations, the defense budget, and Middle East peacemaking are now, and are likely to remain, the most salient areas of public interest. We need public support for policy success in all those areas. White House involvement is crucial. Otherwise, our agenda is left to chance, or worse, to the bureaucracy. Our strategy should be to focus management attention on these issues, as success in the highly public areas will breed success in other endeavors.

130. Editorial Note

President Ronald Reagan devoted his January 8, 1983, radio address to a discussion of U.S.-Soviet relations. The President spoke at 12:06 p.m. from Camp David, Maryland. Referencing General Secretary of the Communist Party of the Soviet Union Yuri Andropov's ascension to leadership in November 1982, Reagan stated: "There's been much speculation about whether this change could mean a chance to reduce tensions and solve some of the problems between us. No one hopes more than I do that the future will bring improvement in our relations with the Soviets and an era of genuine stability. What could be more important than reducing the danger of confrontation, increasing the prospects for enduring peace, lowering nuclear arsenals, relieving human suffering in Afghanistan, Kampuchea, and elsewhere?"

"With your support, this administration has embarked on an effort to restore our nation's strength, credibility, and clarity of purpose in the world. Our aim has been to ensure that America has the will and the means to deter conflict and to defend the interests of freedom. We've done this for one reason and one reason only—because a strong, respected America is the surest way to preserve the peace and prevent conflict.

“In this effort, we must learn from history. We all experienced the soaring hopes and then plunging disappointment of the 1970’s, when the Soviet response to our unilateral restraint was to accelerate their military buildup, to foment violence in the developing world, to invade neighboring Afghanistan, and to support the repression of Poland.

“The lesson is inescapable. If there are to be better mutual relations, they must result from moderation in Soviet conduct, not just our own good intentions. In recent days, some encouraging words have come out of Moscow. Clearly the Soviets want to appear more responsive and reasonable. But moderate words are convincing only when they’re matched by moderate behavior.

“Now we must see whether they’re genuinely interested in reducing existing tensions. We and our democratic partners eagerly await any serious actions and proposals the Soviets may offer and stand ready to discuss with them serious proposals which can genuinely advance the cause of peace.

“We do not insist that the Soviet Union abandon its standing as a superpower or its legitimate national interests. In fact, we hope that the new leadership in Moscow will come to realize that Soviet interests would be improved by ending the bloodshed in Afghanistan, by showing restraint in the Middle East, by permitting reform and thus promoting stability in Poland, by ending their unequaled military buildup, as we have proposed, by reducing the most dangerous nuclear arms to much lower and equal levels.

“We stand ready to work towards solutions to all outstanding problems. Now, this doesn’t mean that we should neglect our own defenses. That would undercut our ability to maintain peace and jeopardize whatever chance we may have for changing Soviet conduct. But it does mean that we’re always ready to sit down with the Soviets to discuss practical steps that could resolve problems and lead to a more durable and genuine improvement in East-West relations.”

The President then stated that talks would resume in Geneva in February regarding strategic and intermediate-range nuclear forces. He asserted that the U.S. negotiators would “negotiate energetically and in good faith to achieve early agreements providing for reduced and equal levels of forces.” Continuing, the President underscored that one component of the U.S. approach to relations with the Soviet Union consisted of “close consultations with our allies on common political and security issues.” In this vein, Reagan stated, he had asked Vice President George H.W. Bush to travel at the end of January to the Federal Republic of Germany, the Netherlands, Belgium, Switzerland, Italy, France, the United Kingdom, and Vatican

City. In addition, Bush was scheduled to meet with the U.S. arms control negotiating teams in Geneva and attend the meeting of the Committee on Disarmament (CD).

Concluding his address, the President stressed: "So, the new year begins with reason for all of us to hope that if we continue to act firmly and wisely, 1983 can be a time of peaceful progress for America, for our allies, for the people of the U.S.S.R., and for the entire world.

"Till next week, thanks for listening, and God bless you." (*Public Papers: Reagan, 1983*, Book I, pages 23–25)

131. Action Memorandum From the Assistant Secretary of State for Congressional Relations (Moore) and the Chairman of the Policy Planning Council (Bosworth) to Secretary of State Shultz¹

Washington, January 11, 1983

SUBJECT

Strategy for Foreign Affairs Agenda in the 98th Congress

Issue for Decision

What should be our top foreign policy objectives in the 98th Congress?

Essential Factors

During the first session of the 98th Congress, we will pursue numerous legislative objectives crucial to the President's foreign policy. This memorandum sets out the first-order congressional foreign policy objectives which will require your continuing involvement. These priority issues are drawn from an inventory of legislative objectives (attached),² which was compiled after extensive consultations between H and the regional/functional bureaus. Ken Dam's Legislative Strategy

¹ Source: Reagan Library, George Shultz Papers, Official Memoranda; NLR-775-27A-8-2-1. Limited Official Use. Sent through Dam. Drischler initialed for Moore. Drafted by Kaplan and Montgomery on January 10; cleared by Gompert. Kaplan initialed for Gompert. Shultz's stamped initials appear in the top right-hand corner of the memorandum. Bremer initialed the top of the memorandum and wrote "1/11."

² Not printed is Tab 1, a seven-page inventory drafted by Drischler and divided into three sections: "General," "Regional," and "Functional."

Group has gone over the list. The attachment also includes an organizational structure for managing the achievement of these objectives.

Priortiy Foreign Policy Objecties in 98th Congress

We will pursue our legislative agenda in an environment of severe budgetary austerity and growing political partisanship. You will be in and out of several of the issues enumerated at Tab 1, but your continuing involvement will be required for the following five broad topics:

1. *Funding Foreign Policy.* This involves security assistance, development aid, defense budgets, base agreements, peace forces (Mideast, possibly southern Africa), not to mention State Department operations. Certain special presidential commitments also are included here, such as the CBI, in which Chairman Rostenkowski has undertaken to move early in the session. (We have taken note of your desire to improve the content and style of our presentations on these subjects and are working on this.)

2. *Defense and Arms Control.* The success of Administration foreign policy, and of U.S. credibility abroad, will depend on sustaining congressional (and public) support for the President's defense programs and arms control proposals. We face increased pressures for defense cuts (including MX and Pershing II funding), troop reductions in Europe, adoption of the freeze and, perhaps, "quick and dirty" agreements on START, INF or MBFR. Managing all this on the Hill, without sacrificing major U.S. interests, will require your full participation.

3. *Mideast.* Congressional support will be vital in pursuing the Arab-Israeli peace process and Lebanon negotiation track. In addition, arms sales (Egypt, Israel, possibly Jordan) could become highly contentious. The Lebanon supplemental will be important.

4. *International Economics.* This is a critical area for which we do not have a comprehensive, coherent policy. On the damage limitation side, we will need to fight hard to head off protectionist legislation (domestic content). We also have some important positive goals (funding INF and multilateral development banks and renewal of Export Administration Act).³ But we need to do all of this within the framework of an integrated response to the issues of international debt, synchronization of recovery in the OECD and major LDCs, OPEC and the softening oil markets, East-West economics and the Williamsburg summit.⁴

³ See footnote 6, Document 81.

⁴ See footnote 9, Document 129.

5. *Far East.* The two key issues clearly are China policy (including arms sales) and Japan (mainly trade, but also defense policy). You will want to consult with key members before and after your upcoming trip, but there is likely to be continuing interest throughout the year.⁵

Conclusion

As we move into what may be a rather fractious third year, we need to build a more solid and broader political center, in the country and in the Congress, on major Administration policy objectives. Your role will be indispensable in this effort with Congress. (Steve is sending you a related memo on your speech strategy for the next six months, which dovetails substantively with our proposed congressional strategy.)⁶ Once we have your reaction to the basic congressional strategy. Powell will be back with specific proposals.

Recommendation

That you approve the Congressional strategy set out above, with top priority accorded to funding foreign policy, defense and arms control, the Mideast, international economies and the Far East.

Approve _____⁷

Disapprove _____

Let's discuss _____

⁵ Shultz was scheduled to visit Tokyo, January 30–February 2, to meet with Nakasone and Abe; Beijing, February 2–6, to meet with Deng, Zhao, and other Chinese officials; Seoul, February 6–8, to meet with Chun and Kim and visit U.S. and Korean military personnel; and Hong Kong, February 8–9, to attend a meeting of the chiefs of U.S. diplomatic missions in Asia and the Pacific. For the text of his remarks, news conferences, and toasts made during the trip, see Department of State *Bulletin*, March 1983, pp. 40–64. Documentation on Shultz's trip is scheduled for publication in *Foreign Relations*, 1981–1988, vol. XXVIII, China, 1981–1983, and *Foreign Relations*, 1981–1988, vol. XXX, Japan; Korea, 1981–1984.

⁶ Not found.

⁷ Shultz initialed the "Approve" option. A stamped date next to his initial reads: "JAN 17 1983."

132. Memorandum of Conversation¹

Washington, January 14, 1983, 2–2:30 p.m.

SUBJECT

Tour d'Horizon Between Secretary Shultz and UN Secretary General Perez de Cuellar

PARTICIPANTS

United Nations
UN Secretary General Perez
de Cuellar

United States
The Secretary of State

William Buffum
Under Secretary General
for Political and General
Assembly Affairs (notetaker)

Lacy A. Wright, Jr.
Executive Assistant, IO
(nonetaker)

After 15 minutes joined by

Jean Ripert
Director General for Development
and Int'l Economic Affairs

Ambassador Jeane J. Kirkpatrick

Gregory J. Newell
Assistant Secretary, Bureau
of International Organization
Affairs

Brian E. Urquhart
Under Secretary General for
Special Political Affairs

Virendra Dayal
Chef de Cabinet

The Secretary apologized for being late, explaining he had been called away by the President who was making a short statement on arms control matters to the press.² The U.S. had just made some managerial changes among its arms control negotiators, and the press had put a bad interpretation on the changes.³ So the President had decided

¹ Source: Reagan Library, George Shultz Papers, Official Memoranda (01/14/1983); NLR-775-27A-14-3-3. Secret. The meeting took place at Blair House. Drafted by Wright on January 15; cleared by Newell, Feldman, and Hill. Newell did not initial the memorandum. A typed notation on the first page of the memorandum reads: "Distribution appv by S, 2/18/83." A stamped notation indicates that it was received on February 20 at 2:26 p.m. In telegram 20600 to USUN and the Mission in Geneva, January 22, the Department reported on the meeting. (Department of State, Central Foreign Policy File, Electronic Telegrams, D830039-0832)

² The President spoke at 1:35 p.m. in the Briefing Room at the White House. For the text of the President's remarks and a question-and-answer session, see *Public Papers: Reagan, 1983*, Book I, pp. 50–54.

³ On January 12, at Reagan's request, Rostow resigned as ACDA Director and Ambassador Richard Staar resigned as the U.S. representative to the MBFR negotiations in Vienna. Reagan also indicated that Shultz would coordinate U.S. arms control policies. For reporting on these developments, see Bernard Gwertzman, "Arms Control Job Is Lost by Rostow; Wider Shultz Role," *New York Times*, pp. A1, A8, and Michael Getler and Walter Pincus, "Reagan Fires Rostow In Shake-Up of Top Arms-Control Aides," *Washington Post*, pp. A1, A22; both January 13, 1983.

to make a statement on television to express his determination to achieve a strong arms control agreement.

The Secretary General replied that everyone was happy that the Secretary had been given overall responsibility for arms control matters since these were so important. It was obvious that "our Soviet friends" were making strong efforts to portray themselves as having the initiative in this area. The Secretary General said he himself attached great importance to disarmament, but he was careful always to give the same weight in his public statements to conventional as to nuclear arms since conventional arms were so extremely dangerous.

Secretary Shultz agreed, calling it an important technological fact that conventional arms were now so powerful and so accurate that they were an overwhelming menace. He also noted that in the post-war era no one had died from nuclear arms.

Perez de Cuellar said that his own country, Peru, was buying arms in a wild way. Conventional arms purchases were one of the main reasons for the economic difficulties of the developing countries.

The Secretary stated that one of the tragedies of Cuba's transmittal of arms in Latin America was that historically, despite the violence there, arms transfers had been less prevalent in that region than in others.

Perez de Cuellar said it was his intention to test the many Soviet statements indicating a desire for a solution in Afghanistan. When he had gone to Moscow in September,⁴ for example, Brezhnev had for the first time raised Afghanistan in a public statement, to support "my efforts." In the Prague Declaration, too, there was a special paragraph on Afghanistan mentioning UN efforts.⁵ Therefore, the Secretary General said, it was his responsibility to test Soviet intentions.

At the same time, Perez did not intend to be a screen behind which the Soviets consolidated their hold on Afghanistan. He had sent his own man to the region in this spirit. If there were no constructive response, he intended to tell the Soviets—when he visited them March

⁴ Pérez de Cuellar and Cordovez met with Brezhnev on September 9, 1982. Pérez de Cuellar was in Moscow on an official visit; Cordovez was there to conduct talks between Pakistani Foreign Secretary Niaz Ahmed Naik and Soviet First Deputy Foreign Minister Viktor Maltsev concerning the situation in Afghanistan. See Dusko Doder, "Soviet-Pakistani Talks on Kabul 'Friendly,'" *Washington Post*, September 11, 1982, p. A20.

⁵ Reference is to the communiqué issued by the Warsaw Pact's Political Consultative Committee, which met in Prague, January 4-5. The paragraph regarding Afghanistan reads: "The participants in the meeting positively appraise the initiation of talks between Afghanistan and Pakistan through a personal envoy of the U.N. secretary general." (*Documents on Disarmament, 1983*, p. 13) For the full text of the Warsaw Pact Communiqué, see *ibid.*, pp. 2-18.

28–29 in Moscow—that he was ending his efforts.⁶ He felt it necessary to get down to substance as soon as possible, and he would press the Soviets to this end.

As the Secretary knew, said the Secretary General, the Pakistanis were genuinely interested in a solution. They were burdened with 2½ million refugees, and they had been very forthcoming. Still, he did not know what we could get from the Soviets. He thought Pakistan would be willing to deal with the Afghan Government if there could be some changes in it. He said he had been bold enough to tell Gromyko that the Soviets had to show some changes in the government. Gromyko had objected, but he, the Secretary General, had made the necessary point. It would not be easy for the Soviets to effect such a change in the Karmal Government. The opposition was divided into lots of rebel groups. The situation was different from that in Kampuchea, where there was now a coalition to deal with. At any rate, the Soviets must consider getting rid of Karmal and getting a different facade. The Secretary General concluded that he would not let himself be used to play games. He added that he was prepared to ask Diego Cordovez to come to Washington to discuss the results of his meetings in Islamabad when those had ended.

The *Secretary* asked about Central America and what the Secretary General thought was going on there.

The *Secretary General* said he realized the U.S. was in a difficult position, with the situation getting worse and worse. Nicaragua would soon be under the complete control of the communist wing of the Sandinistas. Something had to be done.

As he had told the President, however, the Nicaraguans did not now intend to try to make a case in the Security Council, and that was a positive element. Moreover, last week's Panama Communique (on the situation in Central America) was fairly reasonable.⁷ It opposed intervention in the internal affairs of Latin American countries, which was unobjectionable. At the same time, he repeated, the Sandinistas were taking over and that was very negative. Costa Rica and El Salvador had to defend themselves—to stop infiltration from Nicaragua and intervention by Nicaragua in their affairs.

⁶ Following the two days of talks with Andropov and Gromyko in Moscow, Pérez de Cuellar reported that the talks "have left him feeling 'encouraged' about prospects for resolving the Afghanistan problem." (Dusko Doder, "U.N. Leader 'Encouraged' by Talks in Moscow About Afghanistan," *Washington Post*, March 30, 1983, p. A18)

⁷ The Foreign Ministers of Colombia, Mexico, Panama, and Venezuela met on Isla Contadora, Panama, January 8–9, and issued a declaration regarding the ongoing situation in Central America. On January 11, the Government of Panama transmitted to the United Nations information concerning the meeting. For additional information, see *Yearbook of the United Nations: 1983*, p. 195.

But it was hard to say how to do this. Perez said he knew the Nicaraguan Foreign Minister⁸ well. He was a priest, and the Secretary General sometimes chided him by saying he blessed with the left hand. He had told the Foreign Minister during their last meeting that now that Nicaragua was on the Security Council, it had the opportunity to show it was truly non-aligned and not under anyone's control. Perez repeated that he did not see what could be done to check Nicaragua's activities but something must be.

In El Salvador, the Secretary General continued, the situation had improved quite a lot. The Government was attacking the real source of its difficulties, the social and economic structure of the country. This was the only way to counteract communist infiltration.

The Secretary General noted that Grenada and Suriname were also threatened.

So far as the OAS was concerned, said Perez, he tried to respect its jurisdiction. The OAS did not, however, want to deal with Nicaragua but rather to pass the problem to the UN.

Bolivia's decision to resume relations with Cuba, said the Secretary General, had been unexpected. Perez had warned the President of Bolivia⁹ of the risks here, reminding him that Che Guevara had gone to Bolivia because of its political importance. It would be good if other Latin American nations warned Bolivia on this score as well. Perez said he was dining tonight with the Peruvian Prime Minister,¹⁰ a very sensible man, and would speak to him on the subject.

Secretary Shultz asked whether there was anything the United States should be doing in the world that we were not.

Perez replied that the UN provided the United States with a useful mechanism for resolving conflicts, and that the U.S. had a special responsibility in the UN because it was the UN's founder and creator. (NOTE: At this point, the other participants entered the room.) Turning to those who had just arrived, the Secretary General said he was trying to sell "my commodity" (i.e., the UN) to Secretary Shultz. Perez continued that the United States should take more advantage of the UN. He said he was a completely independent Secretary General who would play a full role in acting out his prerogatives and responsibilities. He wanted to prevent differences from becoming conflicts. Under Article 99, the Secretary General could bring to the

⁸Miguel d'Escoto Brockmann.

⁹Hernán Siles Zuazo.

¹⁰Fernando Schwalb López Aldana.

Security Council matters which threatened peace, but this was not enough.¹¹

The *Secretary* replied that Perez's remarks were most welcome. At times, he said, we had thought that what we needed was a ceasefire from UN resolutions. During the recent period of troubles in the Mid-East, there had been two Security Council resolutions a day and it was distracting. We wanted to support the UN. We had tried to send good people there, and we had at the moment an outstanding representative, but we felt we must say what we believed and not go along with what we often thought was nonsense. That was a considered judgment on our part. We hoped the UN would respect our stance just as we respected the Secretary General's own candid statements.

Another concern of ours, said the Secretary, at which we were very upset, was the politicization of entities whose mission was technical. The outstanding example was the IAEA, which did critical work. A politicized agency would be worse than no agency at all. The Secretary hoped that the IAEA situation was coming together, and said he expected that it was. We would be very firm on that. He thought it was healthy for the UN to be brought up a bit short on these things. The Secretary concluded that we were much in support of the UN and that the positions we took against the presumed majority were in reality supportive of the UN as an institution.

Perez replied that it would be wrong to give the impression that relations between the U.S. and the UN were not good. If one looked at it closely, there was no problem. It was wrong to think that the UN majority was automatically against the U.S., as witnessed the votes on Israel's expulsion, Puerto Rico, Afghanistan and Kampuchea. It was only on Mid-East questions that the majority stuck together against U.S. positions.

Ambassador Kirkpatrick added that South Africa was another such issue.

Perez insisted that the examples he had cited showed that the General Assembly supported the United States in many instances. It was very harmful to spread the idea that there was a quarrel between us. It hurt the United States, and it made it seem like the UN was becoming weaker and weaker. The United States was a key country. The best way for the U.S. to support the UN was to use it as a mechanism to solve disputes. It was sometimes in the interests of big powers to take advantage of the UN. "In a way it protects you."

The *Secretary General* assured the Secretary that the UN was always ready to help; on Namibia, for example, the UN was, as it were, behind

¹¹ Reference is to Article 99 of the UN Charter, which permits the Secretary-General to bring to the attention of the Security Council any matter which in his opinion might threaten the maintenance of international peace and security.

the door waiting for the parties to agree. Perez said he would visit Africa soon and wanted to give nations there reason for hope.¹² He would be pleased in this regard to convey to the Africans the views of the Contact Group nations. Raising his voice slightly, Perez said he was “so worried” about Namibia. He feared Southern Africa would become another Middle East, and he said that a solution in Namibia would be a tremendous step in the region.

The *Secretary* assured Perez of the United States’ willingness to appropriate large sums of money to enact the UN plan if it came into being. From talking with the South Africans and others, however, the former were not going to go along with a settlement as long as the Cubans, which they regarded as Russians, were sitting next door. So there must be some program for getting the Cubans out. That was only reality. The Secretary said it was our impression that the last meeting between the South Africans and the Angolans had been very good. We had thought we were heading for a solution in the late fall, but that did not prove to be the case. But we were not giving up.

The Secretary said that in Namibia and all around the world we were trying to be constructive—not to create problems but to solve them. Many problems were, however, being created for us, and we got exhausted following them around. One way in which we were being constructive was in coming to the aid of debtor nations in South America and holding the economic system in some coherence. The IMF had been superb on this score. The Secretary General could, therefore, feel assured that we were trying to be helpful and constructive.

Perez raised Iran/Iraq. The *Secretary* said we had little ability to do things there although we did have some contact with Iraq. Perez said he thought that two main points needed working on: first, the status of the 1975 Algiers Treaty,¹³ and secondly, the problem of reparations, which was very important for Iran. Prime Minister Olaf Palme¹⁴ had been kind enough to retain his Iran/Iraq brief although, at this stage, Perez thought it wise not to send him there since there was nothing he could do. Today, Palme was receiving a visit from the Foreign Minister of Algeria.¹⁵ Algeria was trying to mediate, and the two were assessing

¹² Pérez de Cuellar embarked on an eight-nation tour of Africa in early February. At a news conference following a meeting with Mugabe on February 6, Pérez de Cuellar advocated “a ‘prompt solution’ to the problem of independence for South-West Africa.” (“U.N. Chief, in Africa, Urges Namibia Solution,” *New York Times*, February 7, 1983, p. A5) See also “U.N. Chief Rejects U.S. Namibia Policy: Says Withdrawal of Cubans in Angola Cannot Be Tied to Region’s Independence,” *New York Times*, February 9, 1983, p. A8.

¹³ On March 6, 1975, at an OPEC meeting in Algiers, Shah Mohammad Reza Pahlavi and Saddam Hussein signed a joint communiqué containing an agreement to resolve several issues, including border disputes and navigation rights in the Shatt al Arab. (“Iraq and Iran Sign Accord To Settle Border Conflicts,” *New York Times*, March 7, 1975, pp. 1, 7)

¹⁴ See footnote 7, Document 63.

¹⁵ Ahmed Ibrahim.

the situation. Perez himself had contracted the President of Algeria.¹⁶ The Algerians saw reparations as the main problem.

Perez himself wanted to mention two problems. First, there was the danger of an Iraqi attack on Kharg Island, which would expand the conflict. Perez said he had been trying to warn Iraq away from this. Secondly, Chirac had told Perez in New York that he was worried about Israeli aid to Iran, which he said was sizeable.

Secretary Shultz said that Chirac had mentioned this to him to well.¹⁷ Chirac had said that Israeli Defense Minister Sharon had announced a \$300 million arms contract only a few weeks ago. The Secretary did not think this was correct but promised to check.

Ambassador Kirkpatrick said she had raised this point with Shamir a few weeks ago, and he said there had been no arms transactions with Iran for some time.

The *Secretary* said that Israel's help to Iran had begun when Iraq was the aggressor. Since the tables had turned, however, he thought that Israel had not done much in this regard, but he would check.

Turning to the Mid-East, *Perez* said he was happy that Lebanon and Israel had agreed on an agenda. Regarding a UN role, "We are always ready." He expected the Security Council to agree to a UNIFIL extension. Brian Urquhart had just returned from the area, where he had contacted the parties.¹⁸ *Urquhart* said that that included Morrie Draper.

The *Secretary* said that the extension of the UNIFIL mandate was the right thing to do. The negotiations now seemed to be moving. We were pressuring the parties forward. When a plan for Israeli withdrawal had been agreed, that would still leave Syria and the PLO. Syria had made a forthcoming statement, but the Secretary did not know whether they would leave, and Israel would not depart without a commitment from the other two. If all three left, that would be a good omen since it

¹⁶ Chadli Bendjedid.

¹⁷ Chirac met with Shultz in Washington on January 13. In telegram 18878 to Paris, January 21, the Department summarized the meeting: "In response to Chirac's request Secretary reviewed situation in Lebanon and Middle East. Chirac expressed deep concern about Iran-Iraq war. He urged U.S. make effort to prevent Israel from supplying arms to Iran. He also said Saddam Husayn would welcome contacts with the U.S. and is potentially supportive of the Reagan peace initiative. The Secretary noted the fact that Iraq harbors terrorists which makes improvement in U.S.-Iraq relations difficult. Chirac and the Secretary also exchanged views on international economic developments. Chirac expressed pessimism about French economy." (Department of State, Central Foreign Policy File, Electronic Telegrams, [no N number])

¹⁸ In telegram 12 from USUN, January 5, the Mission indicated that Urquhart planned to visit Beirut, Damascus, Jerusalem, and the UNIFIL command in Southern Lebanon, January 14–17. (Department of State, Central Foreign Policy File, Electronic Telegrams, D830005–0057)

would demonstrate to the Arabs that their suspicion that Israel would refuse to depart was wrong. With regard to UNIFIL a new mission for it would evolve if things progressed, and there was no sense in trying to define it now.

As the meeting came to a close, *Ambassador Kirkpatrick* said there was serious concern at high levels in our Government on two personnel matters. They were important because they bore on the question of confidence. One concerned Mr. Dneprovsky, whom all the world knew was a KGB agent and who we understood was being extended in his position for another three years. The other was Undersecretary General Wyzner, who we understood was a candidate for Chairman of the Appointments and Promotions Board. *Secretary Shultz* said that the Wyzner job did seem to be an important one.

Perez said there must be some mistake. The person in line for that job as far as he knew was Margaret Anatee. In any case, Mr. Wyzner had only been with the UN three months, and thus could never be appointed to such a job. With regard to Dneprovsky, the Secretary General said he did not think any decision had been taken. *William Buffum* interjected that he thought that it had.

133. Memorandum of Conversation¹

Washington, January 17, 1983

SUBJECT

Africa Food Crisis

PARTICIPANTS

The Secretary
Senator Jack Danforth (R., MO.)
Alvin Drischler (Congressional Relations)
Frank G. Wisner (Bureau of African Affairs)

Senator Danforth opened the conversation by informing the Secretary that he wishes to visit Africa in late March, together with several other Senators to involve themselves in Africa's food crisis

¹Source: Reagan Library, George Shultz Papers, Official Memoranda (01/17/1983); NLR-775-27A-17-6-7. Limited Official Use. Drafted by Wisner; cleared by Klosson and Hill. The stamped date "FEB 14 1983" is in the top right-hand corner of the memorandum.

and to think through a strategy to deal with African hunger.² Danforth reminded the Secretary of his involvement in a similar humanitarian undertaking in 1979 when he involved himself in the Cambodia refugee and food crisis.³ Africa's problem is more deeply rooted and requires a long term strategy. The United States should be involved and Danforth wishes to spearhead American involvement. The United States should be committed since dealing with the food problem will save lives, is consonant with U.S. ideals, would improve African and third world perceptions of the United States and would benefit the President domestically.

Danforth added it is also important to deal with domestic hunger. The Secretary asked him if he had a domestic program, like the food stamp program, in mind.⁴ Danforth replied he favored private sector voluntarism and cited the recent example of General Motors, matching gifts of food for hungry Americans with corporate funds.⁵ Danforth admitted he was treading on unknown ground but he hoped the Secretary would consider the wisdom of putting the African food crisis

²Danforth's proposed trip to Africa that March did not take place. In telegram 60589 to Ouagadougou, March 4, the Department indicated that Danforth "has cancelled his trip to Africa proposed for the upcoming congressional recess." (Department of State, Central Foreign Policy File, Electronic Telegrams, D830122–0714) Danforth did travel to Africa to investigate famine conditions in January 1984. In telegram 347023 to multiple African diplomatic and consular posts, December 7, 1983, Lyman indicated that Danforth planned to travel to Africa January 4–18, 1984, and visit Somalia, Kenya, Mauritania, and Mozambique. (Department of State, Central Foreign Policy File, Electronic Telegrams, D830721–0135) Upon his return, Danforth recommended "that the administration spend \$200 million in additional aid to combat food shortages" in Africa; the President directed McPherson to expedite emergency food shipments to Africa. (Storer Rowley, "Quick food aid ordered for 20 nations," *Chicago Tribune*, January 20, 1984, p. 16) Also see footnote 14, Document 192.

³Danforth and Senators Max Baucus (D–Montana) and James Sasser (D–Tennessee) traveled to Thailand and Kampuchea in late October 1979, at the request of President Carter, Senate Majority Leader Robert Byrd, and Senate Minority Leader Howard Baker, in order to visit refugee camps and also convince Vietnamese-supported Kampuchean officials to allow trucks from Thailand to deliver food aid to starving Kampuchean. At a news conference in Phnom Penh on October 24, Danforth said "There is absolutely no reason why hundreds of thousands of people should be condemned to their death because some central committee doesn't act." (Henry Kamm, "Senators Press Aid On Wary Cambodia: Regime Tells 3 Visiting Americans It Will Consider Offer of Large Supplies of Food Relief," *New York Times*, October 25, 1979, p. A5) Documentation on the visit and U.S. efforts to provide additional relief is in *Foreign Relations, 1977–1980*, vol. XXII, Southeast Asia and the Pacific.

⁴The Food Stamp Act of 1964 (P.L. 88–525; 78 Stat. 703–709), which Johnson signed into law on August 31, 1964, authorized a Food Stamp Program (FSP) to provide eligible households with nutritious foods. Recipients received a coupon allotment and used the coupons to purchase foodstuffs from retail food establishments approved for participation in the FSP.

⁵On January 6, General Motors (GM) and the United Automobile Workers of America (UAW) announced a nationwide food drive to last 8 weeks. GM had designated \$2 million in matching funds for contributions by its employees. ("G.M. and Auto Union Seek Food for Needy," *New York Times*, January 9, 1983, p. A24)

on the US-Soviet strategic agenda. Could funds saved from the retirement of a missile system be put in a Soviet-American trust fund for food development? Danforth paused and then completed his remarks with the observation that he did not want to become involved with African food crisis without the support of the administration or without having worked out a relationship with the administration.

The Secretary thanked Danforth for his thoughtful remarks and allowed he shared the Senator's view that the African problem is a long term one—an issue which requires careful planning. Africa is not Southeast Asia where progress would come quickly in the absence of war. Food production is a good priority for Africa. Helping in this field appeals to our purposes and ideals; it saves lives, especially those of children. The Secretary assured Danforth we are ready to work with him; there is no divergence of views on the importance of the issue.

Our agenda for Africa is a long and important one. We are seeking independence for Namibia and peace in Angola. We are establishing ties with pro-Soviet Mozambique and drawing it away from the Soviet Union. We have an active diplomatic effort but we do not have the resources we need to get the job done. Africa's food requirement is enormous and our ability to generate resources is limited. We need help in the Congress and greater understanding of what we require to reach our objectives. We have come close to striking out with the recent heavily earmarked supplemental.

Danforth noted how generously the Congress had responded to Cambodia. The Secretary warned that the issues are different. Aid must be given in this instance in a manner that does not undercut local food production. Our approach must be carefully planned and provide incentives. Danforth agreed that the strategy must be smart but he doubted AID would produce such an approach. He and Senator Bellmon⁶ had been badly let down in Egypt by AID. Danforth wanted the Secretary to understand he was willing to involve himself on a sustained basis. He regards the Africa food crisis as a "mission". He hoped to start by traveling to Africa but would need the Secretary's help in identifying a "coach". The Secretary promised our support but urged Danforth to look also to AID's Pete McPherson who is very thoughtful and has good ideas.

Danforth pledged he would be a catalyst for a serious program but he would need logistical support for his eight day trip, a good itinerary and an able advisor. The Secretary promised we would find someone "who cares".

⁶ Former Senator Henry L. Bellmon (R-Oklahoma), who served in the Senate until January 3, 1981. Bellmon was Governor of Oklahoma during the 1980s.

(Following the meeting, Frank Wisner called Danforth to propose AF Deputy Assistant Secretary Lyman serve as the Senator's advisor. Danforth agreed).

Frank G. Wisner⁷

⁷ Wisner signed "FG Wisner" above his typed signature.

134. Memorandum of Conversation¹

Washington, January 18, 1983

MEETING BETWEEN PRESIDENT REAGAN AND PM NAKASONE CABINET ROOM

The President said he had emerged from his private meeting with Prime Minister Nakasone² with a sense of positive momentum in solving our outstanding disputes, particularly in regard to trade and defense. He and the Prime Minister had agreed that we had a strong relationship with great responsibility for the world economy and for world recovery, and was gratified to have the Prime Minister's personal support.

Asked to summarize the status of our bilateral relations, Secretary Shultz said that United States-Japanese relations were of the utmost importance, whether they concerned economic affairs, strategic affairs, business affairs, or financial affairs. For example, the reason the Secretary of the Treasury and the Finance Minister were not at the meeting was because they were discussing subjects of international

¹ Source: Reagan Library, Executive Secretariat, NSC Subject File, Memorandums of Conversation—President Reagan (12/27/1982–1/31/1983). Secret. The meeting took place in the Cabinet Room at the White House from 11:50 a.m. until 12:29 p.m. (Reagan Library, President's Daily Diary) Sigur sent the memorandum to Clark under a January 28 covering memorandum in which he noted that Seligmann had drafted the memorandum of conversation, commenting: "Seligmann's notes are quite complete and I have little to add." Sigur also listed the attendees: the President, Nakasone, Bush, Shultz, Weinberger, Block, Baldrige, Brock, Clark, McFarlane, Mansfield, Wolfowitz, McNamar, Gregg, Sigur, Meese, Seligmann, Abe, Fujinami, Okawara, Nakajima, Murata, Kitamura, Hasegawa, and Karita. Also scheduled for publication in *Foreign Relations, 1981–1988*, vol. XXX, Japan; Korea, 1981–1984.

² The President and Nakasone met privately in the Oval Office from approximately 11:30 until 11:50 a.m. (Reagan Library, President's Daily Diary) The memorandum of conversation of their meeting is in the Reagan Library, Executive Secretariat, NSC Subject File, Memcons—President Reagan (12/28/82–1/83). It is scheduled for publication in *Foreign Relations, 1981–1988*, vol. XXX, Japan; Korea, 1981–1984.

weight in Paris.³ Our bilateral defense relationships were fundamental. In view of the strength and size of the Japanese economy, our two nations together had to take joint responsibility not only for the world economy but for support of the free-trading system, the strategic system, and the values we shared. To do this effectively we needed to stress bilateral problems.

Secretary Shultz said that when he greeted the Prime Minister the day before, he had been attending a meeting in the Cabinet Room, where he left the President surrounded by representatives of business and labor from all over the United States who were communicating their concerns to the President.⁴ We had to identify our concerns and talk them through. We were encouraged by the strength with which the Prime Minister had addressed these issues; we had to look at many problems. In the defense area, some steps had been taken, but we also had to compare what had been accomplished with the missions and goals we had set out to achieve.

Trade and defense were the central elements of our bilateral relationship, but beyond that we shared many interests in the world, for example our relationship with China, and the promotion of world peace.

The President said that there was one issue he had not had a chance to address with the Prime Minister as yet, law of the sea. The Prime Minister should know that we had been in touch with mining groups, who were interested in a consortium approach. If we worked outside the Convention, we should be able to work out a satisfactory approach to deep-sea-bed mining.

Secretary Block said that as the Prime Minister was aware, there was a considerable amount of concern about selling agriculture commodities to Japan. The United States appreciated the importance of the Japanese market for American agricultural products which approach 7 billion dollars, and the United States was a reliable supplier. Nevertheless, we were concerned about trade barriers to some products, the

³ Regan and Takeshita were in Paris to attend the G-10 ministerial. They were also scheduled to meet privately at Galbraith's residence the morning of January 18. (Telegram 1616 from Paris, January 14; Department of State, Central Foreign Policy File, Electronic Telegrams, D830023-0204)

⁴ The meeting took place in the Cabinet Room on January 17 from 2:04 until 3:08 p.m. (Reagan Library, President's Daily Diary) In his personal diary entry for January 17, the President wrote: "—Issues lunch and then a meeting with a dozen top C.E.O.s from Ford, Caterpillar, U.S. Steel etc. plus heads of Farm Bureau & Nat. Cattlemen. This too was a solid discussion of Japans gimmicks to pretend free trade but practice protectionism. This Nakasone meeting is going to be a make or break one." (Brinkley, ed., *The Reagan Diaries*, vol. I, January 1981–October 1985, p. 189) Shultz met with Nakasone that afternoon from 3:10 until 3:45 p.m. in Suite 1531 at the Madison Hotel. A draft memorandum of conversation is in the Reagan Library, Executive Secretariat, NSC Subject File, Memorandums of Conversation—President Reagan (12/27/1982–1/31/1983). It is also scheduled for publication in *Foreign Relations*, 1981–1988, vol. XXX, Japan; Korea, 1981–1984.

most serious of these being citrus and beef, which were the focus of a good deal of political pressure. These had become a symbol for farmers in the United States, who might have Datsun pickup trucks and Sony TV sets, but could not sell citrus or beef. We were prepared to resume talks on these quotas as soon as it was apparent there were some possibilities of substantial progress.

Prime Minister Nakasone said he would like to address matters of principle, leaving details to the Foreign Minister. As he had told the President in their private meeting, our two countries on opposite sides of the Pacific shared a destiny and must discharge their responsibilities in accordance with their strength. He intended to observe the Joint Communique that the President and Prime Minister Suzuki had signed in 1981.⁵ While there were frictions in regard to defense problems and trade, we shared the same concepts, and our differences applied to the details of solutions. We had to continue to consult closely. The Prime Minister said that the President came from California and knew the Pacific Region. The United States also faced the Atlantic, and therefore was a two-ocean nation, but for Japan there was just the Pacific. As a Pacific nation, Japan could contribute to peace in that region; thus far, Japan and the United States were cooperating on economic measures directed at the Soviet Union, in regard to GATT, and in assisting the LDCs with their debt problems. This was good cooperation, which he wanted to continue whole-heartedly and sincerely. It was especially important, as the President had said, for both countries to preserve the free-trading system. If protectionism grew, we would repeat the experience of the 1930s. For that reason, his cabinet was making every effort to address trade and defense issues, not in response to US influence, but for Japan's own sake, to discharge its own responsibilities.

Prime Minister Nakasone said the main task of his administration was to build a Japan open to the world; he wanted to guide and persuade the Japanese people toward this end. His predecessors had, of course, made their utmost efforts to behave as equal partners of the United States, but speaking frankly there were shortcomings in their performance in US eyes. The Prime Minister said that when he took office, his cabinet had many debts to repay; they could not be all repaid at once, but he would try. He and the President had both devoted their lives to politics, and he was sure they shared the view that they had to take party strategy into account. The President would understand that in order to pay debts, he had to have the support of his cabinet.

Prime Minister Nakasone said he was aware of the President's concern about law of the sea. His government had postponed signing the Convention at the end of last year at the behest of Ambassador

⁵ Reference is to the joint communiqué Reagan and Japanese Prime Minister Zenko Suzuki signed on May 8, 1981. For the text, see *Public Papers: Reagan, 1981*, Book I, pp. 414–416.

Rumsfeld. However, after careful consideration, the government had decided that Japan was associated with LDC group for LOS purposes, and had to look to its relationship with the LDC's. There were problems with deep-sea mining, but the other areas of the Convention brought much progress. His personal view was that once the Convention was in force, it would be possible to solve problems. As it stood now, it was as if nations were competing to occupy territory on the surface of the moon. The Prime Minister promised to consider the President's view on LOS when he returned to Japan, but he had just expressed his own opinion.

Minister Abe said that it was just 60 days since the Nakasone government came to power, but more than any other government it had been trying to make clear that relations with the United States were the most important for Japan. The Nakasone government was making every effort to solve United States-Japan problems. As Secretary Shultz had noted, the biggest issue was trade. In order to maintain and defend the free-trading system, the Japanese government was trying to discharge its responsibilities. In reducing tariffs on agriculture and manufactured goods, it had tried its best to meet the requests of Congress and other groups; tobacco for example, had been reduced by 15 percent, chocolate had been reduced appreciably, and tariffs on 27 other manufactured items had been reduced or eliminated. There was strong domestic opposition to these moves on the part of the industries affected, as well as within the LDP, but the Prime Minister had decided to accept the risk.

Prime Minister Nakasone said that Secretary Block had referred to beef and citrus. He was aware of the strong demand made by the United States in regard to these items in December, but Japanese farmers had become agitated. When he decided to reduce the tobacco tariff and expand the number of outlets for foreign tobacco products, he did so without obtaining the consensus of the Liberal Democratic Party. There was much criticism on the grounds that he was supposed to be a leader, and had no mandate to be a dictator. The Prime Minister said that just before his departure, beef and citrus farmers had presented him with a petition signed by about 9 million persons to make no concessions while in Washington, and 10,000 farmers had turned out for a demonstration. It was wise for both sides to let these issues cool off a while and then let the experts deal with quotas when they expired.

The Prime Minister said that when he went to Korea,⁶ President Chun had asked him to convey to the President his request that the

⁶ Nakasone visited South Korea January 11–12. In telegram 468 from Seoul, January 14, the Embassy transmitted the unofficial English language translation of the joint communiqué concerning the visit. (Department of State, Central Foreign Policy File, Electronic Telegrams, D830023–0196)

President work to maintain the free-trading system. He also would like to convey the thought suggested by Prime Minister Trudeau in Tokyo,⁷ just before Nakasone left for Washington, that at the Williamsburg Summit⁸ it might be a good idea for Trudeau, the President, and himself to get together and discuss Pacific problems, as long as it could be done in a way that would not provoke the Europeans.

The President suggested that they continue discussion at lunch.⁹

⁷ Trudeau visited Japan January 16–19. In telegram 1404 from Tokyo, January 24, the Embassy summarized the visit. (Department of State, Central Foreign Policy File, Electronic Telegrams, D830041–0015)

⁸ See footnote 9, Document 129.

⁹ The luncheon took place in the State Dining Room from 12:29 until 1:31 p.m. (Reagan Library, President's Daily Diary)

135. Memorandum From Secretary of State Shultz to President Reagan¹

Washington, January 19, 1983

SUBJECT

US-Soviet Relations in 1983

The recent NSPG discussion of US-Soviet relations² underscored the fact that increased Soviet activism since Andropov's rise to power confronts us with a situation requiring strength, imagination and energy. This memo sets forth a strategy for countering this new Soviet

¹ Source: Reagan Library, European and Soviet Affairs Directorate, NSC Records, Subject File, Shultz, George P. Secretary of State (1 of 5). Secret; Sensitive. It is also printed in *Foreign Relations, 1981–1988*, vol. IV, Soviet Union, January 1983–March 1985 Document 1. Although no drafting information appears on the memorandum, Burt wrote to Shultz on January 18: "Per our conversation earlier today, I have recast the US-Soviet paper as a memo from you to the President." (Reagan Library, George Shultz Papers, 1982–83 US-Soviets Background Info) In his memoir, Shultz recalled the memorandum's reception: "Shortly after my paper reached the White House, Bud McFarlane let me know that the NSC staff over there was 'fly specking' it. 'There are so many ideologues around here that they are picking it to pieces,' he said." (Shultz, *Turmoil and Triumph*, p. 162)

² An NSPG meeting took place in the White House Situation Room on January 10. For additional information about the meeting, see *Foreign Relations, 1981–1988*, vol. III, Soviet Union, January 1981–January 1983, Document 259.

activism by using an intensified dialogue with Moscow to test whether an improvement in the US-Soviet relationship is possible. Even if no improvement ultimately takes place, the dialogue itself would strengthen our ability to manage the relationship and keep the diplomatic initiative in our hands.

As we proceed, we must keep in mind that our challenge is not to launch a bold, new initiative, but to build on the good beginning we have made in the patient, steady, yet creative management of a long-term adversarial relationship with the Soviet Union. I look forward to an early opportunity to discuss this topic with you in greater detail.

Enduring Features of US-Soviet Competition: The US-Soviet competition has deep roots in the fundamentally different nature of the two societies and in Moscow's readiness to use its growing military power in ways that threaten our security. Thus there is no realistic scenario for a breakthrough to amicable relations with the Soviet Union.

To be sure, the Soviet system is beset by serious weaknesses. But it would be a mistake to assume that the Soviet capacity for competition with us will diminish at any time during your Presidency. While recognizing the adversarial nature of our relationship with Moscow, we must not rule out the possibility that firm U.S. policies could help induce the kind of changes in Soviet behavior that would make an improvement in relations possible.

We have made considerable progress toward a more effective Soviet policy through our long-term rearmament program, actions to revitalize our Alliances, a new ideological offensive on behalf of our fundamental values, and arms control proposals that have made clear our seriousness in the search for peace.

The Challenge of US-Soviet Relations in 1983: There is already evidence of greater foreign policy energy and sophistication under Andropov, and the Soviets will clearly be on the offensive in 1983. In Europe, we can expect that the Soviets will make the fullest possible use of Western hopes raised by the succession to redouble their appeals to Western publics on issues such as INF. In Asia, Moscow will use renewed talks with the Chinese to press its diplomatic offensive, while hinting at new flexibility on Afghanistan. I believe that we can best preempt this increased Soviet maneuvering with increased diplomatic and public activism of our own, including through an intensified dialogue with Moscow. If this dialogue does not result in improved US-Soviet relations, the onus will rest clearly on Moscow; if it leads to actual improvement, all the better.

Preconditions for Effective Dialogue: To proceed with an intensified dialogue while protecting our security interests, we need to fulfill the following preconditions: (1) continued rebuilding of American economic

and military strength; (2) continued revitalization of our Alliances; (3) stabilization of relations with China; (4) continued regional peace-keeping efforts (Middle East and CBI); and (5) continued competition in ideas.

The Purposes of Intensified US-Soviet Dialogue: Such a dialogue could serve our interests by: (1) probing for new Soviet flexibility (get Andropov to put his money where his mouth is); (2) controlling events (reaffirming our determination to play a central role on all issues while preventing opening of gaps between us and our Allies); (3) maintaining Allied and domestic support for our policy in the face of a redoubled Soviet “peace offensive”.

Substance of the Dialogue: As we intensify dialogue, it is neither necessary nor advisable to abandon the policy framework we have established. We must continue to insist that US-Soviet dialogue address the full range of our concerns about Soviet behavior: the military buildup, international expansionism, and human rights violations. We must be prepared for evolution of our substantive positions in the give and take of negotiations, but we must not lower our basic requirements for improved US-Soviet relations.

A. *Arms Control:* We must not abandon the high standards we have set for potential agreements—real reductions, equality in the important measures of military capability, verifiability, and enhanced stability. We must at the same time win the battle for public opinion by making clear that it is the USSR, not the U.S., that is impeding progress toward agreements.

Our most formidable arms control challenge will be in *INF*: at stake is whether or not we can sustain the integrity and vitality of the Western Alliance. In *START*, we should hold firm on the conceptual framework of our approach, including substantial reductions and warheads as the principal unit of account. We must negotiate seriously, taking as the point of departure the apparent Soviet willingness to accept the principle of reductions.

B. *Regional Issues:* The fact that we have engaged Moscow on regional issues—Afghanistan and southern Africa—positions us to sustain diplomatic pressure and exploit whatever opportunities may emerge in the context of the Soviet political process this year. Given the many signals we have heard on Afghanistan, we should test Soviet intentions by another round of our bilateral talks, and possibly by tabling a bold framework for a comprehensive settlement.

We must also deal effectively with the Soviet “Asian offensive” by adding substance to the US-PRC dialogue and holding firm on our

requirements for a Kampuchean settlement. This will be one of the objectives of my China trip.³

On other issues, we may wish to renew bilateral discussions with Moscow on Namibia/Angola to press for Cuban troop withdrawal. In some cases, we may need to reinforce warnings about possible unacceptable Soviet behavior in the Third World, such as delivery of MiGs to Nicaragua. In the Middle East, we want to continue to avoid dialogue that could help Moscow regain a role in the peace process.

C. *Human Rights and Western Values*: We must continue to seek improvement in Soviet behavior: relief of prisoners of conscience, resolution of divided-family cases and the Pentecostalist situation,⁴ and a significant increase in Jewish emigration. Our focus should be on private diplomacy leading to results, not counterproductive public embarrassment of Moscow. We must also press our democracy offensive and ensure that human rights remains a major component of our policy toward Poland and in the CSCE context.

D. *Economic Relations*: Any steps we take must not contribute to Soviet military power, subsidize the Soviet economy, or undercut our efforts to develop a new framework for East-West economic relations. We must also manage domestic pressures for increased trade so that the timing of any steps we take is geared to our overall US-Soviet strategy. A possible mechanism for managing these pressures would be to restore government-to-government economic contacts through a session of the Joint Commercial Commission (JCC).

E. *Bilateral Relations*: Small steps have a modest but real role to play in the relationship, and we should seek opportunities to use them. We should be careful to ensure that benefit is mutual and reciprocal and that our actions advance our objective of broadening access to Soviet society. We could implement Charlie Wick's suggestion to negotiate a new umbrella cultural agreement; this would prevent Soviet cultural groups from making their own arrangements with U.S. sponsors, while denying us reciprocal access to the USSR.

³ See footnote 5, Document 131.

⁴ Reference is to seven Russian Pentecostals, who had sought refuge at the U.S. Embassy in Moscow in June 1978 and were seeking permission from Soviet authorities for themselves and their families to emigrate from the Soviet Union. One Pentecostalist—Lidia Vashchenko—had been allowed to leave the Embassy to seek medical care following a hunger strike and had returned to her hometown in January 1982. Ultimately, the remaining Pentecostals would depart the Embassy on April 12, 1983. Documentation on the Pentecostals is in *Foreign Relations, 1981-1988*, vol. IV, Soviet Union, January 1983-March 1985, Documents 10, 12, 26, 34, and 36.

The Process of Dialogue: We should begin to put in place the building blocks for a productive summit, but without committing ourselves prematurely. Four levels of dialogue should be considered:

—*Summitry:* The dialogue process should be constructed to lead to a summit if relations warrant, but without initially defining a summit as the only possible outcome. Should we later decide on a US-Soviet summit, you should probably meet with the Chinese first.

—*Ministerial-Level Contacts:* We could consider another meeting between Gromyko and me, possibly in Moscow if a meeting with Andropov could be guaranteed. Another option would be a neutral site. We might also consider a possible Weinberger-Ustinov meeting.

—*Dialogue through Ambassadors:* We should make maximum use of both Dobrynin and Art Hartman, and possibly try to regularize their access to Gromyko and me. We might also recall Art for consultations this spring and send him back with a message from you to Andropov.

—*Dialogue between “Departments and Desks”:* We could accept Dobrynin’s proposal of intensified dialogue between specialists on US-Soviet relations from the State Department and the Soviet MFA.

Conclusion: In sum, 1983 will be a year of new challenges and opportunities in our relations with the Soviet Union. We have in place a sound policy, which gives us the foundation for an intensified dialogue with Moscow along the lines I have described. Such a dialogue would protect our security interests while giving the Soviets incentives to address our concerns—as long as we do not waver on the essentials of the policy approach we have established over the past two years. The Soviets may ultimately prove unwilling to satisfy our criteria for an improvement in the relationship. If so, we will nonetheless have done our part, and the responsibility for continued tensions will rest squarely with Moscow.

136. Memorandum From Secretary of State Shultz to Vice President Bush¹

Washington, undated

SUBJECT

Your Trip to Europe²

I. Setting

You are visiting Europe in the opening months of the most important year for the Alliance of the last decade and perhaps for the decade to come. The public debate over the deployment of U.S. INF missiles has taken on a significance which transcends the already substantial military importance of the 1979 "dual track" decision. It has become more than anything a debate about the nature of Europe's security arrangements, Europe's ties with the United States, and its relations with the Soviet Union. The outcome will affect the nature of the Alliance and the position of the United States as the leader of the Western coalition for many years to come.

During my own trip to Europe last month³ I was impressed by the enduring strength of our trans-Atlantic ties and the commitment of the Europeans to our Alliance. Your visit nevertheless takes place when speculation about prospects for U.S.-Soviet relations and arms control negotiations has been stimulated by the passing of Brezhnev, the more dynamic leadership of Andropov, and recent press attention to alleged internal Washington differences over arms control policy. These issues

¹ Source: Reagan Library, George Shultz Papers, Official Memoranda, (01/25/1983); NLR-775-27A-31-6-1. Secret. Drafted by Caldwell on January 21; cleared by Burt, Dobbins, John Hawes (EUR/RPM), Olaf Grobel (PM/TMP), Elaine Morton (S/P), Darryl Johnson (P), and Casse. Printed from an uninitialed copy. Caldwell initialed for all clearing officials. Attached but not printed are an undated paper entitled "Vice President's European Trip Itinerary," and a paper entitled "Talking Points on the Vice President's Trip to Europe," drafted on January 25.

² Bush departed Washington on January 30 for Bonn, January 30-31; Berlin, January 31-February 1; The Hague, February 1-2; Brussels, February 2-4; Geneva, February 4-5; Nuremberg, February 5; Rome and the Vatican, February 5-8; Paris, February 8-9; and London, February 9-10. While in Geneva, Bush also met with the U.S. and Soviet INF and START delegations and attended a Committee on Disarmament meeting. For the text of the Vice President's remarks, news conferences, and toasts made during the trip, see Department of State *Bulletin*, March 1983, pp. 1-27. Documentation on the trip is scheduled for publication in *Foreign Relations*, 1981-1988, vol. VII, Western Europe, 1981-1984.

³ Shultz traveled to Bonn, December 7-8; Brussels, December 8-11; The Hague, December 11; Rome, December 11-14; Paris, December 14-15; Madrid, December 15-16; and London, December 16-18. For the text of the news conferences, statements, and toasts Shultz made during the trip, in addition to the final communiqué issued at the conclusion of the NAC ministerial meeting in Brussels, see Department of State *Bulletin*, February 1983, pp. 12-35. Documentation on the trip is scheduled for publication in *Foreign Relations*, 1981-1988, vol. VII, Western Europe, 1981-1984.

are being examined by the Europeans against a more fundamental set of uncertainties.

- The Europeans wonder about the durability of the U.S. security commitment and are worried that we may not have the will and capacity to provide for their security over the long haul.
- On the other hand, Europeans also worry about the steadiness of U.S. policy and fear that overemphasis on the military elements of security may actually increase the risk of war.
- The Europeans have begun to question whether we have set realistic arms control objectives, and to express doubts about our commitment to achieve meaningful agreements.
- Finally, they are concerned that we may not consult them fully and take their interests into account as we develop our policies.

None of these fears is new. All of them are to some extent inherent in the trans-Atlantic relationship and Europe's fundamental security dependence on us. Moreover, they are mirrored in the U.S., by concerns about Europe's economic ability and political will to meet its defense responsibilities. European fears have been exacerbated in recent years, however, by Western economic difficulties and the feeling of insecurity which these generate, and by growing Soviet military power which the West has failed to match.

Sources of Europeans Anxiety

Over the past decade, the growth of Soviet power—its conventional buildup, the achievement of nuclear parity and of significant advantage in some areas—has led many on both sides of the Atlantic to question the ability of NATO to provide for Europe long-term security. It has led to the questioning as well of U.S. will to engage our strategic forces in the defense of Europe and of the credibility of NATO's strategy of forward defense and flexible response. These issues are much on the minds of European elites. Congressional opposition to NATO-related defense programs, while not representative of majority opinion in this country, is of great concern to Europeans, and uncertainties about MX and the growth of the nuclear freeze movement in the United States naturally feed these concerns.

Andropov in his few short months in office has succeeded in establishing an image as a reasonable leader with positive ideas for improving East-West relations. Europeans by no means take these at face value, and they recognize Soviet offers are self-serving. But European governments want to appear to be open to improvement in relations with the Soviet Union and their publics very much hope such improvement is possible.

Anxiety over the course of East-West relations is particularly reflected in concerns over the arms control negotiations. For over a decade Europeans were essentially content to follow our lead in the arms control area. They recognize that the results of these earlier efforts have been disappointing. There is no clear European alternative to our current approach. Yet it has become increasingly difficult to achieve resolute European support for our arms control policies.

Europeans are always concerned that their voice may not be given sufficient weight in Washington and that decisions are being made without full consideration of their interests. This traditional, generalized preoccupation with consultations has been greatly focused and intensified by the other uncertainties which characterize our relationship today, and by the depth of concern about our current agenda of issues, particularly arms control and East-West relations.

Enduring Alliance Strengths

At the same time, we should not allow realistic assessment of the challenge we face this year to lead us to pessimism. During my recent trip to Europe the concerns of the leaders with whom I met were more than offset by the depth of their commitment to the Alliance, the mutual appreciation of the enduring ties that bind us together, and the strong will to cooperate in the pursuit of shared objectives. These basic strengths have seen us through hard times in the past and provide a sound basis for success in this difficult year.

—The vitality of the Alliance is demonstrated by the vigor of our internal debate, as well as by three decades of effective effort to provide for our common security.

—The habit of cooperation, based on shared history and culture and a common world view, is deeply ingrained and highly valued. This was impressed on me again and again during my December trip, at NATO, with the EC Commission, and in every capital which I visited.

—We share a common appreciation of the Soviet threat and dedication to take those steps necessary to respond to it.

—There is firm recognition that without Soviet adherence to the basic principles of civilized international conduct we will have no choice but to continue to give attention to our defenses and treat Soviet protestations of good intentions with great caution.

II. Objectives

In your private and public meetings at each stop, I believe you should deal with the specific and topical issues of interest to your hosts while also addressing their more fundamental concerns, thus providing that sense of confidence and reassurance which the Europeans seek. In doing so, you should emphasize our very real assets: the fundamental

superiority of our democratic systems; our strong foundation of shared values and interests; the basic vitality and relevance of the Alliance; our reasonable, constructive and forward-looking agenda; and our strength and demonstrated success in working together to achieve shared objectives.

1. U.S. Commitment

You will want to take every occasion to stress that the U.S. commitment to European security is the most fundamental and enduring element of our foreign and defense policy. You should emphasize that it was precisely to strengthen our commitment and link U.S. strategic forces to the security of Europe that we all made the 1979 INF decision and must follow through on it. We are also working hard with Congress to sustain troop levels in Europe. More visible and stronger European efforts are necessary to ensure that we achieve our objectives with Congress.

2. East-West Relations

The continuing Soviet military buildup, and increasing Soviet willingness to use or threaten military force in pursuit of foreign policy objectives threaten international security and stability. As the President has made clear, we can only be successful in responding to this threat through a policy of strength. You should reaffirm the President's consistently stated desire for more positive relations with the Soviet Union and our commitment to work to that end, recalling your own discussions with Andropov. But you should also note that the better relations we are seeking depend on the maintenance of Western will and strength and on deeds, not just words, on the part of the Soviets.

3. Arms Control

Convincing your hosts that we have set reasonable arms control goals and are working effectively to achieve them will be key to the success of your visit. In making this case you will need especially to stress our basic criteria—particularly equality, verifiability, and genuine reductions—and that they are not “demands” but basic principles which we adhere to and which are vital to effective arms control. We are negotiating in good faith and examining each Soviet proposal carefully. You should note that we will continue to draw out the Soviets, while explaining that our proposals offer the best approach for achieving equitable and substantial reductions that will strengthen peace and stability.

4. Consultations

Your trip itself is a demonstration of our commitment to consultations and should be presented in that light. I suggest that you emphasize that one of your principal objectives is to listen and report back to the President, who is keenly interested in the views of the European

leadership. You should also point to the importance of NATO's Special Consultative Group (SCG) on INF arms control, the most extensive such mechanism in the history of the Alliance.

[Omitted here are sections III, "Issues" and IV, "Individual Stops."]

137. Memorandum From Paula Dobriansky of the National Security Council Staff to the President's Assistant for National Security Affairs (Clark)¹

Washington, January 22, 1983

SUBJECT

U.S.-Soviet Relations in 1983

At Tab A² is a memorandum from George Shultz to the President which sets forth a strategy for "countering new Soviet activism by using an intensified dialogue with Moscow to test whether an improvement in the U.S.-Soviet relationship is possible." Your memorandum to the President (Tab I):

—Conveys serious reservations about the proposed method of implementation and timing.

—Concludes that the U.S. would be forced to dissipate its leverage by making piecemeal concessions in various bilateral negotiations which would not result in any meaningful Soviet response, but would arouse public expectations and make it difficult for us to sustain a firm and resolute course vis-a-vis the USSR.

—Recommends use of existing channels to smoke out real Soviet intentions and their willingness to be flexible on critical issues before embarking on a campaign to improve our bilateral relations.

Dennis Blair, Sven Kraemer, Roger Robinson and Bill Stearman strongly concur with my assessment. All have made significant contributions to the critique of Shultz's memorandum.

Recommendation

That you forward the memorandum at Tab I to the President.³

¹ Source: Reagan Library, European and Soviet Affairs Directorate, NSC Records, Subject File, Shultz, George P., Secretary of State (1 of 5). Secret; Sensitive. Sent for action.

² Attached and printed as Document 135.

³ There is no indication that Clark approved or disapproved the recommendation.

Tab I

Memorandum From the President's Assistant for National Security Affairs (Clark) to President Reagan⁴

Washington, undated

SUBJECT

U.S.-Soviet Relations in 1983

George Shultz forwarded you a memorandum (Tab A) outlining how to handle U.S.-Soviet relations in 1983. His memorandum sets forth a strategy for "countering new Soviet activism by using an intensified dialogue with Moscow to test whether an improvement in the U.S.-Soviet relationship is possible." George posits that a "process of dialogue" (Depts. /Desks, Ambassadors, Ministries, Summitry) would help us gauge the seriousness of Andropov's proclaimed intentions to improve U.S.-Soviet relations, and could permit us to seize the high ground domestically and internationally, and foster Allied unity.

Specifically, he argues that the Administration should continue its present arms control policy, resume a dialogue with the Soviets on regional issues (Afghanistan, Africa, Middle East), and continue to seek improved Soviet human rights behavior. On economic and bilateral issues, the Administration should pursue careful and controlled forward steps—no dramatic expansion, only carefully paced positive change. Lastly, he suggests that the whole dialogue process would lead to a summit if relations warrant.

While there may be some initial public relations benefit to explore the possibility of "across the board" improvement in U.S.-Soviet relations, I believe that we should have no illusions about the nature of the Andropov regime. Thus, I have serious reservations about the proposed timing and method of implementation in State's memo. I am specifically concerned that the U.S. would soon be forced to dissipate its leverage by making piecemeal concessions in bilateral negotiations which would not result in any meaningful Soviet response, but which would further intensify rather than mollify domestic and Allied pressures to do more. In sum, this course of action would be sure to arouse even more public expectations and would make it difficult for us to maintain a firm policy vis-a-vis the Soviet Union; moreover, Soviet activism is largely in the field of public propaganda. This is difficult to counter through dialogues which normally remain private.

⁴ Secret; Sensitive. Sent for information. Prepared by Dobriansky.

Instead, I suggest that we use existing channels to smoke out real Soviet intentions and their willingness to be flexible on critical issues *before* embarking on a campaign to improve our bilateral relations. The private Shultz-Gromyko exchanges, should continue to concentrate on eliciting concrete Soviet views on how military, political and economic aspects of U.S.-Soviet relations can be specifically improved. Right now, I do not see any important areas for give in our basic positions: in arms control, any signal of readiness for compromise on INF would be interpreted by the Soviets as a sign of weakness—a sign that we fear we will be unable to deploy our missiles in Europe; on regional issues, we might be willing to reach some small compromises on individual issues, but we would not make major changes in our positions on Afghanistan, Central America or the Middle East. Since there is no basis for major reciprocal deals, I, therefore, do not see the justification for undertaking a major effort to intensify the dialogue.

If it appears that there is real possibility for progress, then we can respond accordingly. However, if, as is probable, the Soviet positions still offer no room for genuine breakthroughs, it is essential that we be able to maintain firm policy positions and intensify our efforts to portray the USSR as an obstacle to peace. Creating false expectations of progress in U.S.-Soviet relations might buy us some time and temper domestic, and Allied pressure in the short term, but in the long term, public expectations would pressure us for more and more concessions making it exceedingly difficult to sustain a firm and resolute course.

I have grave reservations not only about the overall thrust of the proposed strategy for “improving U.S.-Soviet relations”, but I also disagree with some of the specific policy initiatives set forth.

1. On *regional issues*, State sees the possibility of new Soviet flexibility on *Afghanistan* and proposes tabling a bold framework for a comprehensive settlement. There actually seems to be little willingness to compromise in the Soviet position and a proposed settlement by us could lead to negotiations which would take the heat off the Soviets and erode U.S. credibility with Pakistan.

2. Bringing Moscow into renewed bilateral, discussions on *Namibia/Angola* as State proposes has pitfalls which we should avoid. I suggest that we continue to deal with the problems of Cuban presence in Angola through the frontline African states.

3. State recommends the restoration of government to government *economic contacts* through the Joint Commercial Commission (JCC). This proposal would send a dramatic signal of changed trade policies and procedures to the business community and would seriously hinder our efforts to forge Allied consensus on East-West economic relations. Any unilateral actions at this time would be counterproductive as the

East-West Economic Study is not completed. Instead, trade should continue to be conducted through private channels. Restoration of the JCC can only be seriously contemplated if meaningful improvements in U.S.-Soviet relations appear imminent.

4. In accordance with the terms set forth in NSDD 75 (U.S. Policy Toward the USSR),⁵ a U.S. dialogue with the Soviets should address the full range of U.S. concerns about Soviet internal behavior and human rights violations and not just *arms control*. However, in addition to what State mentions, arms control—without becoming the centerpiece—should be addressed in these discussions with the expressed purpose of gauging Soviet seriousness of purpose on reductions, equality, verification and compliance. That is, Soviet behavior in INF and their willingness to fundamentally alter their present negotiating stance offers an excellent litmus test of true Soviet intentions vis-a-vis the U.S. If the Soviets are not prepared to relinquish the current clearcut nuclear superiority they enjoy in the European theater, no modicum of dialogue or even of piecemeal agreements in the political/economic sphere would decrease the Soviet threat to Western security.

5. A “*process of dialogue*” at all levels (Departments/Desks, Ambassadors, Ministries, Summitry) would not be fruitful but counterproductive, as it would serve primarily Soviet interests. We should seek a better balance between contacts through Dobrynin and our Ambassador in Moscow.

6. Finally, a *summit meeting* is envisioned by State as the ultimate objective of the dialogue proposal. I see little point in summitry until the Soviets have made a major move which clearly demonstrates a willingness to reduce threats to us and the rest of the free world.⁶

⁵ NSDD 75, “U.S. Relations With the USSR,” issued on January 17, is in *Foreign Relations, 1981–1988*, vol. III, Soviet Union, January 1981–January 1983, Document 260.

⁶ Under an undated NSC routing slip, Poindexter sent Dobriensky a draft of an undated memorandum from Clark to Shultz. On the routing slip, he wrote: “Paula, Please call me as soon as you’ve read this memo that Dick Pipes drafted. JP.” (Reagan Library, European and Soviet Affairs Directorate, NSC Records, Subject File, Shultz, George P., Secretary of State (1 of 5))

138. Memorandum From Dennis Blair of the National Security Council Staff to the President's Assistant for National Security Affairs (Clark)¹

Washington, January 24, 1983

SUBJECT

State of the Union, Shultz and Weinberger concerns

This morning at your 9:30 meeting with the President² you should raise the few suggestions which Secretaries Shultz and Weinberger have with the State of the Union in its current form. They may be getting in touch with you directly.

Shultz: Secretary Shultz believes that the national security section should begin with a section on Western values which underly our national security policy. He also believes that a short section on the relationship between the international economy and our domestic economy should be included. At Tab I is an insert which would do the trick.³

Weinberger: Secretary Weinberger believes the speech should include a section in which the President regrets the military pay cap and says he is determined to make it up when he can. I understand that the President in an earlier draft removed this section. Secretary Weinberger also wishes to insert a section stating that "we must restore our defenses now—not after the economy fully recovers or once an emergency develops," and that defense spending helps, rather than hurts, the economy. Attached at Tab II are two inserts on these subjects.⁴

All of these concerns can be taken care of with relatively simple inserts if you and the President decide to accept them. If the exact language in these inserts is not right, Aram Bakshian can adapt it easily.

¹ Source: Reagan Library, European and Soviet Affairs Directorate, NSC Records, Subject File, State of the Union Speech (3 of 4); NLR-170-13-32-7-6. No classification marking. Sent for action.

² Clark met with the President in the Oval Office from 9:30 until 9:52 a.m. (Reagan Library, President's Daily Diary)

³ Attached but not printed.

⁴ Attached but not printed.

139. Address by President Reagan on the State of the Union Before a Joint Session of Congress¹

Washington, January 25, 1983

Address Before a Joint Session of the Congress
on the State of the Union

Mr. Speaker, Mr. President,² distinguished Members of the Congress, honored guests, and fellow citizens:

This solemn occasion marks the 196th time that a President of the United States has reported on the State of the Union since George Washington first did so in 1790. That's a lot of reports, but there's no shortage of new things to say about the State of the Union. The very key to our success has been our ability, foremost among nations, to preserve our lasting values by making change work for us rather than against us.

I would like to talk with you this evening about what we can do together—not as Republicans and Democrats, but as Americans—to make tomorrow's America happy and prosperous at home, strong and respected abroad, and at peace in the world.

[Omitted here are remarks unrelated to foreign policy.]

But let us turn briefly to the international arena. America's leadership in the world came to us because of our own strength and because of the values which guide us as a society: free elections, a free press, freedom of religious choice, free trade unions, and above all, freedom for the individual and rejection of the arbitrary power of the state. These values are the bedrock of our strength. They unite us in a stewardship of peace and freedom with our allies and friends in NATO, in Asia, in Latin America, and elsewhere. They are also the values which in the recent past some among us had begun to doubt and view with a cynical eye.

¹Source: *Public Papers: Reagan, 1983*, Book I, pp. 102–110. All brackets are in the original. The President spoke at 9:03 p.m. in the House Chamber of the Capitol. The address was broadcast live on nationwide radio and television networks. In his personal diary entry for January 25, the President wrote: "St. of the U. went well. Dems. followed it on networks with a film made weeks ago. They goofed—their supposed rebuttal turned out to be an advocacy of things I'd said we were going to do—interrupted here & there with charges that I was against such things. ABC did a before the speech & after-poll. I rose 15 points in approval by the end of the speech." (Brinkley, ed., *The Reagan Diaries*, vol. I, January 1981–October 1985, p. 192)

²References are to O'Neill and Bush, respectively.

Fortunately, we and our allies have rediscovered the strength of our common democratic values, and we're applying them as a cornerstone of a comprehensive strategy for peace with freedom. In London last year, I announced the commitment of the United States to developing the infrastructure of democracy throughout the world. We intend to pursue this democratic initiative vigorously. The future belongs not to governments and ideologies which oppress their peoples, but to democratic systems of self-government which encourage individual initiative and guarantee personal freedom.

But our strategy for peace with freedom must also be based on strength—economic strength and military strength. A strong American economy is essential to the well-being and security of our friends and allies. The restoration of a strong, healthy American economy has been and remains one of the central pillars of our foreign policy. The progress I've been able to report to you tonight will, I know, be as warmly welcomed by the rest of the world as it is by the American people.

We must also recognize that our own economic well-being is inextricably linked to the world economy. We export over 20 percent of our industrial production, and 40 percent of our farmland produces for export. We will continue to work closely with the industrialized democracies of Europe and Japan and with the International Monetary Fund to ensure it has adequate resources to help bring the world economy back to strong, noninflationary growth.

As the leader of the West and as a country that has become great and rich because of economic freedom, America must be an unrelenting advocate of free trade. As some nations are tempted to turn to protectionism, our strategy cannot be to follow them, but to lead the way toward freer trade. To this end, in May of this year America will host an economic summit meeting in Williamsburg, Virginia.³

As we begin our third year, we have put in place a defense program that redeems the neglect of the past decade. We have developed a realistic military strategy to deter threats to peace and to protect freedom if deterrence fails. Our Armed Forces are finally properly paid; after years of neglect are well trained and becoming better equipped and supplied. And the American uniform is once again worn with pride. Most of the major systems needed for modernizing our defenses are already underway, and we will be addressing one key system, the MX missile, in consultation with the Congress in a few months.

America's foreign policy is once again based on bipartisanship, on realism, strength, full partnership, in consultation with our allies, and

³ See footnote 9, Document 129.

constructive negotiation with potential adversaries. From the Middle East to southern Africa to Geneva, American diplomats are taking the initiative to make peace and lower arms levels. We should be proud of our role as peacemakers.

In the Middle East last year, the United States played the major role in ending the tragic fighting in Lebanon and negotiated the withdrawal of the PLO from Beirut.

Last September, I outlined principles to carry on the peace process begun so promisingly at Camp David.⁴ All the people of the Middle East should know that in the year ahead we will not flag in our efforts to build on that foundation to bring them the blessings of peace.

In Central America and the Caribbean Basin, we are likewise engaged in a partnership for peace, prosperity, and democracy. Final passage of the remaining portions of our Caribbean Basin Initiative, which passed the House last year, is one of this administration's top legislative priorities for 1983.⁵

The security and economic assistance policies of this administration in Latin America and elsewhere are based on realism and represent a critical investment in the future of the human race. This undertaking is a joint responsibility of the executive and legislative branches, and I'm counting on the cooperation and statesmanship of the Congress to help us meet this essential foreign policy goal.

At the heart of our strategy for peace is our relationship with the Soviet Union. The past year saw a change in Soviet leadership. We're prepared for a positive change in Soviet-American relations. But the Soviet Union must show by deeds as well as words a sincere commitment to respect the rights and sovereignty of the family of nations. Responsible members of the world community do not threaten or invade their neighbors. And they restrain their allies from aggression.

For our part, we're vigorously pursuing arms reduction negotiations with the Soviet Union. Supported by our allies, we've put forward draft agreements proposing significant weapon reductions to equal and verifiable lower levels. We insist on an equal balance of forces. And given the overwhelming evidence of Soviet violations of international treaties concerning chemical and biological weapons, we also insist that any agreement we sign can and will be verifiable.

⁴See Document 116.

⁵Presumable reference to the trade proposal contained within the broader CBI, which would permit duty free entry on certain goods from Central America and the Caribbean. On December 17, 1982, the House approved the trade bill (H.R. 7397). The Senate Finance Committee approved the bill on December 20 but the full Senate did not take up the bill before it adjourned. (*Congress and the Nation*, vol. VI, 1981–1984, p. 102)

In the case of intermediate-range nuclear forces, we have proposed the complete elimination of the entire class of land-based missiles. We're also prepared to carefully explore serious Soviet proposals. At the same time, let me emphasize that allied steadfastness remains a key to achieving arms reductions.

With firmness and dedication, we'll continue to negotiate. Deep down, the Soviets must know it's in their interest as well as ours to prevent a wasteful arms race. And once they recognize our unshakable resolve to maintain adequate deterrence, they will have every reason to join us in the search for greater security and major arms reductions. When that moment comes—and I'm confident that it will—we will have taken an important step toward a more peaceful future for all the world's people.

A very wise man, Bernard Baruch, once said that America has never forgotten the nobler things that brought her into being and that light her path. Our country is a special place, because we Americans have always been sustained, through good times and bad, by a noble vision—a vision not only of what the world around us is today but what we as a free people can make it be tomorrow.

We're realists; we solve our problems instead of ignoring them, no matter how loud the chorus of despair around us. But we're also idealists, for it was an ideal that brought our ancestors to these shores from every corner of the world.

Right now we need both realism and idealism. Millions of our neighbors are without work. It is up to us to see they aren't without hope. This is a task for all of us. And may I say, Americans have rallied to this cause, proving once again that we are the most generous people on Earth.

We who are in government must take the lead in restoring the economy. [*Applause*] And here all that time, I thought you were reading the paper. [*Laughter*]

The single thing—the single thing that can start the wheels of industry turning again is further reduction of interest rates. Just another 1 or 2 points can mean tens of thousands of jobs.

Right now, with inflation as low as it is, 3.9 percent, there is room for interest rates to come down. Only fear prevents their reduction. A lender, as we know, must charge an interest rate that recovers the depreciated value of the dollars loaned. And that depreciation is, of course, the amount of inflation. Today, interest rates are based on fear—fear that government will resort to measures, as it has in the past, that will send inflation zooming again.

We who serve here in this Capital must erase that fear by making it absolutely clear that we will not stop fighting inflation; that, together, we will do only those things that will lead to lasting economic growth.

Yes, the problems confronting us are large and forbidding. And, certainly, no one can or should minimize the plight of millions of our friends and neighbors who are living in the bleak emptiness of unemployment. But we must and can give them good reason to be hopeful.

Back over the years, citizens like ourselves have gathered within these walls when our nation was threatened; sometimes when its very existence was at stake. Always with courage and common sense, they met the crises of their time and lived to see a stronger, better, and more prosperous country. The present situation is no worse and, in fact, is not as bad as some of those they faced. Time and again, they proved that there is nothing we Americans cannot achieve as free men and women.

Yes, we still have problems—plenty of them. But it's just plain wrong—unjust to our country and unjust to our people—to let those problems stand in the way of the most important truth of all: America is on the mend.

We owe it to the unfortunate to be aware of their plight and to help them in every way we can. No one can quarrel with that. We must and do have compassion for all the victims of this economic crisis. But the big story about America today is the way that millions of confident, caring people—those extraordinary “ordinary” Americans who never make the headlines and will never be interviewed—are laying the foundation, not just for recovery from our present problems but for a better tomorrow for all our people.

From coast to coast, on the job and in classrooms and laboratories, at new construction sites and in churches and community groups, neighbors are helping neighbors. And they've already begun the building, the research, the work, and the giving that will make our country great again.

I believe this, because I believe in them—in the strength of their hearts and minds, in the commitment that each one of them brings to their daily lives, be they high or humble. The challenge for us in government is to be worthy of them—to make government a help, not a hindrance to our people in the challenging but promising days ahead.

If we do that, if we care what our children and our children's children will say of us, if we want them one day to be thankful for what we did here in these temples of freedom, we will work together to make America better for our having been here—not just in this year or this decade but in the next century and beyond.

Thank you, and God bless you.

140. **Memorandum From Norman Bailey of the National Security Council Staff to the President's Assistant for National Security Affairs (Clark)**¹

Washington, January 27, 1983

SUBJECT

National Security Policy Planning Over the Next Decade

Executive Summary

—Cyclical analysis indicates that 1985/86 will be a period of maximum danger to the economic system and structure of the Western world. However, the current international debt crisis could trigger systemic collapse this year.

—If the traditional patterns of history are repeated, such an economic crisis will lead to social instability, subregional and regional conflict and eventually intercontinental war.

—All this while the Soviet Union has the most intelligent, sophisticated and realistic leadership since Lenin, and the new military technologies are reestablishing the primacy of the offensive.

—History need not mindlessly repeat itself, however. Transition to the next boom based on the fantastic new technologies *can* be managed but only by an act of will to overcome powerful vested interests. Furthermore, it must be done in *this* Administration.

—Meanwhile, the center of economic gravity of the world is shifting to the Pacific Basin, and Japan is the only major economic power which has managed its affairs well and thus has the capital base to fuel deployment of the new technologies.

—Thus, our foreign policy and strategies should be directed to the strengthening and consolidation of the Pacific connection while making sure of our security in this Hemisphere and managing the international debt crisis.

Analysis

Introduction

The foreign, security and defense policies of the United States have traditionally suffered from a narrow and short-term point of view, responding in an *ad hoc* and improvised fashion to the concerns and

¹Source: Reagan Library, Executive Secretariat, NSC Agency File, National Security Council (01/12/1983–12/08/1983). No classification marking. Sent for information. Wheeler initialed the top right-hand corner of the memorandum. A stamped notation on the memorandum reads: "WPC HAS SEEN."

crises of the moment. This was never a good thing, but we could get away with it while the country was relatively isolated from the rest of the world, and later when our power and wealth were overwhelming. Since the disaster of the Vietnam war (which, let us remember, MacArthur and Eisenhower warned against, Kennedy and Johnson got us into and Nixon got us out of), this is no longer true. As a result, the *ad hoc* approach is now not only inadvisable but extremely dangerous. We are already in a period of maximum peril which will last for many years. Consequently, the direction the country is moving in must be set, to the extent possible, in the remaining years of this Administration. Since no one knows whether that will be two or six years, and since 1984 will be an election year subject to even more severe political pressures than in 1982, the conclusion must be that 1983 is crucial.

The Primacy of Economic Factors, 1983-c. 1988/90

The short, medium and long economic cycles all tended downwards in the period 1979–1982 leading to a liquidity crisis on top of the solvency crisis caused by years of profligacy and inflation. The short cycle is now tending upwards and will be until 1985/86. Ordinarily, the short cycle is dominant over the longer cycles and thus a recovery could be expected until approximately 1985 when all three cycles will again coincide downward. The recovery will be very weak, however, due to a serious capital shortage and the very low base of solvency and liquidity from which the recovery will start. In other words, even a high percentage figure (say 6% annual real growth in GNP in 1983, which no one expects) would not really mean that much, since corporations will be rebuilding their shattered capital bases, rather than investing in new plants, equipment and technology.

Thus, the next simultaneous cyclical downturn will take place before there has been any substantial recovery and will probably lead to a systemic collapse. This, incidentally, would be perfectly normal. During a long cyclical up-cycle, capital gradually becomes frozen in obsolescent industries and the fruits of the technological innovations that triggered the economic boom are frittered away in excessive consumption and speculation rather than devoted to savings and capital formation. The crash that follows wipes out the old capital structure and the new technologies trigger a new up-cycle. Kondratieff told us how this happens and Schumpeter explained why.² The fact that it has happened over and over again in world economic history approximately every two generations does *not* mean that it is inevitable, however. It is

² References are to Soviet economist Nikolai Kondratieff and Harvard Professor Joseph Schumpeter. Schumpeter characterized Kondratieff's identification of long-term 40-to-60 year cycles of economic growth and decline as "Kondratieff Waves."

caused by the inflexibility of vested interests in frozen capital and thus can, at least in theory, be broken by an act of will.

The incredible technologies now under development—genetic engineering, bio-chips, micro-chips, robotization, fifth generation computers, cloning, fusion power and many others will totally transform the world and lead to the greatest economic boom in history (unless the world destroys itself first). Barring universal destruction, the question really is not whether it *will* happen but *how, when* and *under whose auspices*.

If history repeats itself mindlessly, the economic collapse of 1985/86 will in turn lead to a wave of social unrest, violence and civil conflict in the 1985–1990 timeframe. Again, this would be a repeat of the “normal” historical experience. It should be pointed out here that the time sequences mentioned in this memo might be telescoped as a result of the international debt situation proving unmanageable in the short-term, which would result in a systemic collapse *this* year, followed by the social and political consequences mentioned. Should that happen, the strategy outlined here will have been overtaken by events and ad hockery will reign supreme. This is a real possibility, but my best estimate is still that the point of maximum danger will occur about 1985/86.

Subregional and regional armed conflicts will increase as governments in desperation try to turn their subjects’ attention away from domestic problems. In the 1988–1993 period, these conflicts may well spread and eventually turn into generalized intercontinental warfare, at precisely the time when the science fiction advances in military technology are again, as in World War II, establishing the primacy of the offensive in warfare.

The Andropov Factor

All of this is taking place at a time when the Soviet Union, which has always operated in strategic terms in contrast to our tactical, reactive tendencies, has the most intelligent and subtle leadership since Lenin. In the very short time since he has taken power, Andropov has already demonstrated a sophisticated understanding of the mentality of the Western world and a lively realization of the limitations of Soviet resources as well as the necessity for economic liberalization while maintaining a political iron grip. Out of economic constraint concessions will be made on peripheral issues and in peripheral places and then trumpeted to the world as major gestures demanding a Western response. Detente will blossom again (it already has), lightening Soviet burdens and constraints and enabling continued concentration on the modernization of the Soviet capability to wage limited and general war and to take advantage of widespread social entropy in the West and the developing world.

Geostrategic Shifts

In the last five thousand years, there have been only three major shifts in the geostrategic epicenter of the world. The most recent occurred in the 18th and early 19th centuries when the Mediterranean rim finally lost the position it had occupied since 200 B.C., and the focus of economic, military and political power became centered in the northern Hemisphere between the Urals and the Mississippi. The center of political and military power is still there, but the center of worldwide economic gravity is shifting to the Pacific Basin with great rapidity. This is taking place in an area that for accidental historical reasons is something of a military vacuum, which may give us a hint of where the intercontinental conflict mentioned earlier is likely to be centered. This vacuum will eventually be filled, and there are only four candidates—China, which for various reasons is unlikely to do so by the end of the century; the Soviet Union, which will try to do so but which has serious logistical problems; Japan or the U.S. Clearly it is in our interests to see to it that the vacuum is filled by the U.S. and Japan jointly in close cooperation. The flow of history can be quixotically opposed with predictable negative results or it can be used and worked with. Obsolete policy and strategic baggage must be gradually lightened and eventually replaced, if we are not to be in the position of being prepared for yesterday's challenges but faced with today's.

Implications

If the above analysis is correct, various conclusions must be drawn from it.

—Rebuilding the capital base of the economy of the Western world and simultaneously shifting resources to the new technologies in an organized fashion, and not through the chaos of a systemic collapse, is essential to prevent or minimize the social and political consequences of the period of transition.

—It is clear that while this Administration's economic policies were directed towards achieving exactly that result, the political will does not exist in the American people and Congress to carry the process through thoroughly and rapidly.

—The necessary political will exists to an even lesser extent in Europe.

—The defense buildup, and especially development and deployment of the new technologies, must be maintained. Nevertheless, it is highly likely that the Andropov strategy will succeed in seriously weakening this resolve, again more in Europe than here, but also here. Therefore, the necessity to maintain and widen the *technological* lead in defense, as opposed to sheer mass.

—The necessary capital as well as a remarkable ability and willingness to apply this capital to new technologies and not leave it frozen in obsolescent industries is found only in Japan, which is simultaneously the economic engine of the Pacific Basin phenomenon and which *will* rearm by the end of the century as the generation of World War II dies off, with us or without us.

—As a result, the Pacific Basin and, particularly, Japan must be the centerpiece of our foreign policy for the rest of the century. This again will require an act of political will to overcome frozen intellectual and political capital now centered in Europe and the Middle East. Doing so will provide a powerful pole of attraction for China and India and freeze the Soviet Union, out of the new geostrategic world complex.

—Momentum in this direction must be firmly in place by the end of this Administration or it will not happen.

—In the meantime, the current international financial crisis must be overcome or all of the above will be overtaken by events.

—We must also maintain control over our own Hemisphere. Latin American policy and strategy must be formulated and firmly carried out in an area where this Administration is weak and where public, media and academic support is even weaker than in the area of defense policy.

Conclusions

I propose, therefore, as Director of Planning, with responsibility for political and economic matters, to concentrate my energies and attention during 1983 to:

—Promoting and consolidating the Japanese relationship in particular and the Pacific Basin relationship in general.

—Doing what I can to help manage the international debt crisis so that a systemic collapse does not occur this year.

—Supporting the effort to resist the deterioration of our position in the Hemisphere.

The second and third items are obviously interrelated and are necessary to provide the conditions for success of the first.

All of this will be attempted in the face of powerful vested interests both inside and outside of the government, as well as incompetence, confusion, ignorance and in some areas very thin staffing. The resources and big guns are on the other side. If you agree, however, the attempt will be made.

141. Memorandum of Conversation¹

Washington, February 2, 1983, 9:40–9:55 a.m.

SUBJECT

Summary of the President's Meeting with Jewish Leaders, February 2, 1983

PARTICIPANTS

President Ronald Reagan
Edwin Meese, III, Counselor to the President
James A. Baker, III, Chief of Staff and Assistant to the President
William P. Clark, Assistant to the President for National Security Affairs
Robert C. McFarlane, Deputy Assistant to the President for National Security Affairs
Howard J. Teicher, Staff Member, NSC

Jewish Leaders

Albert A. Spiegel, Chairman, National Republican Jewish Coalition
Edgar Bronfman, President, World Jewish Congress
Julius Berman, Chairman, Conference of Presidents of Major American Jewish Organizations
Dr. David Moses Rosen, Chief Rabbi, Romania

MINUTES

President Reagan. I know that you all have concerns about the Middle East situation and we do too. Ambassador Habib is trying to bring about a solution in Lebanon. This will help us proceed with the peace process. My view is that the greatest security for Israel lies in peace with its Arab neighbors. It cannot go on as an armed camp experiencing 130% inflation. Maybe there has been a misunderstanding, but the only way to proceed is to convince the Arabs to negotiate peace. On Lebanon, the new government there is having difficulties. They are asking all foreign forces to leave. By staying, Israel puts itself in a position of occupation. I know that some Lebanese want to help Israel for getting rid of the PLO. I hope the Israeli government can be persuaded to leave. I will not let anything happen that would endanger Israeli security. We are making headway with King Hussein. We must make progress, but Jordan is not Egypt and cannot afford to be isolated or to become a pariah.

¹ Source: Reagan Library, Executive Secretariat, NSC Subject File, Memorandums of Conversation—President Reagan (02/08/1983–02/09/1983). Confidential. No drafting information appears on the memorandum. The meeting took place in the Oval Office. The memorandum of conversation is also scheduled for publication in *Foreign Relations, 1981–1988*, vol. XIX, Arab-Israeli Dispute.

Julius Berman. The Jewish community is very grateful for the way the Administration acted during the summer. Attacks against Israel were unfair. American and Israeli goals have been the same historically. We all look forward to the ultimate peace process. Israel has stated time and again its readiness to negotiate. Yet the Arabs won't stop talking about talking to Israel. Yet, the perception here in the White House is that Israel is intransigent. But the bottom line is Israel is ready to talk and no one is on the other side.

President Reagan. Regarding Lebanon, we must let Lebanon establish its sovereignty. All foreign forces must get out. It was our own idea to put in the multi-national force to help stabilize Lebanon. Our efforts with Hussein and the Arabs are affected by their feeling that they cannot come to the peace table while Israel is in Lebanon.

Julius Berman. Have they said if the Israelis clear out of Lebanon that they will come to the table?

President Reagan. Hussein said he is ready but the only precondition is withdrawal from Lebanon.

Julius Berman. The only precondition? Did I just learn that Hussein told you he would join the peace process when Israel leaves Lebanon?

William P. Clark. It is not that explicit. A great deal has been said in private between the President and the King. We do not reveal the details of discussions between Heads of State. It would be unfair to go beyond what has already been said publicly.

Robert C. McFarlane. The spirit of King Hussein's message is that he is close to receiving an endorsement to represent the others. A Lebanon solution is necessary but not a precondition.

William P. Clark. We have said this before. It is not something new. The King said it publicly.

President Reagan. When the King was here we had a private talk then a regular discussion with his advisors.² It is sometimes hard to put it exactly as he said it. But he is heart and soul supportive. He is trying to satisfy the point of view of the Palestinians, but needs a go-ahead from his allies. Mubarak also told me he wants to go forward to improve Egypt-Israeli relations but is held back by Lebanon.³ A halt to settlement activity during negotiations will also be necessary.

²The President met with King Hussein at the White House on December 21, 1982. (Reagan Library, President's Daily Diary) Documentation on the visit is scheduled for publication in *Foreign Relations*, 1981-1988, vol. XIX, Arab-Israeli Dispute.

³The President met with Mubarak in the Oval Office on January 27, from 11:30 until 11:55 a.m. From 11:55 a.m. until 12:25 p.m. the President and Mubarak met in the Cabinet Room and were joined by U.S. and Egyptian officials. (Reagan Library, President's Daily Diary) Documentation on the visit is scheduled for publication in *Foreign Relations*, 1981-1988, vol. XIX, Arab-Israeli Dispute.

Edgar Bronfman. Are the Syrians and PLO willing to pull out?

President Reagan. Yes, and Lebanon has asked them to leave.

William P. Clark. We are working on a continuum since the cessation of combat. It is in the mutual interests of all to withdraw. There has been no change in our policy. However as each day passes without progress the Soviets show greater interest. There are more incidents, such as the wounding of French troops.

President Reagan. The analogy is not exact but I can't help but compare this situation to what we experienced on the campuses in the 1960s. The Communist Party line became not to directly cause a conflict, but wherever there was a chance for a conflict, to get involved. It is the same with the Soviets today. They are always looking to exploit and worsen existing problems.

Albert Spiegel. I want to reaffirm the Jewish community's commitment to the give and take of negotiations. This expectation gives us comfort. Your own personal involvement and commitment, especially what you said on September 1, is fully appreciated. But it is important that we get Israel to the negotiating table without having to give up anything in advance of negotiations.

President Reagan. You are right. We are aware of the feeling that we may have given something away to the Arabs that must be negotiated. When Israel went into Lebanon the Arabs believed we were involved. They are so convinced of the closeness of U.S.-Israeli relations that they cannot believe that if we want Israel to leave Lebanon, Israel won't leave. This perception affects our ability to convince them to join the peace process.

The meeting adjourned at 9:55 a.m.

142. Editorial Note

On February 24, 1983, Secretary of State George Shultz delivered an address before the Southern Center for International Studies in Atlanta. Noting that the speech afforded him the "opportunity for me to use a wide-angle lens," Shultz explained that while the "broad picture is ever in our mind," the daily business of the Department of State "generally finds us using not the broad brush but the jeweler's glass as we examine the myriad individual issues on which our foreign relations turn. So today I want to begin by opening the lens full scope. I will describe the fundamental tenets which underlie President Reagan's foreign policy.

"Then I'd like to turn the lens down in two successive notches: first, a moderate turn to discuss the importance to our foreign policy of the more than 100 developing countries of the Third World—Asia, Africa, and South America.

"Finally, I plan to focus way down and—in this time of tight budgets—discuss the funds which the United States must expend to achieve its objectives. Contrary to public opinion, the currency of foreign affairs is not cookies. It takes resources—modest but sustained, applied credibly over time—to secure international peace, foster economic growth, and help insure the well-being of each of our citizens. But we'll start with the broader view.

"Since his inauguration 2 years ago, President Reagan has sought to revitalize U.S. foreign policy. He is resolved to reduce a decade's accumulation of doubt about the U.S. commitment and staying power. Our watchwords in doing this are four ideas:

"First, we start with realism.

"Second, we build with strength.

"Third, we stress the indispensable need to negotiate and to reach agreements.

"Fourth, we keep the faith. We believe that progress is possible even though the tasks are complex.

"Let me take each of these very briefly in turn. I'm very conscious of them, because as I get caught up in the day-to-day details of foreign policy and go over to the White House to discuss my current problems with the President, he has the habit of bringing me back to these fundamentals. And I believe they are truly fundamental.

"Realism. If we're going to improve our world, we have to understand it. And it's got a lot of good things about it; it's got a lot of bad things about it. We have to be willing to describe them to ourselves. We have to be willing if we see aggression to call it aggression. We have to be willing if we see the use of chemical and biological warfare contrary to agreements to get up and say so and document the point. When we see persecution, we have to be willing to get up and say that's the reality, whether it happens to be in a country that is friendly to us or not.

"When we look at economic problems around the world, we have to be able to describe them to ourselves candidly and recognize that there are problems. That's where you have to start, if you're going to do something about them. So, I think realism is an essential ingredient in the conduct of our foreign policy.

"Strength. Next, I believe is strength. We must have military strength, if we're going to stand up to the problems that we confront around the world and the problems imposed on us by the military

strength of the Soviet Union and the demonstrated willingness of the Soviet Union to use its strength without any compunction whatever.

“So, military strength is essential, but I think we delude ourselves if we don’t recognize—as we do, as the President does—that military strength rests on a strong economy; on an economy that has the capacity to invest in its future, believe in its future—as you do here in Atlanta; an economy that brings inflation under control and that stimulates the productivity that goes with adequate savings and investment and has given us the rising standard of living and remarkable economic development that our country has known. But more than that, we have to go back to our own beliefs and ideals and be sure that we believe in them. And there is no way to do that better than to live by them ourselves. So, we have to maintain our own self-confidence and our own will power and our own notion that we are on the right track to go with the strength in our economy and our military capability.

“Negotiation. Of course, beyond this, if we are realistic and we are strong, I believe it is essential that we also are ready to go out and solve problems, to negotiate with people, to try to resolve the difficulties that we see all around the world—not simply because in doing so we help the places where those difficulties are but because in doing so we also help ourselves, we further our own interests. So, negotiation and working out problems has got to be a watchword for us, and we do that all around the world. I think it is no exaggeration to say that the efforts of the United States resulted in saving the city of Beirut from complete destruction. We are active in trying to resolve difficulties in Kampuchea. We have called attention to the problems in Afghanistan. We’re working in Southern Africa in a most difficult situation to bring about a resolution of the Namibia issues, and so on around the world. But I like to think that the United States must be conceived of as part of the solution and not part of the problem. That’s where we want to be standing.

“Finally, if we can achieve these things, if we can be strong enough so that people must take us seriously, and put our ideas forward in a realistic manner, then we will be able to solve problems and have some competence to be successful, and, if we’re successful, certainly the world can be better.”

Shultz then discussed relations with the Third World and foreign aid before concluding his remarks: “Let me close by opening my lens back up and reverting to the fourth of the tenets which guide our conduct of foreign affairs: namely, our conviction that progress is possible. We Americans have lived for over 40 years in a tumultuous world in which we have pursued four basic goals:

“First, building world peace and deterring war—above all, nuclear war which would threaten human existence;

“*Second*, containing the influence of nations which are fundamentally opposed to our values and interests—notably the Soviet Union and its allies;

“*Third*, fostering a growing world economy and protecting U.S. access to free markets and critical resources; and

“*Fourth*, encouraging other nations to adopt principles of self-determination, economic freedom, and the rule of law which are the foundation stones of American society.

“In these endeavors, we have had some signal successes. Some formerly troubled countries of the world—for instance, the countries of East Asia—are now relatively strong and prosperous. Western Europe, a cockpit of warring nationalities for a century, has been at peace for 37 years. Progress has been made in fundamental areas affecting the mass of mankind: better health, longer life expectancy, more schooling, increased income. We have a chance in the coming year to make major strides in fashioning peace in the Middle East.

“Americans as a people are pragmatists, suspicious of grand assurances or easy promises. But I’m convinced that if we persevere—proceeding realistically, backed by strength, fully willing to negotiate and search for agreement—we will be able to brighten the future for ourselves and for others throughout the world.” (Department of State *Bulletin*, April 1983, pages 25–28)

143. Editorial Note

On March 8, 1983, President Ronald Reagan delivered remarks at the national convention of the National Association of Evangelicals in Orlando, Florida. Earlier that day, the President visited Epcot Center at Walt Disney World, where he viewed a film, attended a reception with students participating in the World Showcase Fellowship Program, and offered remarks to outstanding Florida math and science students. (Reagan Library, President’s Daily Diary) After departing Disney World, the President traveled to the Sheraton Twin Towers Hotel, where he spoke to the evangelicals at 3:04 p.m. in the Citrus Crown Ballroom. After discussing the state of religion in the United States and denouncing racism, anti-Semitism, and other forms of ethnic and racial hatred, the President addressed U.S.-Soviet relations and the ill-advisability of a nuclear weapons freeze: “But whatever sad episodes exist in our past, any objective observer must hold a positive view of American history, a

history that has been the story of hopes fulfilled and dreams made into reality. Especially in this century, America has kept alight the torch of freedom, but not just for ourselves but for millions of others around the world.

“And this brings me to my final point today. During my first press conference as President, in answer to a direct question, I pointed out that, as good Marxist-Leninists, the Soviet leaders have openly and publicly declared that the only morality they recognize is that which will further their cause, which is world revolution. I think I should point out I was only quoting Lenin, their guiding spirit, who said in 1920 that they repudiate all morality that proceeds from supernatural ideas—that’s their name for religion—or ideas that are outside class conceptions. Morality is entirely subordinate to the interests of class war. And everything is moral that is necessary for the annihilation of the old, exploiting social order and for uniting the proletariat.

“Well, I think the refusal of many influential people to accept this elementary fact of Soviet doctrine illustrates an historical reluctance to see totalitarian powers for what they are. We saw this phenomenon in the 1930’s. We see it too often today.

“This doesn’t mean we should isolate ourselves and refuse to seek an understanding with them. I intend to do everything I can to persuade them of our peaceful intent, to remind them that it was the West that refused to use its nuclear monopoly in the forties and fifties for territorial gain and which now proposes 50-percent cut in strategic ballistic missiles and the elimination of an entire class of land-based, intermediate-range nuclear missiles.

“At the same time, however, they must be made to understand we will never compromise our principles and standards. We will never give away our freedom. We will never abandon our belief in God. And we will never stop searching for a genuine peace. But we can assure none of these things America stands for through the so-called nuclear freeze solutions proposed by some.

“The truth is that a freeze now would be a very dangerous fraud, for that is merely the illusion of peace. The reality is that we must find peace through strength.

“I would agree to a freeze if only we could freeze the Soviets’ global desires. A freeze at current levels of weapons would remove any incentive for the Soviets to negotiate seriously in Geneva and virtually end our chances to achieve the major arms reductions which we have proposed. Instead, they would achieve their objectives through the freeze.

“A freeze would reward the Soviet Union for its enormous and unparalleled military buildup. It would prevent the essential and long overdue modernization of United States and allied defenses and would leave our aging forces increasingly vulnerable. And an honest freeze

would require extensive prior negotiations on the systems and numbers to be limited and on the measures to ensure effective verification and compliance. And the kind of a freeze that has been suggested would be virtually impossible to verify. Such a major effort would divert us completely from our current negotiations on achieving substantial reductions.

“A number of years ago, I heard a young father, a very prominent young man in the entertainment world, addressing a tremendous gathering in California. It was during the time of the cold war, and communism and our own way of life were very much on people’s minds. And he was speaking to that subject. And suddenly, though, I heard him saying, ‘I love my little girls more than anything—’ And I said to myself, ‘Oh, no, don’t. You can’t—don’t say that.’ But I had underestimated him. He went on: ‘I would rather see my little girls die now, still believing in God, than have them grow up under communism, and one day die no longer believing in God.’

“There were thousands of young people in that audience. They came to their feet with shouts of joy. They had instantly recognized the profound truth in what he had said, with regard to the physical and the soul and what was truly important.

“Yes, let us pray for the salvation of all of those who live in that totalitarian darkness—pray they will discover the joy of knowing God. But until they do, let us be aware that while they preach the supremacy of the state, declare its omnipotence over individual man, and predict its eventual domination of all peoples on the Earth, they are the focus of evil in the modern world.

“It was C.S. Lewis who, in his unforgettable ‘Screwtape Letters,’ wrote: ‘The greatest evil is not done now in those sordid “dens of crime” that Dickens loved to paint. It is not even done in concentration camps and labor camps. In those we see its final result. But it is conceived and ordered (moved, seconded, carried and minuted) in clear, carpeted, warmed, and well-lighted offices, by quiet men with white collars and cut fingernails and smooth-shaven cheeks who do not need to raise their voice.’

“Well, because these ‘quiet men’ do not ‘raise their voices,’ because they sometimes speak in soothing tones of brotherhood and peace, because, like other dictators before them, they’re always making ‘their final territorial demand,’ some would have us accept them at their word and accommodate ourselves to their aggressive impulses. But if history teaches anything, it teaches that simple-minded appeasement or wishful thinking about our adversaries is folly. It means the betrayal of our past, the squandering of our freedom.

“So, I urge you to speak out against those who would place the United States in a position of military and moral inferiority. You know, I’ve always believed that old Screwtape reserved his best efforts for

those of you in the church. So, in your discussions of the nuclear freeze proposals, I urge you to beware the temptation of pride—the temptation of blithely declaring yourselves above it all and label both sides equally at fault, to ignore the facts of history and the aggressive impulses of an evil empire, to simply call the arms race a giant misunderstanding and thereby remove yourself from the struggle between right and wrong and good and evil.

“I ask you to resist the attempts of those who would have you withhold your support for our efforts, this administration’s efforts, to keep America strong and free, while we negotiate real and verifiable reductions in the world’s nuclear arsenals and one day, with God’s help, their total elimination.

“While America’s military strength is important, let me add here that I’ve always maintained that the struggle now going on for the world will never be decided by bombs or rockets, by armies or military might. The real crisis we face today is a spiritual one; at root, it is a test of moral will and faith.

“Whittaker Chambers, the man whose own religious conversion made him a witness to one of the terrible traumas of our time, the Hiss-Chambers case, wrote that the crisis of the Western World exists to the degree in which the West is indifferent to God, the degree to which it collaborates in communism’s attempt to make man stand alone without God. And then he said, for Marxism-Leninism is actually the second oldest faith, first proclaimed in the Garden of Eden with the words of temptation, ‘Ye shall be as gods.’

“The Western World can answer this challenge, he wrote, ‘but only provided that its faith in God and the freedom He enjoins is as great as communism’s faith in Man.’

“I believe we shall rise to the challenge. I believe that communism is another sad, bizarre chapter in human history whose last pages even now are being written. I believe this because the source of our strength in the quest for human freedom is not material, but spiritual. And because it knows no limitation, it must terrify and ultimately triumph over those who would enslave their fellow man. For in the words of Isaiah: ‘He giveth power to the faint; and to them that have no might He increased strength. . . . But they that wait upon the Lord shall renew their strength; they shall mount up with wings as eagles; they shall run, and not be weary. . . .’

“Yes, change your world. One of our Founding Fathers, Thomas Paine, said, ‘We have it within our power to begin the world over again.’ We can do it, doing together what no one church could do by itself.

“God bless you, and thank you very much.” (*Public Papers: Reagan, 1983, Book I, pages 362–364*)

The complete text of Reagan's address is *ibid.*, pages 359–364. In his personal diary entry for March 8, the President wrote: "Off to a warm, sunshiny Fla. First meetings were at Disneys Epcot—their world history center. It was a fascinating place. My talk was to hundreds of bright, young highschool students including foreign exchange students. Then to the convention of Evangelical clergy. My speech was well received—3 standing ovations during the speech. I talked of parents rights (squeal rule) abortion, school prayer and our need for a strong defense." (Brinkley, ed., *The Reagan Diaries*, volume I, January 1981–October 1985, page 203) In recalling the address, Secretary of State George Shultz wrote: "The 'evil empire' phrase would take on a life of its own. Calling the Soviet Union an 'evil empire' transformed this into a major speech, even though it had not been planned or developed through any careful or systematic process. No doubt Soviet leaders were offended, and many of our friends were alarmed. How conscious of the implications of their words the president and his speechwriters were, I do not know. Whether or not he was wise to use this phrase to describe the Soviet Union, it was in fact an empire and evil abounded." (Shultz, *Turmoil and Triumph*, page 267)

144. Telegram From the Department of State to the Embassies in all North Atlantic Treaty Organization Capitals, Japan, Australia, China, and New Zealand¹

Washington, March 24, 1983, 0219Z

80223. Subject: The President's March 23 Defense Speech.²

1. In his speech tonight the President will announce that he will direct, consistent with our obligations under the ABM treaty³ and

¹ Source: Department of State, Central Foreign Policy File, Electronic Telegrams, D830162–0439. Unclassified; Immediate. Sent for information to the Department of Defense, the White House, and the Joint Chiefs of Staff. Sent for information Immediate to all diplomatic posts, CSA, CNO, CSAF, CMC, CINCAD Peterson AFB, CINCLANT Norfolk, UNCINCEUR Vailhingen, CINCMAC Scott AFB, CINCPAC Honolulu, USCINCCENT Macdill AFB, USCINCREC Macdill AFB, USCINCSO Quarry Heights, and CINCSAC Offutt AFB. Drafted by Kanter and Caldwell; cleared by Dobbins, McManaway, Howe, and in S/S–O, and in substance by McFarlane, Iklé, and Gorman (JCS); approved by Eagleburger.

² See Document 145.

³ See footnote 9, Document 91.

recognizing the need for close consultations with our allies, the development of a long comprehensive and intensive effort to define a long-term research and development program in defensive systems which, if successful, might ultimately eliminate the threat posed by ballistic missiles. This initiative could lead to increasing reliance upon the contribution of defensive systems rather than on such missiles.

2. In doing so the President fully recognizes that as we pursue our defensive technologies, we must remember that our allies rely upon US strategic offensive power to deter attacks against them. Their vital interests and ours remain inextricably linked. We will continue fully to honor our commitments.

3. The technological challenge is certainly great, but if met successfully, the goal would be ultimately to end the era of reliance on ballistic missiles. In fact, the reduction in the direct threat posed to our societies and populations by ballistic missiles would make even more credible the deterrence provided by our other forces.

4. In his speech, the President also intends to increase the American people's understanding of the reasons for our defense modernization program and the need to sustain a substantial defense effort, despite the economic costs it entails. He plans to draw attention to the sustained Soviet military buildup, the impressive advancement in the quality as well as the quantity of Soviet weapons systems, and the increased Soviet willingness to translate Soviet power into political intimidation.

5. His main thrust in doing so is to explain why freedom, security and peace depend on our program of rearmament. His objective is to rise above a sterile debate about this or that level of defense spending and concentrate on the threats we face and the steps needed to counter them.

6. The President's speech will be nationally televised at 8:00 PM Eastern standard time, March 23, (1:00 AM Greenwich mean time, March 24). Action addressees, at the first opportunity thereafter, should transmit the substance of the previous paragraphs to host governments, drawing on the following talking points and, as appropriate, on the questions and answers provided in para 10 below. Info addressees except for military addressees as appropriate may also convey the substance of these points to host governments.

7. For military addressees: the content of this message is provided for your information only. It should not RPT not be used by command information officers to respond to media queries. Queries regarding President's speech should be referred to the White House until

otherwise instructed. Public affairs guidance will be promulgated by OSAD-PA by separate message.⁴

8. Begin talking points:

— The President indicated that he is prepared, with appropriate consultation, to direct a comprehensive and intensive effort to define a long-term research and development program to develop a technology for defense against the threat posed by ballistic missiles. These steps may permit a future—after the turn of the century—policy which relies on defense ballistic missile attack rather than exclusively on retaliation.

— The President's initiative has the full support of the Secretary of State, the Secretary of Defense, the President's senior advisors, and the Joint Chiefs of Staff.

— The initiative would in no way lead to shifts in priorities away from necessary strategic and intermediate range nuclear force modernization. These forces are clearly needed to offset the massive buildup in Soviet offensive capabilities and to hold the line until a more defense-oriented posture becomes possible.

— The goal in the INF and START talks remains what it has been: the elimination of an entire class of nuclear missiles—in the former; significant reductions in nuclear armaments in the latter. This initiative complements our other efforts to reduce or eliminate the threat posed by nuclear offensive weapons.

— We want to emphasize that it in no way signals any change in US policy regarding the ABM treaty.

— The US will work closely with the Allies to ensure that their security is enhanced by the developments we undertake and to maintain an effective common deterrent against the entire spectrum of possible aggression. End talking points.

[Omitted here is a section containing anticipated questions and answers.]

Shultz

⁴Not found.

145. Address by President Reagan to the Nation¹

Washington, March 23, 1983

Address to the Nation on Defense and National Security

My fellow Americans, thank you for sharing your time with me tonight.

The subject I want to discuss with you, peace and national security, is both timely and important. Timely, because I've reached a decision which offers a new hope for our children in the 21st century, a decision I'll tell you about in a few minutes. And important because there's a very big decision that you must make for yourselves. This subject involves the most basic duty that any President and any people share, the duty to protect and strengthen the peace.

At the beginning of this year, I submitted to the Congress a defense budget which reflects my best judgment of the best understanding of the experts and specialists who advise me about what we and our allies must do to protect our people in the years ahead. That budget is much more than a long list of numbers, for behind all the numbers lies America's ability to prevent the greatest of human tragedies and preserve our free way of life in a sometimes dangerous world. It is part of a careful, long-term plan to make America strong again after too many years of neglect and mistakes.

Our efforts to rebuild America's defenses and strengthen the peace began 2 years ago when we requested a major increase in the defense program. Since then, the amount of those increases we first proposed

¹ Source: *Public Papers: Reagan, 1983*, Book I, pp. 437–443. The President spoke at 8:02 p.m. from the Oval Office. His address was broadcast live on nationwide radio and television networks. In his personal diary entry for March 23, the President wrote: "The big thing today was the 8 P.M. T.V. speech on all networks about the Nat. Security. We've been working on the speech for about 72 hrs. & right down to deadline. We had a group in for dinner at the W.H. I didn't join them except before dinner a few words of welcome. Nancy & I then dined early upstairs. The group included several former Secs. of State, Nat. Security Advisors, distinguished Nuclear scientists, the Chiefs of staff etc. I did the speech from the Oval office at 8 & then joined the party for coffee. I guess it was O.K. they all praised it to the sky & seemed to think it would be a source of debate for some time to come. I did the bulk of the speech on why our arms build up was necessary & then finished with a call to the Science community to join me in research starting now to develop a defensive weapon that would render nuclear missiles obsolete. I made no optimistic forecasts—said it might take 20 yrs. or more but we had to do it. I felt good." (Brinkley, ed., *The Reagan Diaries*, vol. I, January 1981–October 1985, p. 209) For Shultz's assessment of the planning of the address, see *Turmoil and Triumph*, pp. 249–261. According to Shultz, "It was a stunning and dramatic speech. It expressed a deep vision: we had painted ourselves into a corner with the concept of Mutual Assured Destruction, and the president proposed a way out." (*Ibid.*, p. 258)

has been reduced by half, through improvements in management and procurement and other savings.

The budget request that is now before the Congress has been trimmed to the limits of safety. Further deep cuts cannot be made without seriously endangering the security of the Nation. The choice is up to the men and women you've elected to the Congress, and that means the choice is up to you.

Tonight, I want to explain to you what this defense debate is all about and why I'm convinced that the budget now before the Congress is necessary, responsible, and deserving of your support. And I want to offer hope for the future.

But first, let me say what the defense debate is not about. It is not about spending arithmetic. I know that in the last few weeks you've been bombarded with numbers and percentages. Some say we need only a 5-percent increase in defense spending. The so-called alternate budget backed by liberals in the House of Representatives would lower the figure to 2 to 3 percent, cutting our defense spending by \$163 billion over the next 5 years. The trouble with all these numbers is that they tell us little about the kind of defense program America needs or the benefits and security and freedom that our defense effort buys for us.

What seems to have been lost in all this debate is the simple truth of how a defense budget is arrived at. It isn't done by deciding to spend a certain number of dollars. Those loud voices that are occasionally heard charging that the Government is trying to solve a security problem by throwing money at it are nothing more than noise based on ignorance. We start by considering what must be done to maintain peace and review all the possible threats against our security. Then a strategy for strengthening peace and defending against those threats must be agreed upon. And, finally, our defense establishment must be evaluated to see what is necessary to protect against any or all of the potential threats. The cost of achieving these ends is totaled up, and the result is the budget for national defense.

There is no logical way that you can say, let's spend x billion dollars less. You can only say, which part of our defense measures do we believe we can do without and still have security against all contingencies? Anyone in the Congress who advocates a percentage or a specific dollar cut in defense spending should be made to say what part of our defenses he would eliminate, and he should be candid enough to acknowledge that his cuts mean cutting our commitments to allies or inviting greater risk or both.

The defense policy of the United States is based on a simple premise: The United States does not start fights. We will never be

an aggressor. We maintain our strength in order to deter and defend against aggression—to preserve freedom and peace.

Since the dawn of the atomic age, we've sought to reduce the risk of war by maintaining a strong deterrent and by seeking genuine arms control. "Deterrence" means simply this: making sure any adversary who thinks about attacking the United States, or our allies, or our vital interests, concludes that the risks to him outweigh any potential gains. Once he understands that, he won't attack. We maintain the peace through our strength; weakness only invites aggression.

This strategy of deterrence has not changed. It still works. But what it takes to maintain deterrence has changed. It took one kind of military force to deter an attack when we had far more nuclear weapons than any other power; it takes another kind now that the Soviets, for example have enough accurate and powerful nuclear weapons to destroy virtually all of our missiles on the ground. Now, this is not to say that the Soviet Union is planning to make war on us. Nor do I believe a war is inevitable—quite the contrary. But what must be recognized is that our security is based on being prepared to meet all threats.

There was a time when we depended on coastal forts and artillery batteries, because, with the weaponry of that day, any attack would have had to come by sea. Well, this is a different world, and our defenses must be based on recognition and awareness of the weaponry possessed by other nations in the nuclear age.

We can't afford to believe that we will never be threatened. There have been two world wars in my lifetime. We didn't start them and, indeed, did everything we could to avoid being drawn into them. But we were ill-prepared for both. Had we been better prepared, peace might have been preserved.

For 20 years the Soviet Union has been accumulating enormous military might. They didn't stop when their forces exceeded all requirements of a legitimate defensive capability. And they haven't stopped now. During the past decade and a half, the Soviets have built up a massive arsenal of new strategic nuclear weapons—weapons that can strike directly at the United States.

As an example, the United States introduced its last new intercontinental ballistic missile, the Minute Man III, in 1969, and we're now dismantling our even older Titan missiles. But what has the Soviet Union done in these intervening years? Well, since 1969 the Soviet Union has built five new classes of ICBM's, and upgraded these eight times. As a result, their missiles are much more powerful and accurate than they were several years ago, and they continue to develop more, while ours are increasingly obsolete.

The same thing has happened in other areas. Over the same period, the Soviet Union built 4 new classes of submarine-launched ballistic

missiles and over 60 new missile submarines. We built 2 new types of submarine missiles and actually withdrew 10 submarines from strategic missions. The Soviet Union built over 200 new Backfire bombers, and their brand new Blackjack bomber is now under development. We haven't built a new long-range bomber since our B-52's were deployed about a quarter of a century ago, and we've already retired several hundred of those because of old age. Indeed, despite what many people think, our strategic forces only cost about 15 percent of the defense budget.

Another example of what's happened: In 1978 the Soviets had 600 intermediate-range nuclear missiles based on land and were beginning to add the SS-20—a new, highly accurate, mobile missile with 3 warheads. We had none. Since then the Soviets have strengthened their lead. By the end of 1979, when Soviet leader Brezhnev declared “a balance now exists,” the Soviets had over 800 warheads. We still had none. A year ago this month, Mr. Brezhnev pledged a moratorium, or freeze, on SS-20 deployment. But by last August, their 800 warheads had become more than 1,200. We still had none. Some freeze. At this time Soviet Defense Minister Ustinov announced “approximate parity of forces continues to exist.” But the Soviets are still adding an average of 3 new warheads a week, and now have 1,300. These warheads can reach their targets in a matter of a few minutes. We still have none. So far, it seems that the Soviet definition of parity is a box score of 1,300 to nothing, in their favor.

So, together with our NATO allies, we decided in 1979 to deploy new weapons,² beginning this year, as a deterrent to their SS-20's and as an incentive to the Soviet Union to meet us in serious arms control negotiations. We will begin that deployment late this year. At the same time, however, we're willing to cancel our program if the Soviets will dismantle theirs. This is what we've called a zero-zero plan. The Soviets are now at the negotiating table—and I think it's fair to say that without our planned deployments, they wouldn't be there.

Now, let's consider conventional forces. Since 1974 the United States produced 3,050 tactical combat aircraft. By contrast, the Soviet Union has produced twice as many. When we look at attack submarines, the United States has produced 27 while the Soviet Union has produced 61. For armored vehicles, including tanks, we have produced 11,200. The Soviet Union has produced 54,000—nearly 5 to 1 in their favor. Finally, with artillery, we've produced 950 artillery and rocket launchers while the Soviets have produced more than 13,000—a staggering 14-to-1 ratio.

² See footnote 6, Document 35.

There was a time when we were able to offset superior Soviet numbers with higher quality, but today they are building weapons as sophisticated and modern as our own.

As the Soviets have increased their military power, they've been emboldened to extend that power. They're spreading their military influence in ways that can directly challenge our vital interests and those of our allies.

The following aerial photographs, most of them secret until now, illustrate this point in a crucial area very close to home: Central America and the Caribbean Basin. They're not dramatic photographs. But I think they help give you a better understanding of what I'm talking about.

This Soviet intelligence collection facility, less than a hundred miles from our coast, is the largest of its kind in the world. The acres and acres of antennae fields and intelligence monitors are targeted on key U.S. military installations and sensitive activities. The installation in Lourdes, Cuba, is manned by 1,500 Soviet technicians. And the satellite ground station allows instant communications with Moscow. This 28-square-mile facility has grown by more than 60 percent in size and capability during the past decade.

In western Cuba, we see this military airfield and its complement of modern, Soviet-built Mig-23 aircraft. The Soviet Union uses this Cuban airfield for its own long-range reconnaissance missions. And earlier this month, two modern Soviet antisubmarine warfare aircraft began operating from it. During the past 2 years, the level of Soviet arms exports to Cuba can only be compared to the levels reached during the Cuban missile crisis 20 years ago.

This third photo, which is the only one in this series that has been previously made public, shows Soviet military hardware that has made its way to Central America. This airfield with its MI-8 helicopters, anti-aircraft guns, and protected fighter sites is one of a number of military facilities in Nicaragua which has received Soviet equipment funneled through Cuba, and reflects the massive military buildup going on in that country.

On the small island of Grenada, at the southern end of the Caribbean chain, the Cubans, with Soviet financing and backing, are in the process of building an airfield with a 10,000-foot runway. Grenada doesn't even have an air force. Who is it intended for? The Caribbean is a very important passageway for our international commerce and military lines of communication. More than half of all American oil imports now pass through the Caribbean. The rapid buildup of Grenada's military potential is unrelated to any conceivable threat to this island country of under 110,000 people and totally at odds with the pattern of other eastern Caribbean States, most of which are unarmed.

The Soviet-Cuban militarization of Grenada, in short, can only be seen as power projection into the region. And it is in this important economic and strategic area that we're trying to help the Governments of El Salvador, Costa Rica, Honduras, and others in their struggles for democracy against guerrillas supported through Cuba and Nicaragua.

These pictures only tell a small part of the story. I wish I could show you more without compromising our most sensitive intelligence sources and methods. But the Soviet Union is also supporting Cuban military forces in Angola and Ethiopia. They have bases in Ethiopia and South Yemen, near the Persian Gulf oil fields. They've taken over the port that we built at Cam Ranh Bay in Vietnam. And now for the first time in history, the Soviet Navy is a force to be reckoned with in the South Pacific.

Some people may still ask: Would the Soviets ever use their formidable military power? Well, again, can we afford to believe they won't? There is Afghanistan. And in Poland, the Soviets denied the will of the people and in so doing demonstrated to the world how their military power could also be used to intimidate.

The final fact is that the Soviet Union is acquiring what can only be considered an offensive military force. They have continued to build far more intercontinental ballistic missiles than they could possibly need simply to deter an attack. Their conventional forces are trained and equipped not so much to defend against an attack as they are to permit sudden, surprise offensives of their own.

Our NATO allies have assumed a great defense burden, including the military draft in most countries. We're working with them and our other friends around the world to do more. Our defensive strategy means we need military forces that can move very quickly, forces that are trained and ready to respond to any emergency.

Every item in our defense program—our ships, our tanks, our planes, our funds for training and spare parts—is intended for one all-important purpose: to keep the peace. Unfortunately, a decade of neglecting our military forces had called into question our ability to do that.

When I took office in January 1981, I was appalled by what I found: American planes that couldn't fly and American ships that couldn't sail for lack of spare parts and trained personnel and insufficient fuel and ammunition for essential training. The inevitable result of all this was poor morale in our Armed Forces, difficulty in recruiting the brightest young Americans to wear the uniform, and difficulty in convincing our most experienced military personnel to stay on.

There was a real question then about how well we could meet a crisis. And it was obvious that we had to begin a major modernization

program to ensure we could deter aggression and preserve the peace in the years ahead.

We had to move immediately to improve the basic readiness and staying power of our conventional forces, so they could meet—and therefore help deter—a crisis. We had to make up for lost years of investment by moving forward with a long-term plan to prepare our forces to counter the military capabilities our adversaries were developing for the future.

I know that all of you want peace, and so do I. I know too that many of you seriously believe that a nuclear freeze would further the cause of peace. But a freeze now would make us less, not more, secure and would raise, not reduce, the risks of war. It would be largely unverifiable and would seriously undercut our negotiations on arms reduction. It would reward the Soviets for their massive military buildup while preventing us from modernizing our aging and increasingly vulnerable forces. With their present margin of superiority, why should they agree to arms reductions knowing that we were prohibited from catching up?

Believe me, it wasn't pleasant for someone who had come to Washington determined to reduce government spending, but we had to move forward with the task of repairing our defenses or we would lose our ability to deter conflict now and in the future. We had to demonstrate to any adversary that aggression could not succeed, and that the only real solution was substantial, equitable, and effectively verifiable arms reduction—the kind we're working for right now in Geneva.³

Thanks to your strong support, and bipartisan support from the Congress, we began to turn things around. Already, we're seeing some very encouraging results. Quality recruitment and retention are up dramatically—more high school graduates are choosing military careers, and more experienced career personnel are choosing to stay. Our men and women in uniform at last are getting the tools and training they need to do their jobs.

Ask around today, especially among our young people, and I think you will find a whole new attitude toward serving their country. This reflects more than just better pay, equipment, and leadership. You the

³ The current round of START negotiations resumed in Geneva on February 2. On January 21, from 9:35 until 10:20 a.m. the President met with Rowny and Nitze, in addition to Bush, Shultz, Weinberger, Adelman, Clark, McFarlane, James Baker, and Meese, to discuss both the upcoming INF and START negotiations. (Reagan Library, President's Daily Diary) In a statement released that day, Reagan noted: "Our proposals for massive reductions in strategic arsenals and for the elimination of an entire class of nuclear missiles in the intermediate nuclear forces deserve the support of all who seek genuine arms reductions. The coming round of the negotiations is particularly important, because our far-reaching proposals combined with our defense modernization programs provide a strong incentive for reaching agreements on lower levels of forces on an equitable and verifiable basis." (*Public Papers: Reagan, 1983*, Book I, p. 85)

American people have sent a signal to these young people that it is once again an honor to wear the uniform. That's not something you measure in a budget, but it's a very real part of our nation's strength.

It'll take us longer to build the kind of equipment we need to keep peace in the future, but we've made a good start.

We haven't built a new long-range bomber for 21 years. Now we're building the B-1. We hadn't launched one new strategic submarine for 17 years. Now we're building one Trident submarine a year. Our land-based missiles are increasingly threatened by the many huge, new Soviet ICBM's. We're determining how to solve that problem. At the same time, we're working in the START and INF negotiations with the goal of achieving deep reductions in the strategic and intermediate nuclear arsenals of both sides.

We have also begun the long-needed modernization of our conventional forces. The Army is getting its first new tank in 20 years. The Air Force is modernizing. We're rebuilding our Navy, which shrank from about a thousand ships in the late 1960's to 453 during the 1970's. Our nation needs a superior navy to support our military forces and vital interests overseas. We're now on the road to achieving a 600-ship navy and increasing the amphibious capabilities of our marines, who are now serving the cause of peace in Lebanon. And we're building a real capability to assist our friends in the vitally important Indian Ocean and Persian Gulf region.

This adds up to a major effort, and it isn't cheap. It comes at a time when there are many other pressures on our budget and when the American people have already had to make major sacrifices during the recession. But we must not be misled by those who would make defense once again the scapegoat of the Federal budget.

The fact is that in the past few decades we have seen a dramatic shift in how we spend the taxpayer's dollar. Back in 1955, payments to individuals took up only about 20 percent of the Federal budget. For nearly three decades, these payments steadily increased and, this year, will account for 49 percent of the budget. By contrast, in 1955 defense took up more than half of the Federal budget. By 1980 this spending had fallen to a low of 23 percent. Even with the increase that I am requesting this year, defense will still amount to only 28 percent of the budget.

The calls for cutting back the defense budget come in nice, simple arithmetic. They're the same kind of talk that led the democracies to neglect their defenses in the 1930's and invited the tragedy of World War II. We must not let that grim chapter of history repeat itself through apathy or neglect.

This is why I'm speaking to you tonight—to urge you to tell your Senators and Congressmen that you know we must continue to restore our military strength. If we stop in midstream, we will send a signal of

decline, of lessened will, to friends and adversaries alike. Free people must voluntarily, through open debate and democratic means, meet the challenge that totalitarians pose by compulsion. It's up to us, in our time, to choose and choose wisely between the hard but necessary task of preserving peace and freedom and the temptation to ignore our duty and blindly hope for the best while the enemies of freedom grow stronger day by day.

The solution is well within our grasp. But to reach it, there is simply no alternative but to continue this year, in this budget, to provide the resources we need to preserve the peace and guarantee our freedom.

Now, thus far tonight I've shared with you my thoughts on the problems of national security we must face together. My predecessors in the Oval Office have appeared before you on other occasions to describe the threat posed by Soviet power and have proposed steps to address that threat. But since the advent of nuclear weapons, those steps have been increasingly directed toward deterrence of aggression through the promise of retaliation.

This approach to stability through offensive threat has worked. We and our allies have succeeded in preventing nuclear war for more than three decades. In recent months, however, my advisers, including in particular the Joint Chiefs of Staff, have underscored the necessity to break out of a future that relies solely on offensive retaliation for our security.

Over the course of these discussions, I've become more and more deeply convinced that the human spirit must be capable of rising above dealing with other nations and human beings by threatening their existence. Feeling this way, I believe we must thoroughly examine every opportunity for reducing tensions and for introducing greater stability into the strategic calculus on both sides.

One of the most important contributions we can make is, of course, to lower the level of all arms, and particularly nuclear arms. We're engaged right now in several negotiations with the Soviet Union to bring about a mutual reduction of weapons. I will report to you a week from tomorrow my thoughts on that score.⁴ But let me just say, I'm totally committed to this course.

If the Soviet Union will join with us in our effort to achieve major arms reduction, we will have succeeded in stabilizing the nuclear balance. Nevertheless, it will still be necessary to rely on the specter of retaliation, on mutual threat. And that's a sad commentary on the human condition. Wouldn't it be better to save lives than to avenge

⁴ Presumable reference to the President's upcoming remarks before the Los Angeles World Affairs Council; see Document 146.

them? Are we not capable of demonstrating our peaceful intentions by applying all our abilities and our ingenuity to achieving a truly lasting stability? I think we are. Indeed, we must.

After careful consultation with my advisers, including the Joint Chiefs of Staff, I believe there is a way. Let me share with you a vision of the future which offers hope. It is that we embark on a program to counter the awesome Soviet missile threat with measures that are defensive. Let us turn to the very strengths in technology that spawned our great industrial base and that have given us the quality of life we enjoy today.

What if free people could live secure in the knowledge that their security did not rest upon the threat of instant U.S. retaliation to deter a Soviet attack, that we could intercept and destroy strategic ballistic missiles before they reached our own soil or that of our allies?

I know this is a formidable, technical task, one that may not be accomplished before the end of this century. Yet, current technology has attained a level of sophistication where it's reasonable for us to begin this effort. It will take years, probably decades of effort on many fronts. There will be failures and setbacks, just as there will be successes and breakthroughs. And as we proceed, we must remain constant in preserving the nuclear deterrent and maintaining a solid capability for flexible response. But isn't it worth every investment necessary to free the world from the threat of nuclear war? We know it is.

In the meantime, we will continue to pursue real reductions in nuclear arms, negotiating from a position of strength that can be ensured only by modernizing our strategic forces. At the same time, we must take steps to reduce the risk of a conventional military conflict escalating to nuclear war by improving our nonnuclear capabilities.

America does possess—now—the technologies to attain very significant improvements in the effectiveness of our conventional, non-nuclear forces. Proceeding boldly with these new technologies, we can significantly reduce any incentive that the Soviet Union may have to threaten attack against the United States or its allies.

As we pursue our goal of defensive technologies, we recognize that our allies rely upon our strategic offensive power to deter attacks against them. Their vital interests and ours are inextricably linked. Their safety and ours are one. And no change in technology can or will alter that reality. We must and shall continue to honor our commitments.

I clearly recognize that defensive systems have limitations and raise certain problems and ambiguities. If paired with offensive systems, they can be viewed as fostering an aggressive policy, and no one wants that. But with these considerations firmly in mind, I call upon the scientific community in our country, those who gave us nuclear weapons, to turn their great talents now to the cause of mankind and

world peace, to give us the means of rendering these nuclear weapons impotent and obsolete.

Tonight, consistent with our obligations of the ABM treaty and recognizing the need for closer consultation with our allies, I'm taking an important first step. I am directing a comprehensive and intensive effort to define a long-term research and development program to begin to achieve our ultimate goal of eliminating the threat posed by strategic nuclear missiles. This could pave the way for arms control measures to eliminate the weapons themselves. We seek neither military superiority nor political advantage. Our only purpose—one all people share—is to search for ways to reduce the danger of nuclear war.

My fellow Americans, tonight we're launching an effort which holds the promise of changing the course of human history. There will be risks, and results take time. But I believe we can do it. As we cross this threshold, I ask for your prayers and your support.

Thank you, good night, and God bless you.

146. Remarks by President Reagan¹

Los Angeles, March 31, 1983

Remarks and a Question-and-Answer Session at the
Los Angeles World Affairs Council Luncheon in California

The President. Thank you, Dr. Singleton,² the president, and presidents past, and distinguished guests, and you ladies and gentlemen, thank you all for a very warm welcome. I can tell you that our eyes turn westward constantly in Washington. The only problem with coming out here is it's so hard to go back. [*Laughter*]

Last week, I spoke to the American people about our plans for safeguarding this nation's security and that of our allies.³ And I announced a long-term effort in scientific research to counter someday the menace of offensive nuclear missiles. What I have proposed is that nations

¹Source: *Public Papers: Reagan, 1983*, Book I, pp. 479–484. All brackets are in the original. The President spoke at 12:55 p.m. in the International Ballroom at the Beverly Hilton Hotel at a luncheon hosted by the Los Angeles World Affairs Council. For the text of the question-and-answer session following the President's remarks, see *ibid.*, pp. 484–486.

²Henry Singleton, president of the Los Angeles World Affairs Council. [Footnote is in the original.]

³See Documents 144 and 145.

should turn their best energies to moving away from the nuclear nightmare. We must not resign ourselves to a future in which security on both sides depends on threatening the lives of millions of innocent men, women, and children. And today, I would like to discuss another vital aspect of our national security: our efforts to limit and reduce the danger of modern weaponry.

We live in a world in which total war would mean catastrophe. We also live in a world that's torn by a great moral struggle between democracy and its enemies, between the spirit of freedom and those who fear freedom.

In the last 15 years or more, the Soviet Union has engaged in a relentless military buildup, overtaking and surpassing the United States in major categories of military power, acquiring what can only be considered an offensive military capability. All the moral values which this country cherishes—freedom, democracy, the right of peoples and nations to determine their own destiny, to speak and write, to live and worship as they choose—all these basic rights are fundamentally challenged by a powerful adversary which does not wish these values to survive.

This is our dilemma, and it's a profound one. We must both defend freedom and preserve the peace. We must stand true to our principles and our friends while preventing a holocaust.

The Western commitment to peace through strength has given Europe its longest period of peace in a century. We cannot conduct ourselves as if the special danger of nuclear weapons did not exist. But we must not allow ourselves to be paralyzed by the problem, to abdicate our moral duty. This is the challenge that history has left us.

We of the 20th century who so pride ourselves on mastering even the forces of nature—except last week when the Queen was here⁴—[laughter]—we're forced to wrestle with one of the most complex moral challenges ever faced by any generation. Now, my views about the Soviet Union are well known, although, sometimes I don't recognize them when they're played back to me. [Laughter] And our program for maintaining, strengthening, and modernizing our national defense has been clearly stated. Today, let me tell you something of what we're doing to reduce the danger of nuclear war.

⁴ Queen Elizabeth paid an official visit to the United States, February 26–March 7, traveling to San Diego, Palm Springs, Los Angeles, Santa Barbara, San Francisco, Yosemite National Park, and Seattle. She visited the President and First Lady at their ranch—Rancho del Cielo—near Santa Barbara on March 1. On March 3, the President hosted a State dinner for the Queen at the M.H. DeYoung Memorial Museum in San Francisco. (Reagan Library, President's Daily Diary) The text of the President's and the Queen's toasts are printed in *Public Papers: Reagan, 1983*, Book I, pp. 326–328.

Since the end of World War II the United States has been the leader in the international effort to negotiate nuclear arms limitations. In 1946, when the United States was the only country in the world possessing these awesome weapons, we did not blackmail others with threats to use them, nor did we use our enormous power to conquer territory, to advance our position, or to seek domination. Doesn't our record alone refute the charge that we seek superiority, that we represent a threat to peace?

We proposed the Baruch plan for international control of all nuclear weapons and nuclear energy, for everything nuclear to be turned over to an international agency.⁵ And this was rejected by the Soviet Union. Several years later, in 1955, President Eisenhower presented his "open skies" proposal, that the United States and the Soviet Union would exchange blueprints of military establishments and permit aerial reconnaissance to ensure against the danger of surprise attack.⁶ This, too, was rejected by the Soviet Union.

Now, since then, some progress has been made, largely at American initiative. The 1963 Limited Test Ban Treaty prohibited nuclear testing in the atmosphere, in outer space, or under water.⁷ The creation of the "Hot Line" in 1963, upgraded in 1971, provides direct communication between Washington and Moscow to avoid miscalculation during a crisis.⁸ The Nuclear Non-Proliferation Treaty of 1968 sought to prevent the spread of nuclear weapons.⁹ In 1971 we reached an agreement on special communication procedures to safeguard against accidental or unauthorized use of nuclear weapons and on a seabed arms control treaty, which prohibits the placing of nuclear weapons on the seabed of the ocean floor.¹⁰ The Strategic Arms Limitation Agreements of 1972 imposed limits on antiballistic missile systems and on numbers of strategic, offensive missiles. And the 1972 Biological Warfare Convention bans—or was supposed to ban—the development, production, and stockpiling of biological and toxin weapons.¹¹

⁵ See footnote 2, Document 56.

⁶ See footnote 10, Document 106.

⁷ See footnote 11, Document 106.

⁸ See footnote 3, Document 127.

⁹ See footnote 12, Document 106.

¹⁰ The Agreement on Measures to Reduce the Risk of Outbreak of Nuclear War (22 UST 1590), was signed in Washington on September 30, 1971, and entered into force that day. The Treaty on the Prohibition of the Emplacement of Nuclear Weapons and Other Weapons of Mass Destruction on the Sea-Bed and the Ocean Floor and in the Subsoil Thereof (23 UST 701) was opened for signature in Washington, London, and Moscow on February 11, 1971, and entered into force on May 18, 1972.

¹¹ See footnote 6, Document 56.

But while many agreements have been reached, we've also suffered many disappointments.

The American people had hoped, by these measures, to reduce tensions and start to build a constructive relationship with the Soviet Union. Instead, we have seen Soviet military arsenals continue to grow in virtually every significant category. We've seen the Soviet Union project its power around the globe. We've seen Soviet resistance to significant reductions and measures of effective verification, especially the latter. And, I'm sorry to say, there have been increasingly serious grounds for questioning their compliance with the arms control agreements that have already been signed and that we've both pledged to uphold. I may have more to say on this in the near future.

Coming into office, I made two promises to the American people about peace and security. I promised to restore our neglected defenses, in order to strengthen and preserve the peace, and I promised to pursue reliable agreements to reduce nuclear weapons. Both these promises are being kept.

Today, not only the peace but also the chances for real arms control depend on restoring the military balance. We know that the ideology of the Soviet leaders does not permit them to leave any Western weakness unprobed, any vacuum of power unfilled. It would seem that to them negotiation is only another form of struggle. Yet, I believe the Soviets can be persuaded to reduce their arsenals—but only if they see it's absolutely necessary. Only if they recognize the West's determination to modernize its own military forces will they see an incentive to negotiate a verifiable agreement establishing equal, lower levels. And, very simply, that is one of the main reasons why we must rebuild our defensive strength.

All of our strategic force modernization has been approved by the Congress except for the land-based leg of the Triad. We expect to get congressional approval on this final program later this spring. A strategic forces modernization program depends on a national, bipartisan consensus. Over the last decade, four successive administrations have made proposals for arms control and modernization that have become embroiled in political controversy. No one gained from this divisiveness; all of us are going to have to take a fresh look at our previous positions. I pledge to you my participation in such a fresh look and my determination to assist in forging a renewed, bipartisan consensus.

My other national security priority on assuming office was to thoroughly reexamine the entire arms control agenda. Since then, in coordination with our allies, we've launched the most comprehensive program of arms control initiatives ever undertaken. Never before in history has a nation engaged in so many major simultaneous efforts to limit and reduce the instruments of war.

Last month in Geneva the Vice President committed the United States to negotiate a total and verifiable ban on chemical weapons.¹² Such inhumane weapons, as well as toxin weapons, are being used in violation of international law in Afghanistan, in Laos, and Kampuchea.

Together with our allies, we've offered a comprehensive, new proposal for mutual and balanced reduction of conventional forces in Europe.¹³

We have recently proposed to the Soviet Union a series of further measures to reduce the risk of war from accident or miscalculation.¹⁴ And we're considering significant new measures resulting in part from consultations with several distinguished Senators.

We've joined our allies in proposing a Conference on Disarmament in Europe. On the basis of a balanced outcome of the Madrid meeting, such a conference will discuss new ways to enhance European stability and security.¹⁵

We have proposed to the Soviet Union improving the verification provisions of two agreements to limit underground nuclear testing, but, so far, the response has been negative. We will continue to try.

And, most importantly, we have made far-reaching proposals, which I will discuss further in a moment, for deep reductions in strategic weapons and for elimination of an entire class of intermediate-range weapons.

I am determined to achieve real arms control—reliable agreements that will stand the test of time, not cosmetic agreements that raise expectations only to have hopes cruelly dashed.

¹² In his February 4 address before the UN Committee on Disarmament in Geneva, Bush, in reference to chemical weapons, stated: "The United States has already called upon the Soviet Union and its allies to stop immediately their illegal use of these weapons. I repeat that call here today. And I urge the Soviet Union and all other members of the committee to join the United States in negotiating a complete and effective and verifiable ban on the development, production, stockpiling, and transfer of chemical weapons, a ban that will insure that these horrors can never occur again. A complete, effective, and verifiable ban on chemical weapons is long overdue. My government, therefore, would like to see the work of this committee accelerate and negotiations undertaken on a treaty to eliminate the threat posed by chemical weapons." (Department of State *Bulletin*, March 1983, p. 16)

¹³ Presumable reference to the draft treaty tabled at the MBFR talks during July 1982; see footnote 6, Document 120.

¹⁴ In a November 22, 1982, televised address to the nation concerning strategic arms reduction and nuclear deterrence, the President indicated that the administration had "been actively studying detailed measures" regarding his desire to reduce the risks of accidental warfare, as outlined in his June 11 Berlin address (see footnote 7, Document 100, footnote 3, Document 104 and footnote 15, Document 106). He commented, "Today I would like to announce some of the measures which I've proposed in a special letter just sent to the Soviet leadership and which I've instructed our Ambassadors in Geneva to discuss with their Soviet counterparts. They include, but also go beyond, some of the suggestions I made in Berlin." (*Public Papers: Reagan, 1982*, Book II, p. 1509)

¹⁵ Reference is to the ongoing CSCE Madrid Review Conference, at which the Conference on Disarmament, scheduled to take place in Stockholm in 1984, was discussed.

In all these negotiations certain basic principles guide our policy. First, our efforts to control arms should seek reductions on both sides—significant reductions. Second, we insist that arms control agreements be equal and balanced. Third, arms control agreements must be effectively verifiable. We cannot gamble with the safety of our people and the people of the world. Fourth, we recognize that arms control is not an end in itself, but a vital part of a broad policy designed to strengthen peace and stability. It's with these firm principles in mind that this administration has approached negotiations on the most powerful weapons in the American and Soviet arsenals—strategic nuclear weapons.

In June of 1982 American and Soviet negotiators convened in Geneva to begin the Strategic Arms Reductions Talks, what we call START. We've sought to work out an agreement reducing the levels of strategic weapons on both sides. I proposed reducing the number of ballistic missiles by one-half and the number of warheads by one-third. No more than half the remaining warheads could be on land-based missiles. This would leave both sides with greater security at equal and lower levels of forces. Not only would this reduce numbers; it would also put specific limits on precisely those types of nuclear weapons that pose the most danger.

The Soviets have made a counterproposal. We've raised a number of serious concerns about it. But—and this is important—they have accepted the concept of reductions. Now, I expect this is because of the firm resolve that we have demonstrated. In the current round of negotiations, we've presented them with the basic elements of a treaty for comprehensive reductions in strategic arsenals.¹⁶ The United States also has, in START, recently proposed a draft agreement on a number of significant measures to build confidence and reduce the risks of conflict.¹⁷ This negotiation is proceeding under the able leadership of Ambassador Edward Romney on our side—Edward Rowny, I should say, is on our side.

We're also negotiating in Geneva to eliminate an entire class of new weapons from the face of the Earth. Since the end of the mid-1970's, the Soviet Union has been deploying an intermediate-range nuclear missile, the SS-20, at a rate of one a week. There are now 351 of these missiles, each with three highly accurate warheads capable of destroying cities and military bases in Western Europe, Asia, and the Middle East.

NATO has no comparable weapon, nor did NATO in any way provoke this new, unprecedented escalation. In fact, while the Soviets were

¹⁶ See footnote 3, Document 145.

¹⁷ In telegram 2293 from the START Delegation in Geneva, March 8, the Mission transmitted the text of Rowny's statement made in plenary session March 8, in which he noted that he would table, later that day, a proposed agreement on confidence-building measures. (Department of State, Central Foreign Policy File, Electronic Telegrams, D830128-0179)

deploying their SS–20's we were taking a thousand nuclear warheads from shorter range weapons out of Europe.

This major shift in the European military balance prompted our West European allies themselves to propose that NATO find a means of righting the balance. And in December of '79, they announced collective two-track decision. First, to deploy in Western Europe 572 land-based cruise missiles and Pershing II ballistic missiles, capable of reaching the Soviet Union. The purpose: to offset and deter the Soviet SS–20's. The first of those NATO weapons are schedule for deployment by the end of this year. Second, to seek negotiations with the Soviet Union for the mutual reduction of these intermediate-range missiles.

In November of 1981 the United States, in concert with our allies, made a sweeping new proposal: NATO would cancel its own deployment if the Soviets eliminated theirs. The Soviet Union refused and set out to intensify public pressures in the West to block the NATO deployment, which has not even started. Meanwhile, the Soviet weapons continue to grow in number.

Our proposal was not made on a take-it-or-leave-it basis. We're willing to consider any Soviet proposal that meets these standards of fairness. An agreement must establish equal numbers for both Soviet and American intermediate-range nuclear forces. Other countries' nuclear forces, such as the British and French, are independent and are not part of the bilateral U.S.-Soviet negotiations. They are, in fact, strategic weapons, and the Soviet strategic arsenal more than compensates for them. Next, an agreement must not shift the threat from Europe to Asia. Given the range in mobility of the SS–20's, meaningful limits on these and comparable American systems must be global. An agreement must be effectively verifiable. And an agreement must not undermine NATO's ability to defend itself with conventional forces.

We've been consulting closely with our Atlantic allies, and they strongly endorse these principles.

Earlier this week, I authorized our negotiator in Geneva, Ambassador Paul Nitze, to inform the Soviet delegation of a new American proposal which has the full support of our allies.¹⁸ We're

¹⁸ On March 30, the President spoke before NATO ambassadors and U.S. officials assembled in the East Room of the White House. In his remarks, Reagan indicated that Nitze had conveyed the proposal that the United States was "prepared to negotiate an interim agreement in which the United States would substantially reduce its planned deployment of Pershing II and ground-launched cruise missiles, provided the Soviet Union reduce the number of its warheads on longer range INF missiles to an equal level on a global basis." Reagan noted that Nitze had "explained that the United States views this proposal as a serious initial step toward the total elimination of this class of weapons. And he has conveyed my hope that the Soviet Union will join us in this view. Our proposal for the entire elimination of these systems remains on the table." (*Public Papers: Reagan, 1983, Book II, p. 474*)

prepared to negotiate an interim agreement to reduce our planned deployment if the Soviet Union will reduce their corresponding warheads to an equal level. This would include all U.S. and Soviet weapons of this class, wherever they're located.

Our offer of zero on both sides will, of course, remain on the table as our ultimate goal. At the same time, we remain open—as we have been from the very outset—to serious counterproposals. The Soviet negotiators have now returned to Moscow, where we hope our new proposal will receive careful consideration during the recess. Ambassador Nitze has proposed and the Soviets have agreed that negotiations resume in mid-May, several weeks earlier than scheduled.¹⁹

I'm sorry that the Soviet Union, so far, has not been willing to accept the complete elimination of these systems on both sides. The question I now put to the Soviet Government is: If not elimination, to what equal level are you willing to reduce? The new proposal is designed to promote early and genuine progress at Geneva.

For arms control to be truly complete and world security strengthened, however, we must also increase our efforts to halt the spread of nuclear arms. Every country that values a peaceful world order must play its part.

Our allies, as important nuclear exporters, also have a very important responsibility to prevent the spread of nuclear arms. To advance this goal, we should all adopt comprehensive safeguards as a condition for nuclear supply commitments that we make in the future. In the days ahead, I'll be talking to other world leaders about the need for urgent movement on this and other measures against nuclear proliferation.

Now, that's the arms control agenda we've been pursuing. Our proposals are fair. They're far-reaching and comprehensive. But we still have a long way to go.

We Americans are sometimes an impatient people. I guess it's a symptom of our traditional optimism, energy, and spirit. Often, this is a source of strength. In a negotiation, however, impatience can be a real handicap. Any of you who've been involved in labor-management negotiations or any kind of bargaining know that patience strengthens your bargaining position. If one side seems too eager or desperate, the other side has no reason to offer a compromise and every reason to hold back, expecting that the more eager side will cave in first.

Well, this is a basic fact of life we can't afford to lose sight of when dealing with the Soviet Union. Generosity in negotiation has never

¹⁹ In his March 30 remarks (see footnote 18, above), the President stated that the negotiations would resume on May 17. (*Public Papers: Reagan, 1983*, Book II, p. 474)

been a trademark of theirs. It runs counter to the basic militancy of Marxist-Leninist ideology. So, it's vital that we show patience, determination, and above all, national unity. If we appear to be divided, if the Soviets suspect that domestic political pressure will undercut our position, they'll dig in their heels. And that can only delay an agreement and may destroy all hope for an agreement.

That's why I've been concerned about the nuclear freeze proposals, one of which is being considered at this time by the House of Representatives.²⁰ Most of those who support the freeze, I'm sure, are well intentioned, concerned about the arms race and the danger of nuclear war. No one shares their concern more than I do. But however well intentioned they are, these freeze proposals would do more harm than good. They may seem to offer a simple solution. But there are no simple solutions to complex problems. As H. L. Mencken once wryly remarked, he said, "For every problem, there's one solution which is simple, neat, and wrong." [*Laughter*]

The freeze concept is dangerous for many reasons. It would preserve today's high, unequal, and unstable levels of nuclear forces, and, by so doing, reduce Soviet incentives to negotiate for real reductions.

It would pull the rug out from under our negotiators in Geneva, as they have testified. After all, why should the Soviets negotiate if they've already achieved a freeze in a position of advantage to them?

Also, some think a freeze would be easy to agree on, but it raises enormously complicated problems of what is to be frozen, how it is to be achieved and, most of all, verified. Attempting to negotiate these critical details would only divert us from the goal of negotiating reductions for who knows how long.

The freeze proposal would also make a lot more sense if a similar movement against nuclear weapons were putting similar pressures on Soviet leaders in Moscow. As former Secretary of Defense Harold Brown has pointed out, the effect of the freeze "is to put pressure on the United States, but not on the Soviet Union."

Finally, the freeze would reward the Soviets for their 15-year buildup while locking us into our existing equipment, which in many cases is obsolete and badly in need of modernization. Three-quarters of Soviet strategic warheads are on delivery systems 5 years old or less. Three-quarters of the American Strategic warheads are on delivery systems 15 years old or older. The time comes when everything wears out.

²⁰Reference is to H.J. Res. 13, drafted by Stephen Solarz (D–New York) and approved by the House Foreign Affairs Committee on March 8, which called on the United States and Soviet Union to pursue a mutual and verifiable freeze and to include negotiations on the reduction of intermediate-range weapons within START.

The trouble is it comes a lot sooner for us than for them. And, under a freeze, we couldn't do anything about it.

Our B-52 bombers are older than many of the pilots who fly them. If they were automobiles, they'd qualify as antiques. A freeze could lock us into obsolescence. It's asking too much to expect our service men and women to risk their lives in obsolete equipment. The 2 million patriotic Americans in the armed services deserve the best and most modern equipment to protect them and us.

I'm sure that every President has dreamt of leaving the world a safer place than he found it. I pledge to you, my goal—and I consider it a sacred trust—will be to make progress toward arms reductions in every one of the several negotiations now underway.

I call on all Americans of both parties and all branches of government to join in this effort. We must not let our disagreements or partisan politics keep us from strengthening the peace and reducing armaments.

I pledge to our allies and friends in Europe and Asia, we will continue to consult with you closely. We're conscious of our responsibility when we negotiate with our adversaries on conditions of—or issues of concern to you and your safety and well-being.

To the leaders and people of the Soviet Union, I say, join us in the path to a more peaceful, secure world. Let us vie in the realm of ideas, on the field of peaceful competition. Let history record that we tested our theories through human experience, not that we destroyed ourselves in the name of vindicating our way of life. And let us practice restraint in our international conduct, so that the present climate of mistrust can some day give way to mutual confidence and a secure peace.

What better time to rededicate ourselves to this undertaking than in the Easter season, when millions of the world's people pay homage to the One who taught us, peace of Earth, good will toward men?

This is the goal, my fellow Americans, of all the democratic nations—a goal that requires firmness, patience, and understanding. If the Soviet Union responds in the same spirit, we're ready. And we can pass on to our posterity the gift of peace—that and freedom are the greatest gifts that one generation can bequeath to another.

Thank you, and God bless you.

147. Personal Note Prepared by the Deputy Secretary of State (Dam)¹

Washington, April 6, 1983

The highlight of the day was the Secretary's meeting at 4 o'clock with the President.² Bill Clark, Jim Baker and Ed Meese were there. The subject was relations with the Soviet Union. We are now reaching a point where we have to decide what we want our relations with the Soviet Union to be during the remainder of this Administration. If the President is to meet with Andropov before the end of this term, that probably means that it must be done early next year in order to avoid the election season. Working back from then, it means that, if we want the summit to deal with substance and to be a well-prepared summit, a number of things must be set in motion soon.

The Soviets, of course, want to have relations to do largely with arms control, but paradoxically enough, they are not willing to make any concessions on that subject. We in turn would like to have our relations heavily involved in regional matters, particularly Afghanistan, Poland and Cambodia, where the Soviet Union is doing great mischief and harm to innocent third countries. Therefore, we must find some other areas in which there is some opportunity for progress.

There are a number of possible bilateral matters. One is cultural affairs, where the Soviets are able to tour the United States freely upon invitation from private Americans, but there is very little opportunity for the United States to have any contact with Soviet citizens, whether it be in art, music or USIA-type activities. Therefore, a cultural agreement is one possibility. Another possibility is an opening of a consulate in Kiev and a reciprocal consulate in New York, but this initiative has been shelved, because this, like the cultural agreement apparently, is one of the Afghanistan sanctions. Another possibility has to do with a long-term grain agreement, although it is not clear who is the demander in this situation, since the Congress is about to push a long-term grain agreement down our throat.³ This was the subject matter of the

¹ Source: Department of State, D Files, Deputy Secretary Dam's Official Files: Lot 85D308, Personal Notes of Deputy Secretary—Kenneth W. Dam—Oct. 1982–Sept. 1983. Secret. Dictated on April 6.

² The memorandum of the meeting is in *Foreign Relations, 1981–1988*, vol. IV, Soviet Union, January 1983–March 1985, Document 37.

³ In an April 22 statement, the President indicated that the United States had proposed to the Soviet Union the negotiation of a new long-term grain agreement: "Negotiation of a new long-term agreement is consistent with United States agricultural export policy and reflects our commitment to reestablish the U.S. as a reliable supplier." (*Public Papers: Reagan, 1983*, Book I, p. 575)

meeting, but the most immediate question was what will happen in a forthcoming meeting, perhaps tomorrow, with Ambassador Dobrynin.⁴ (The President decided not to go forward with the cultural agreement or the consulate at the meeting with Dobrynin.)

We had an interesting meeting with an outside informal advisory group. This was the second meeting of the group, which included Abshire and Korologos, as before.⁵ However, Harlow was ill and not able to be present, but Bill Timmons was here. The questions had to do with what should be the priorities during the remainder of this term and particularly what problems may arise either in politics or in connection with the White House and the White House staff. All of these people are extremely well versed in these matters. It was a most stimulating meeting.

I had an interesting meeting with Paul Nitze at 1 o'clock this afternoon. We reviewed not only the situation with regard to INF and START but also the bureaucracies of the problems on the START delegation. Ambassador Rowny went in closed session before the Foreign Relations Committee this morning and gave his explanation of his "hit list," and it is clear that his explanation did not really satisfy the committee.⁶ Beyond that, both the Republicans and Democrats came out of the meeting, in which both Nitze and Rowny testified, with the information that no progress was being made in the negotiations. The Democrats blamed this on the Administration, and the Republicans, represented by Senator Percy, blamed it on the Soviets. Nevertheless, I am told that this played quite harshly on the evening television.

These were the leading meetings of the day, although there were a great number of other meetings of various kinds. It is interesting that

⁴ Documentation on the meeting is in *Foreign Relations*, 1981–1988, vol. IV, Soviet Union, January 1983–March 1985, Documents 38 and 39.

⁵ In a note dictated on March 30, Dam indicated that he, Shultz, and Eagleburger had met with Tom Korologos, Bryce Harlow, and David Abshire: "The purpose was to discuss the Congressional and public relations aspects of diplomacy. Henry Kissinger had a similar group, including some of the same people, during his period as Secretary of State. The problems now are different, and Henry started the process at a time when he was in very serious trouble. Conversely, George Shultz started these meetings (at least on the assumption that there is more than one, which I believe there will be) at a time when his prestige is at an unbelievable high. Obviously he is going to run into problems with the press and with the public, or otherwise he wouldn't be a particularly effective Secretary of State because he wouldn't be taking on fully difficult issues. Also, the problems are necessarily different." (Department of State, D Files, Deputy Secretary Dam's Official Files: Lot 85D308, Personal Notes of Deputy Secretary—Kenneth W. Dam—Oct. 1982–Sept. 1983)

⁶ Reference is to a memorandum regarding ACDA personnel matters that Rowny gave Adelman; see Hedrick Smith, "Movement is Cited On Strategic Arms: U.S. Officials Disclose Details of Negotiations as a Show of Interest in an Accord," *New York Times*, April 7, 1983, p. A14.

after a drought of about three or four days in which things were very quiet, activity exploded today, and tomorrow promises to be another very heavy day. There are certainly ups and downs in this business, and the problem is to use one's time on relatively free days productively. I tend to use it on light days to catch up on my reading, but even there it is hard to know where to put my priorities. There are so many telegrams and memoranda which one can read that it is very hard to sort out one's priorities. Indeed, priorities with regard to use of time are perhaps the most difficult aspects of my entire job.

148. Information Memorandum From the Chairman of the Policy Planning Council (Bosworth) to Secretary of State Shultz¹

Washington, April 6, 1983

SUBJECT

Foreign Policy Directions Project

The Foreign Policy Directions exercise is now underway.² Working with the regional and functional bureaus, we have organized the program in three clusters to reflect our central global objectives. These are:

- I. Promoting Economic Recovery and Growth
- II. Enhancing Western Security
- III. Managing U.S. Global Interests

Under each of these headings, we will be undertaking a series of policy studies, designed to clarify and advance our long-term objectives and sort out implications for U.S. action.

In the initial round, we are working with appropriate bureaus on seven studies. The papers will be fully cleared, but we have asked that differences of view among bureaus be highlighted rather than compromised in order to illuminate policy alternatives. Annotated outlines of the papers will be provided to S/P in two weeks; we are to receive final papers from the bureaus by May 1.

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons 4/1–15/83. Secret. Kaplan initialed for Bosworth. Copies were sent to Dam, Eagleburger, Wallis, William Schneider (T), Jerome Van Gorkom (M), Derwinski, and Richard Kennedy (S/NP).

² See Document 123.

Attached is a summary of the initial work program and of prospective policy studies. As the work progresses, we will try to set up one or more seminars with you and other Seventh Floor principals to discuss the analysis and conclusions. Meanwhile, I would greatly welcome your comments on any of these subjects and suggestions for other topics.

Attachment

Summary Prepared in the Policy Planning Council³

Washington, undated

INITIAL WORK PROGRAM

1. Economic Policy Convergence:

How should we shape discussions among Summit countries as the focus of our consultations expands from containing inflation to managing stable growth?

2. Trade-Finance:

What shape is the global matrix of trade and financial flows likely to take over the next five years, and what major policy issues are posed by such patterns for the international economy and U.S. policy?

3. Arms Control:

How can we insure that the arms control process serves U.S. interests regardless of whether agreements ensue?

4. U.S.-USSR-China Relations:

What should be our strategy toward this triangular relationship?

5. How Can We Improve Multilateral Diplomacy—both in UN/NAM/G-77 diplomacy and with other international groups.

In addition, OES has agreed to take a fresh look at our nuclear non-proliferation policy and S/P will initiate an in-house look at the lessons of Iran, especially the issues of modernization vs. traditional values in promoting political stability.

Additional Policy Studies

I. Promoting Economic Recovery and Growth

1. How can we establish a system of trade rules and negotiations that works?

³Secret. Drafted by Ruth Whiteside (S/P) on April 6.

2. Objectives of energy cooperation among the major industrial countries?

II. Enhancing Western Security

1. How can we strengthen allied political cooperation?
2. How can we best sustain vital U.S. and allied defense programs?

III. Managing U.S. Global Interests

1. Strategies toward key regional crises this year and next should existing policies fall short of success.

2. Developing more effective multilateral consultations and coordination with and among allied and friendly states to serve U.S. global interests.

3. Dealing more effectively with non-governmental forces affecting our international interests.

4. How to deal with the successor generations.

149. Information Memorandum From the Assistant Secretary of State for European Affairs (Burt) to Secretary of State Shultz¹

Washington, April 19, 1983

SUBJECT

The Political Context of the Williamsburg Summit—And a Look at its Political Agenda

U.S. Objectives at Williamsburg

Our fundamental objective is to have the Williamsburg Summit demonstrate to world public opinion a vigorous American President

¹ Source: Department of State, E Files, Under Secretary of State for Economic Affairs W. Allen Wallis, Chrons; Memo to the Secretary/Staff and Departmental/Other Agencies; Memos to the Files; White House Correspondence, 1981–1987: Lot 89D378, Memoranda to the Secretary from Wallis January–July 1983. Secret. Sent through Wallis and Eagleburger, who did not initial the memorandum. Drafted by Holmes on April 18; cleared by Seligmann, Hawes, and Niles. Holmes initialed for Seligmann and Hawes. A notation in an unknown hand next to Wallis' name on the "Through" line reads: "See attached memo." The memorandum is not attached. Also scheduled for publication in *Foreign Relations*, 1981–1988, vol. VII, Western Europe, 1981–1984.

leading the West on the paths of recovery and unity. Agreement by the leaders to economic goals such as non-inflationary growth and a more open trading system will contribute to our fundamental objective—as well as being intrinsically desirable. So will agreement by the leaders to a common view of such issues as INF deployment and arms control negotiations, and the Middle East peace process.

The Political Context—General

Our Summit partners will go into the Williamsburg meetings with two main preoccupations, economic recovery and East-West relations.

All of the leaders will be deeply concerned about the prospects for their economies and for the impact economic developments will have on their own political futures.

The European Summit participants—along with other political leaders in Western Europe—have a second set of concerns, regarding the linked processes of INF deployment and arms control negotiations. Japan, which traditionally has been aloof from such matters, has paid increasing attention over the last six months, its attentions being aroused by the question of redeploying SS-20s east of the Urals. Japan has for the first time come to see its own security interests enmeshed in the INF process and is particularly anxious to avoid seeing those interests harmed as the price of a European settlement. And while Canada's direct involvement is less than that of the others, it shares the basic concern.

All the Summit participants have strongly supported our negotiating position in Geneva, including both the ultimate objective of reducing long-range land-based INF missiles to zero and our willingness to seek an interim agreement reducing warheads to equal U.S. and Soviet levels on a global basis. The UK, FRG, and Italy, the three European countries which will be basing U.S. missiles at the end of this year absent Soviet agreement to the zero option, remain firmly committed to deployments.

The INF issue's effect on the Summit is likely to be indirect, not direct. The hovering presence of the INF issue, with all the political strains it puts on European governments, will create a strong desire to avoid a public failure at the Summit which could damage intra-Alliance relations at a time when solidarity is most needed. While this could limit confrontation, some allies may seek to use our desire to avoid trouble as leverage regarding other issues. Kohl and Genscher provided evidence of this during their recent visit,² when they used INF as justification for movement in the CSCE and for downplaying East-West economic relations at the Summit.

² April 14–15.

The Europeans generally are anxious to improve the atmosphere in East-West political relations. They continue to ask about a Reagan-Andropov summit, in ways that indicate their desire for one. Kohl will be visiting Andropov before the summer break.³ More specifically, the Germans and the French in particular want to move forward in the CSCE. Whether we like it or not, the Germans do relate movement in this area to INF. They tend to think the Neutral and Non-aligned draft is basically satisfactory, though there can be improvements in regard to both human rights and CDE. Our problems with the NNA draft are far more profound: In light of Poland and Soviet internal repression, we need real progress on human rights. We can expect intense debate with the allies on CSCE in coming weeks, but the issue may not be settled between now and the Summit.

We believe European willingness to concentrate their Middle East activities and pronouncements on support of the President's peace initiative will fade progressively should success continue to elude us—which is what the Europeans foresee. If there is no tangible progress by late May, we must use Williamsburg to give our partners the fullest briefing of the state of play in the Middle East and draw on the sympathies and interests of each to gain their renewed endorsement of the President's September 1 initiative. Failure to take the initiative at Williamsburg, in the absence of progress either in Lebanon or in the peace process, will increase the likelihood of a Middle East pronouncement at the June 6–7 Stuttgart European Summit, which could openly mark a new division between us and the Europeans. This in turn could lead Japan to open the door wider to the PLO.

East-West economic relations, as you are aware, is a subject the others would prefer not to discuss in any detail at Williamsburg. If we not only insist on discussion, but try to use the Summit as a decision-making occasion, the result could be real trouble—perhaps a reenactment of Versailles. The management of this issue, unlike the Middle East, lies within the control of the U.S. and its Summit partners, and it is important that within the next few weeks we reach an agreement to achieve the necessary East-West economic understandings in the other Ministerial meetings of the spring. Kohl's agreement to cooperate with us in the efforts underway in NATO, the OECD/IEA and COCOM, on the understanding that we will not push East-West economic issues at the Summit, is a major step in the right direction.

A few weeks ago it appeared that US–EC agricultural disputes might reach a level of contentiousness that would adversely affect

³ Kohl visited Moscow, July 4–6, and met with Andropov on July 6. (Serge Schmemmann, "Kohl's View of Soviet Talks: Blunt and Useful," *New York Times*, July 7, 1983, p. A8)

the Summit. Both sides have backed off, and while the dispute is not resolved, it seems unlikely to cause trouble at Williamsburg.

And the Particulars

While there is much that unites the other Summit participants, there are also significant differences between them in interests and attitudes. For example, Japan, Germany, and the U.K. all are experiencing at least a modest recovery, accompanied by relatively low inflation, and none of them would accept advice further to stimulate their economies. France, on the other hand, which has been forced to take unpopular deflationary measures, and which has chosen to explain France's economic plight as the product of outside forces, might well press for worldwide stimulus.

In most cases, the Summiters will want very much to have a successful Summit—i.e. one that seems to address the issue of economic recovery, and does so in a unified, not contentions, manner. While their specific approaches differ, they add up to this result:

Two leaders—Thatcher and Nakasone—attend the Summit at a critical moment in their own political careers. Mrs. Thatcher may decide for elections either in June or in the Autumn; in either case she would want the Summit to show her off as a statesmanlike figure; and while economic indicators are up in Britain, it would also be useful to her to have some sort of multilateral blessing for her economic programs. Nakasone is also weighing a decision whether to dissolve the Diet and call general elections in June, or to wait until the results of the Tanaka-Lockheed trial are in.⁴ He is likely to be a more active Summit participant than his predecessors with a view to strengthening his political position by projecting himself as a world statesman.

Canada and Italy have a continuing institutional stake in the Summit. It is the one setting in which they are seen as part of the club of major countries. As a consequence, both are primarily interested in a "successful" Summit which would ensure that the mechanism itself will not be called into question. For Italy, this consideration will override a policy interest in pushing for things we would not want to agree to, like massive currency intervention. Trudeau seems to have learned at last from his long experience in office that Canada's economic fate is inextricably linked to the U.S., and that there's little room for him to take independent lines.

⁴ On July 27, 1976, former Japanese Prime Minister Tanaka was arrested for taking more than \$1 million dollars in funds from the Lockheed Corporation. For additional information, see *Foreign Relations, 1969–1976*, vol. E–12, Documents on East and Southeast Asia, 1973–1976, Document 227.

Kohl puts great stock in the German-American relationship, but is at least as concerned about relations with France, as well as about developments within France. The worst sort of Summit for him would be one where he had to choose sides between the U.S. and France. Kohl made this very clear during his recent visit. German efforts to persuade us to downplay East-West economic issues at Williamsburg reflect both this concern and their own doubts regarding our proposals. On the other hand, Kohl's keen desire for a successful Summit and for avoidance of a U.S.-French clash can be useful: He may be able to play a role as go-between between us and the French.

That leaves France, the only country that might consciously risk jeopardizing the success of the Summit. We have no information that this is the French intention, nor do we think it is. On the other hand, the French Government is in difficult economic straits, and has already reacted by scapegoating other countries, including the U.S. Furthermore, in France, more than any other Summit country, a prickly, ego-centric nationalism seems to have political payoff.

The French could act up if they don't get some sort of trophy to display in terms of economic policy. Mitterrand badly needs some sign either of international endorsement of his policies, or of success in getting others to do things that might help France. The French might also react explosively to an attempt to rope them in on East-West economic policies they don't want. Aside from the straightforward French commercial interest in doing as much business with the East as possible, there would be two political motivations: 1) the long-standing French refusal to allow policies (except in obvious security matters) to be determined multilaterally; and 2) the probable French desire, having taken a step against the USSR with the expulsion of Soviet spies, not to take any new, significant actions against the USSR and even to balance this action to demonstrate French "independence" vis-a-vis the U.S.

France's attitude is the key to a successful Summit and we should think of ways to make that attitude as sweet as possible. Two suggestions from a longer list:

—We have doubts that more frequent currency intervention by the United States would have any significant impact—either on exchange rates (except on a very short term basis) or on the French economy. On the other hand, some U.S. movement on this issue would appeal greatly to the French—it would be proclaimed as a French victory. Other gestures in the monetary area, such as a franc support loan, might also have a political payoff.

—We doubt if there is much give to the French position against taking East-West economic decisions at Williamsburg, but it is possible that we can persuade the French to go along with much of what we

want in the OECD, COCOM and NATO if we agree to downplay these issues at Williamsburg. It is essential to try to work out an agreement to that effect with the French; given the German interest in avoiding a U.S.-French dispute, the Germans just possibly can help in this process since Kohl agreed to this trade-off.

Political Agenda

The central political discussion should be on East-West security issues, in particular the interlinked questions of INF deployment and arms control. This should be a good time for such discussion. It should also be a uniquely good group in which to have the discussion since the Japanese will be included.

Thus, there would be considerable value in an exchange of views which produced an endorsement by all the Summit allies of our negotiating efforts, as well as recognition by the Europeans and Japan of their common interests in this area. We should aim at recording such a consensus in the basic or a separate post-summit statement that (1) would express agreement that implementation of the NATO dual-track approach is important to the security of all the Williamsburg participants; (2) endorse the U.S. negotiating effort; and (3) affirm that deployments will go forward as scheduled in the three basing countries represented at the meeting, the UK, FRG, and Italy.

This will also be a very useful time for a discussion of the Soviet Union under Andropov and prospects for East-West relations. The process of reducing the differences between us in our attitudes toward the Soviet Union has to include sharing assessments at this high level. In such a discussion Kohl and others may well press for a Reagan-Andropov summit. As noted, CSCE will also come up, and we should argue vigorously for an approach that demands progress on human rights beyond the Helsinki level.

Some political subjects have substantial downside risks. While a discussion of Central America may be inevitable, if the French are in a mood to pick fights, this is one that could touch them off. We should be prepared to argue our case should the others do so.

Poland also poses risks. Unless we have resolved these issues beforehand, a discussion of Poland could be the occasion for the others to gang up on the United States regarding rescheduling, and possibly other actions aimed at normalizing relations with Poland. We might be able to stall by suggesting that a reassessment of policy should wait until after the Pope's June 16-22 visit to Poland, but given the buildup of pressures, particularly on rescheduling, this may not work.

Finally, as suggested above, the Middle East is a potentially divisive subject. How the discussion will go depends upon progress on the Middle East peace initiative between now and the Summit. If progress

is not made, there may be challenging questions at Williamsburg followed by open dissent at Stuttgart. But this is a subject that cannot be avoided, and indeed it should not be: we should seek to line the others up, once again, behind the President's September 1 initiative.

My suggestion is to try to ensure that the political discussion dwells as much as possible on the central issues of arms control and relations with the Soviet Union. Subjects like the Middle East and Central America should be carefully handled. Precisely how to calibrate the approach to the political agenda, taking into account the different levels of discussion (heads of government, foreign ministers, political directors), merits further consideration, and I would welcome an opportunity to discuss the subject with you and Larry.

150. Address by the Assistant Secretary of State for European Affairs (Burt)¹

Hamburg, April 25, 1983

A Critical Juncture for the Atlantic Alliance

This conference could not be more timely. And the need to view trans-Atlantic developments with care could not be more critical. As a former journalist, I am aware that those outside government have the opportunity to observe the ebb and flow of current affairs with a unique perspective. As a government official, I am also aware that this opportunity is not always seized as often as it might be. It is for this reason that *TIME* and the conference organizers deserve our most sincere thanks and appreciation. Indeed, those of us enmeshed in the day-to-day of policymaking are in need of the criticism and vision of people such as yourselves and gatherings such as this. Without the benefit of perspective, we are less likely to shape historical forces than to be shaped by them.

I believe we have arrived at a critical juncture in the annals of the Atlantic alliance. Let me hasten to add that this is not because we are in a deep crisis as some would have us believe. Rather, we are in the midst of what can best be described as a grand debate. It is a debate over the very essence of the Atlantic alliance—its purpose, its shape, its future.

¹ Source: Department of State *Bulletin*, August 1983, pp. 50–54. All brackets are in the original. Burt addressed the *TIME* conference on the Atlantic Alliance.

This is hardly the first time the alliance has been in the throes of self-examination and self-criticism. Indeed, the Atlantic alliance was born amidst controversy. The entire notion of peacetime engagement in the affairs of Europe went against the grain of American history. Postwar America was anxious to bring its boys back home and bring about a parochial peace with prosperity.

Nor were the formative years of the alliance easy ones for Europeans. Reconstruction and recovery were foremost in everyone's mind. Arming to prevent yet another war demanded all too scarce resources; forging bonds of trust with recent foes demanded the intellectual courage to look ahead rather than back.

But on both sides of the ocean, the uncommon men of the immediate postwar era made difficult, and sometimes unpopular, decisions. In the United States, two world wars had shown all too clearly the folly of isolationism. It was understood that Jefferson's famous injunction against "entangling alliances" did not have permanent application. In Europe it was understood that the security of the Continent against the emerging Soviet threat required permanent association with a noncontinental power. Out of these twin recognitions the alliance came to life. The initial debate had been decided.

The alliance of the 1950s was an alliance overwhelmingly dominated by the United States. Deterrence depended on U.S. nuclear superiority to offset a Red Army which never demobilized. Decisions were largely reached in Washington and communicated through NATO in Paris. For the most part, we spoke, Europe listened; we led, Europe followed.

By the 1960s it was increasingly evident that such a formula had grown obsolete. Europe was no longer prostrate. Economic recovery had succeeded. The alliance was no longer based on a simple security guarantee but had evolved into a true military coalition with integrated national forces. And Europeans were less and less willing to accept American leadership without question. The conditions for a second great debate had materialized.

Many of the strains accompanying these developments were manifested in the nuclear realm. Then, as today, nuclear politics went to the heart of the alliance. Two principal issues emerged in the nuclear debate of the 1960s. The problem was in part military. The American guarantee was no longer as convincing, given Soviet strides in developing their nuclear arsenal. How could the U.S. strategic deterrent compensate for conventional weakness and deter Soviet strategic forces simultaneously? Equally, the problem was political. Europeans wanted some say in the life-and-death decisions affecting nuclear weapons.

Washington's proposed approach for dealing with these problems—the NATO multilateral nuclear force—only exacerbated these tensions. Fortunately, the ultimate solution had the opposite effect. The doctrine

of flexible response, formally adopted by the alliance in 1967,² provided for a continuum of forces—conventional, theater nuclear, and strategic nuclear—by which deterrence could be maintained at all levels. And a new institution, the NATO Nuclear Planning Group, was created.³ Responsibility for nuclear policymaking would henceforth be shared. The basic Atlantic bond was maintained.

Evolution of the Current Debate

But in the best tradition of Hegelian logic, yesterday's synthesis has given way to today's antithesis. There is no little irony in this. In the 1960s, European concerns reflected a perceived lack of U.S. commitment to maintain the American nuclear guarantee; in the 1980s, the most vocal elements in Europe view with alarm American efforts to ensure the credibility of this same nuclear guarantee.

Thus, in 1983, we are once more hearing from many quarters that the alliance is no longer relevant, or viable, or both; that only radical surgery can prolong the patient's life. If I read the signs correctly, a third grand debate is underway. The reasons for this happening now are several.

First, the passage of time has dulled the initial Atlantic impulse; the alliance no longer seems as relevant to the concerns of young people bearing outlooks formed by experiences far from those of the post-war era.

Second, European states and institutions have advanced in capacity, wealth, and independence. Many on both sides of the Atlantic view the alliance as an anachronism, a product of an era of American strength and European weakness which no longer exists.

Third, U.S. and European interests are not always identical or even complementary. We are often economic competitors. We often have differing views of Third World or regional crises. We at times have contrasting assessments of the Soviet Union, the threat it poses, and how best to manage East-West relations.

Fourth, a prolonged period of economic recession has increased competition for budgetary allocations. Providing more for defense and deciding how much each member of the alliance ought to provide are increasingly contentious.

Finally, shifts in the military balance and the emergence of U.S.-Soviet strategic parity, in particular, have raised anew the issue of American reliability. The credibility of the U.S. strategic deterrent is sometimes doubted. The emergence of Soviet superiority at the

² See footnote 2, Document 91.

³ Established by the North Atlantic Council in December 1966.

intermediate nuclear level has raised new questions as to the coupling of the defense of Europe and the U.S. strategic deterrent.

That a great debate over the future of the Atlantic alliance should evolve out of such circumstances is hardly odd; indeed, it would be odd if one were not to take place. Not surprisingly, we are seeing challenges to the basic Atlantic model coming from all parts of the political spectrum. Both sides of the Atlantic are participating. What I should like to do today is make my modest contribution to this debate.

American Challenges to the Atlantic Model

In the United States, it is significant that we are not witnessing a revival of traditional isolationism. Fortress America is not being promoted as a model of American well-being. Perhaps the notion is simply too discredited to hold much attraction; perhaps most have simply come to accept that the United States is too dependent upon, and interdependent with, the rest of the world to pursue this simplistic and dangerous option.

Other challenges to the Atlantic connection exist, however. There is, for example, an American school of thought that has come to be known as "global unilateralism." Adherents of this school begin with an appreciation of the global scope of U.S. interests. They note the broad range of possible threats to the United States. And they would reduce the U.S. commitment to Europe so that we could enhance our flexibility to act everywhere.

This approach is flawed. All interests are not vital; all are not equal. The balance of power in Europe is central to world stability and American involvement in Europe is central to the balance there. Moreover, our range of ties, commercial and cultural, cannot be duplicated or done without. The reality is that there is no cheap way of protecting these interests. Deterrence, to be credible, requires a large U.S. continental commitment; it also requires that we act together as a true coalition.

A second challenge is perhaps better known to you. For want of a better phrase, I call it "Atlantic reconstruction." It manifests itself in several places—the Congress and the media most notably—and in several ways by, for example, threatening troop withdrawals or not funding defense programs critical to the defense of Europe.

The roots of this American movement are to be found in the soil of frustration and resentment. There is a growing belief in the United States that Europeans are not doing their share, be it to defend themselves or to defend common interests around the world. Sometimes tied to this view is the belief that Europe's commitment to detente outweighs its commitment to the alliance, that Europe is more concerned with its economic well-being than with Western defense. The

reconstructionists want to end this alleged “free ride.” They wish to send a signal to Europe to stimulate a larger European defense effort.

As is often the case, neither analysis nor prescription is accurate. That we all need to do more to strengthen deterrence is obvious. And that there is a requirement for equity on defense efforts in a coalition of democratic states is also clear. More must be done, and the Reagan Administration has worked hard to increase defense spending on both sides of the Atlantic. At the same time, we have sought to deflate misconceptions about allied contributions to the common defense. There is not enough awareness, for example, that should conflict arise in Europe, 90% of NATO’s land forces and 75% of its sea and air forces would be European.

There are those who argue that we could improve the situation by cutting U.S. efforts. I do not doubt that by doing less in Europe the United States would, indeed, “send a signal.” Unfortunately, it would be the wrong signal with the wrong result. In the name of enhancing deterrence and defense, those who would cut back America’s contribution could well achieve precisely the opposite. Reducing U.S. strength and raising questions about the U.S. commitment are hardly self-evident ways of promoting peace and stability.

European Alternatives

An even greater debate is taking place on this side of the Atlantic. This is to be expected, given the immediacy of the issues here. Let me address briefly what I see as the principal alternatives being presented.

Neutrality. Three schools of thought appear to dominate. The first would exchange the alliance for neutralism. Some go as far as to see this neutralism embracing all of Europe, West and East. It is argued that a Europe without allegiance to either bloc and without significant military forces would be a safer haven, less likely to be drawn into a confrontation between the two superpowers. Somewhat differently, it is asserted that Europe (and especially Germany) could make its most important contribution to peace by serving as a bridge between the two superpowers, explaining one to the other.

These are romantic visions. With or without its Eastern neighbors, a weak and neutral Western Europe would be under the sway of the strongest continental power, the Soviet Union. What is needed for peace is less a bridge than a bulwark. Our problems with the U.S.S.R. are not caused by a lack of communication, although communication is important. Our problems with the U.S.S.R are caused by a lack of Soviet restraint and respect for the interests and well-being of others.

Armed Independence. Some recognize these realities and, instead, argue for a Western Europe that is strong, independent of the United States, and able to provide fully for its own security. An image of a

European military entity is held up, the analogue to European political cooperation and economic integration. In this model, Europe would thus be able to mediate between the two powers from a position of strength—able to deter one without being tied to the other. European interests would prosper, we are told.

I can do no better in describing this school of thought than by quoting Hedley Bull of Oxford University:

The course that the Western European countries should now be exploring may be called the Europeanist one. It requires the countries of Western Europe to combine more closely together, increase their defense efforts, and take steps toward reducing their military dependence on America.

Professor Bull's vision, too, suffers from a lack of realism. Europe at present lacks the requisite political basis for constituting such collective management of its security. It is not clear that European states would be willing to make the necessary political commitments and economic investment. And it is not at all certain that the emergence of an independent, armed Europe—with conventional and nuclear forces alike—could occur without crisis or even conflict. Indeed, the security and stability we all know and enjoy now could be jeopardized by such development.

Reconstruction. A third approach is embodied by proposals now coming from opposition parties in northern Europe. In many respects, these ideas are the mirror image of the proposals offered by American reconstructionists. The European reconstructionists have several goals: to lessen the influence of the United States; to reduce the likelihood of nuclear war in Europe; to carry out a more independent policy toward Moscow; and to promote European interests around the world as they see fit. They seek not to leave the alliance so much as to change it from within.

Even such "reformist" policies are not without major difficulties; indeed, they draw upon several of the worst features of the two alternatives just discussed. We should not delude ourselves. Conventional defense needs strengthening. But more robust conventional defense efforts will not make nuclear forces irrelevant or redundant. Soviet conventional and nuclear advantages must be offset, whether by deployments, arms reductions, or both. The bond between forces in Europe and U.S. strategic deterrence, or coupling, must be maintained. At the same time, conventional force improvements will prove costly; a consensus for a major increase in the level of defense effort has yet to emerge. And heightened European independence from the United States has its risks; Europeans cannot choose when they wish to enjoy the fruits

of alliance and when they do not. There is room for disagreement and difference within the alliance but not for selective commitment.

Other Concepts

Neutralism, armed independence, reconstruction—these are the three basic European alternatives to the current Atlanticist framework for Western security. Cutting across these approaches are various themes which would also alter the current Atlantic bridge in a decisive manner.

Antinuclearism is one such idea. The aim is to reduce or, if possible, eliminate the presence of nuclear weapons in Europe and with them the risk of nuclear war. The most ardent enthusiasts of this proposition would do so unilaterally in hopes of eliciting parallel Soviet restraint.

But I agree with [former Secretary of Defense] Harold Brown's observation about U.S.-Soviet arms competition: "When we build, the Soviet Union builds; and when we don't build, the Soviet Union still builds." Moreover, unilateral actions by the West would undermine our best chance for meaningful arms control negotiations. More seriously, unilateral nuclear disarmament would threaten deterrence and heighten the vulnerability of the West, too.

Nor can there be a policy of "no first use" of nuclear weapons. The effect would once again be decoupling and thus erode, not enhance, deterrence. It is the prospect of the use of nuclear weapons and the full weight of American might which helps to keep the peace in Europe.

Wishing away the possibility that nuclear weapons will be used is not enough. Declarations are simply words. Meanwhile, Soviet conventional, chemical, and nuclear capabilities are real and increasing. Were the alliance to adopt a policy of no first use of nuclear weapons, the danger of conventional war—which would be incredibly destructive in our age—would be increased and with it the possibility of nuclear tragedy. More than 50 million people perished in World War II; we cannot adopt policies which would heighten the risk of conventional, not to mention nuclear, war in Europe.

Lastly, there are those who remain within the alliance or Atlantic house but who place all their hopes on arms control. Arms control—whether some version of a nuclear freeze or negotiations more broadly—is held up as the panacea for Europe's dilemma. Only arms control, it is alleged, offers the means to limit the threat, reduce the levels of weapons and the spending on them, and promote renewed detente.

But such hopes cannot live in isolation. Arms control will only prosper if the Soviet Union has incentive to negotiate; what is required to bring this about is a sound military foundation on our part. Nor can arms control be expected to persuade the Soviet leadership to eschew the role of force; Soviet policy at home and abroad depends on it too

much. Arms control has the potential to buttress our security and deterrence; it cannot take the place of our collective efforts to do the same.

What Is at Stake

In more normal times, debates involving competing conceptions of alliance security would be welcomed. Over years or even decades, we would perhaps create a new consensus. But 1983 is not a normal time. To the contrary, 1983 could well turn out to be the most important year in the history of the Atlantic alliance since its inception.

The reason for so stating is clear. To a degree unlike any other year since 1949, the determination and credibility of the alliance are being tested. How we implement the December 1979 decision on intermediate nuclear forces will have a major impact on our future. Those who would apply their abstract or idealized notions of how best to structure the Atlantic relationship to determine the outcome of the INF [intermediate-range nuclear forces] debate should only do so with a full understanding of what is at stake.

Not surprisingly, this temptation exists. There are those in the United States who wonder why we should go to such lengths to bring about the implementation of the decision. They are unhappy that so many facets of the U.S.-European relationship are held hostage to the INF decision and cite the possibility that deployment of U.S. missiles in Europe could heighten the risk of a direct Soviet nuclear attack on the American homeland.

On this side of the Atlantic, there are those—particularly the new neutralists—who maintain precisely the opposite. They argue that new U.S. weapons based on the Continent would enable us to localize or limit an East-West nuclear exchange to Europe. Others simply argue that the new missiles are not necessary because the Soviet Union has no intention of exploiting its current INF monopoly. Or, in yet another variation, there are those who are prepared to wait indefinitely for arms control to solve the security problem created by SS-20 deployment. In every case, they seek to opt out of implementing the 1979 decision.

The fallacies in each of these approaches are manifest. The United States cannot be secure for long in a world in which Western Europe is not. Americans who would weaken or remove the U.S. nuclear guarantee would jeopardize the prospects for stability and peace everywhere. In the name of reducing risk to themselves, they will have raised it for everyone.

European opponents of deployment are also mistaken. The effect of new U.S. missiles would not be to limit or localize a nuclear exchange in Europe but rather to prevent one. Indeed, it is in part through the threat of escalation and full American involvement that we help to promote stability and deterrence in Europe. Indeed, no better proof for this

proposition exists than Defense Minister Ustinov's recent comment that the Soviet Union would respond to a strike by U.S. systems in Europe by directly attacking the United States. If that's not coupling, I don't know what is.

Those who maintain no new deployments are needed, whether owing to Soviet good will or the prospects of arms control, are simply deluding themselves. It is probably true that Western Europe could live with a Soviet preponderance of force; but to expect the Soviets not to exploit any advantage for its own paranoid, political purposes is to ignore every lesson of history. Similarly, the U.S.S.R. cannot be expected to negotiate seriously in the absence of any incentive to do so; deployment, either in promise or in fact, remains our best and only way to get the Soviets to come to the negotiating table in good faith.

In short, the implementation of the INF double-track decision has become the touchstone for Western security in the 1980s. The decision continues to have a sound political and a sound military rationale. It was taken in response to an unprovoked Soviet buildup which continues unabated. It represents continued alliance commitment to a concept of deterrence predicated on the notion that American power tied to Europe is the best way of promoting European stability and peace. The commitment of the Reagan Administration and allied governments to pursuing both tracks—arms control and, if need be, deployment—of the 1979 decision is now unshakeable.

My support for decisions taken some 3½ years ago and my criticism of various alternative visions of the alliance should not be interpreted as complacency. The flaws of the various alternatives I have described should not be taken as a complete dismissal of their validity. Nor should it be understood as a complete endorsement of the status quo. If I may modify an old American adage for my purposes here tonight, I would simply advise against fixing the alliance more than it is broken. Or, to shift metaphors, I would simply urge you to beware of cures worse than the disease.

This is not a call for standing pat. Reform is needed. So too is close consultation. We must upgrade not only our nuclear deterrent but also our conventional forces. More must be done to safeguard common interests outside the formal treaty area. We must ensure that our commercial relations with the East are consistent with our political and security requirements. And we must continue to be imaginative and flexible in our search for meaningful arms control agreements.

We must be careful, though, in how we proceed. Europe in the 30 years since the Second World War has been spared armed conflict. We have achieved levels of prosperity and freedom without historical precedent. Too much is at stake to go ahead precipitously or recklessly. The

alliance and the basic Atlantic model or structure remain relevant and viable. Only within its contours can we harness the resources of the West in a manner which maximizes effectiveness and minimizes the burden on our free societies and strained economies.

There is a wonderful line from the novel, *The Leopard*, by the Italian author Giuseppe di Lampedusa. "If we want things to stay as they are, things will have to change." To a degree this is true. Indeed, the history of the alliance is a series of adaptations to evolving circumstances. The alliance of 1983 is not the alliance of 1949.

Yet, there must also be limits to our departures. The essentials of the Atlantic model that is the alliance have served us well and should be saved. The alliance can continue to safeguard our interests if we are as wise about what to keep as we are about what to change.

151. Editorial Note

On April 27, 1983, at 6 p.m., senior Ronald Reagan administration officials took part in a background briefing to the press in the White House Briefing Room in advance of President Ronald Reagan's address before a joint session of Congress later that evening. Assistant White House Press Secretary Lyndon Allin began the briefing by noting that it would be attributable to only senior administration officials and would be embargoed until Reagan gave his speech. Then one of the two senior officials spoke: "SENIOR ADMINISTRATION OFFICIAL: Hello. I will be brief, and take your questions in about five minutes together with my colleague.

"The President has decided to request the extraordinary measure of a joint session of Congress to address the Congress and the American people tonight on an issue that is of extreme importance to this country and its relationship to Central America and to our national security.

"He believes that the challenge is so important that it requires the development of a very broad, national consensus and strong bipartisan support for the support of U.S. policy. He will go into the nature of the challenge as he sees it. And that is that there is, today, a Soviet and Cuban inspired and supported campaign of subversion in Central America that is very well advanced.

"The President will take the format, in his remarks tonight, of explaining just what U.S. interests are or, in other words, why we should care. What is it about the area that affects our interests—security interests? In this context, he will talk about the level of trade, the level

of petroleum that passes through this area—almost half the trade, half of our petroleum requirements.

“He will talk about the geo-strategic locations in the area—the canal and so forth. He will talk about the level of Soviet advisors and Cuban advisors, which outnumber the American advisory program by many, many, many fold.

“SENIOR ADMINISTRATION OFFICIAL: Fifty to one.

“SENIOR ADMINISTRATION OFFICIAL: Fifty to one, my colleague tells me.

“He will, basically, explain the character of the problem as it exists and the conditions within these countries. That is that conditions of recession in terms of trade on primary products have led to very high unemployment, high inflation, which makes attractive an appealingly simply concept of Marxism. And this has been very much exploited by the Soviet Union and Cuba and which has fostered and supported insurgencies which are far along in El Salvador.

“In the nature of the solution to the problem, the President will make very clear that the solution is not and cannot be a military one, that the long-term solution must be built upon the economic development of the area and a long process of establishing sustainable growth in these countries, that in a political context the long-term future must rely in greater progress toward pluralism, toward reform of institutions, establishment of democratic institutions, and greater protection for human freedoms in these countries.

“But in order for this long-term political and economic program to have any hope of succeeding, there must be a fundamental level of security behind which this development process can take place. The President’s sense of priorities is already expressed in the amount of investment that is going into these relative categories today—roughly three to one in favor of economic assistance versus security assistance. But there must be this security assistance.

“The President will lay out his four policy pillars, if you will: our political objectives, our economic objectives and policies, our security objectives and policies and, finally, our objectives for regional cooperation and our support for regional solutions to regional problems.

“He will, also, provide certain assurances as to the U.S. conduct in seeking these objectives and limits which we impose on ourselves. He will stress that the United States has not sent troops and there is no need for U.S. troops in the area, nor have any been requested.

“He will make a very strong call for bipartisanship. He will make clear he views this as a shared responsibility and one which we all must shoulder.

"I'll call in just a moment on my colleague for a little more precise definition of the four posts and the four assurances. I wanted to say, fundamentally, that it's very clear to the President—and this goes to his motives for the speech—that we have had problems in getting the levels of assistance—economic as well as security—that are needed to sustain U.S. policy in the area. He believes that the reason we've had problems is because there is not an adequate understanding of the problem, nor an adequate understanding of how we're trying to solve it, either in the Congress or in the country at large.

"On the other two occasions when the President has spoken publicly about this issue, it hasn't reached a television audience, it hasn't been carried. And so today he hopes to reach the people of the United States as well as the Congress because he is—accepts that there is no promise of long-term success in sustaining this policy unless it is widely understood by Americans. But he believes that if he identifies what our interests are, why we should care, how they are threatened, and what we intend to do about it, that we can reverse current trends before a crisis point is reached.

"The close of the speech—the President will also announce that he intends to nominate an ambassador at large to the Central American region. He goes on to say that he or she will have as his or her duties: Lending U.S. support to regional efforts by the governments of the area to find solutions to their problems and to bring peace to the area; and separately, but related, to work closely with the U.S. Congress to be attentive to their interests and concerns and to assure the closest possible coordination of U.S. policy in the area with them.

"Anything to add?

"SENIOR ADMINISTRATION OFFICIAL: I can be very brief. Thank you.

"I think the essence of the strategy is in the four points with our values, support for democracy, political change, and for human rights at the very start. The President does contrast the evolution in Nicaragua and the evolution in El Salvador, in the one case, from a very broad consensus type movement in Nicaragua towards a monopoly of power, militarization, and foreign intervention; and in the other case, an opposition movement from a situation of serious human rights violations towards the construction of democratic institutions, a limiting of human rights abuses, and very substantial land reform.

"The second principle is, of course, economic support—both economic assistance in the near term and the Caribbean Basin Initiative to give hope for the future.

"The third point is military assistance as a shield. The President very clearly states that this limited program is designed to give the—our

friends the opportunity to hold off and, indeed, take the initiative against the insurgents, pending the rest of his strategy taking hold.

“And, finally, on the diplomatic front, the President does state very clearly that he will support any agreement—he uses the word ‘any agreements’—reached among the Central American countries to remove all foreign military advisers and trainers, to limit the import of offensive weapons, to permit access to opposition groups to democratic processes in elections in each country; and, finally, on a basis of verification and reciprocity, to end the support for insurgencies from one country to another.

“He states his Nicaragua policy very clearly. He says that the United States does not seek to overthrow the Nicaraguan government. It does seek to—in accord with the United States and international law—to see that flows of armaments to neighboring countries are limited and eliminated.

“He indicates that the United States cannot and should not protect the Nicaraguan government against its own people. But we should offer a diplomatic alternative and that is what is contained in the four assurances that he very strongly proposes.

“SENIOR ADMINISTRATION OFFICIAL: Just a word or two: in numerous places in the speech and in the substance of the President’s speech, the theme of bipartisanship is very evident.

“It isn’t only that the President is asking for bipartisan teamwork and support, it is also that he is formulating the administration’s Central American policies in four points plus four assurances, of which three of the four are clearly the kinds of things that have specifically and generally been asked and requested by both sides of the aisle by the Congress.

“And I think that the administration is grateful to see and appreciative in seeing the emergence of some substantial bipartisanship particularly in the last week in the situation in which Chairman Long and his Subcommittee of Appropriations in the House has approved, with a bipartisan vote, the reprogramming of \$30 million of the military assistance requested by the administration, with the suggestion that more can be forthcoming with more progress.

“Let me make one final point, and that was that the President ends by seeking four specific things from the Congress, and he asks for the prompt action of the Congress on reprogramming 1983 funds for both economic and security assistance; prompt action on the 1983 supplemental; prompt action on the 1984 bill; and finally, immediate action to move the CBI tax and trade legislation to the floor.

“He notes, with his appreciation, the introduction today in the House of Representatives by Chairman Rostenkowski, of the CBI

legislation. As a footnote, he mentions—in terms of overall levels—that in 1984 our aggregate request is for about \$600 million to the whole area. That’s about 10 percent of what Americans will spend this year on coin-operated video games.” (Reagan Library, WHORM: Subject File, Speeches, SP 283–22 Central America (In Person) [Address Before a Joint Session of Congress] 04/27/1983)

The text of the President’s address is printed as Document 152.

152. Address by President Reagan Before a Joint Session of Congress¹

Washington, April 27, 1983

Address Before a Joint Session of the Congress on Central America

Mr. Speaker, Mr. President, distinguished Members of the Congress, honored guests, and my fellow Americans:

A number of times in past years, Members of Congress and a President have come together in meetings like this to resolve a crisis. I have asked for this meeting in the hope that we can prevent one.

It would be hard to find many Americans who aren’t aware of our stake in the Middle East, the Persian Gulf, or the NATO line dividing the free world from the Communist bloc. And the same could be said for Asia.

But in spite of, or maybe because of, a flurry of stories about places like Nicaragua and El Salvador and, yes, some concerted propaganda, many of us find it hard to believe we have a stake in problems involving

¹ Source: *Public Papers: Reagan, 1983*, Book I, pp. 601–607. All brackets are in the original. The President spoke at 8:04 p.m. in the House Chamber of the Capitol. His address was broadcast live on nationwide radio and television. In telegram 116818 to all American Republic and European diplomatic posts, April 28, the Department sent “highlights of the President’s address,” noting that “full text as delivered, as well as Spanish and French translations, are on Wireless Files.” (Department of State, Central Foreign Policy File, Electronic Telegrams, D830237–0725) Additional documentation regarding the address is in the Reagan Library, WHORM: Subject File, Speeches, SP 283–22 Central America (In Person) [Address Before a Joint Session of Congress] 04/27/1983, and Reagan Library, Executive Secretariat, NSC Subject File, Speech File, Presidential—Presidential Speeches (November 1981–March 1982). In his personal diary entry for April 27, the President wrote: “8 P.M. —addressed Joint Session of Cong. & gave speech we’ve all been working on. Got 3 standing ovations with some Demos. on 2, & all of them on the 3rd. That was on the line that we had no intention of sending troops to Central America. I think we scored well with the T.V. audience.” (Brinkley, ed., *The Reagan Diaries*, vol. I, January 1981–October 1985, p. 220)

those countries. Too many have thought of Central America as just that place way down below Mexico that can't possibly constitute a threat to our well-being. And that's why I've asked for this session. Central America's problems do directly affect the security and the well-being of our own people. And Central America is much closer to the United States than many of the world troublespots that concern us. So, we work to restore our own economy; we cannot afford to lose sight of our neighbors to the south.

El Salvador is nearer to Texas than Texas is to Massachusetts. Nicaragua is just as close to Miami, San Antonio, San Diego, and Tucson as those cities are to Washington, where we're gathered tonight.

But nearness on the map doesn't even begin to tell the strategic importance of Central America, bordering as it does on the Caribbean—our lifeline to the outside world. Two-thirds of all our foreign trade and petroleum pass through the Panama Canal and the Caribbean. In a European crisis at least half of our supplies for NATO would go through these areas by sea. It's well to remember that in early 1942, a handful of Hitler's submarines sank more tonnage there than in all of the Atlantic Ocean. And they did this without a single naval base anywhere in the area. And today, the situation is different. Cuba is host to a Soviet combat brigade, a submarine base capable of servicing Soviet submarines, and military air bases visited regularly by Soviet military aircraft.

Because of its importance, the Caribbean Basin is a magnet for adventurism. We're all aware of the Libyan cargo planes refueling in Brazil a few days ago on their way to deliver "medical supplies" to Nicaragua. Brazilian authorities discovered the so-called medical supplies were actually munitions and prevented their delivery.

You may remember that last month, speaking on national television, I showed an aerial photo of an airfield being built on the island of Grenada.² Well, if that airfield had been completed, those planes could have refueled there and completed their journey.

If the Nazis during World War II and the Soviets today could recognize the Caribbean and Central America as vital to our interests, shouldn't we, also? For several years now, under two administrations, the United States has been increasing its defense of freedom in the Caribbean Basin. And I can tell you tonight, democracy is beginning to take root in El Salvador, which until a short time ago, knew only dictatorship.

The new government is now delivering on its promises of democracy, reforms, and free elections. It wasn't easy, and there was resistance to many of the attempted reforms, with assassinations of some of the reformers. Guerrilla bands and urban terrorists were portrayed in a

² Reference is to the President's March 23 televised address; see Document 145.

worldwide propaganda campaign as freedom fighters, representative of the people. Ten days before I came into office, the guerrillas launched what they called "a final offensive" to overthrow the government. And their radio boasted that our new administration would be too late to prevent their victory.

Well, they learned that democracy cannot be so easily defeated. President Carter did not hesitate. He authorized arms and munitions to El Salvador. The guerrilla offensive failed, but not America's will. Every President since this country assumed global responsibilities has known that those responsibilities could only be met if we pursued a bipartisan foreign policy.

As I said a moment ago, the Government of El Salvador has been keeping its promises, like the land reform program which is making thousands of farm tenants, farm owners. In a little over 3 years, 20 percent of the arable land in El Salvador has been redistributed to more than 450,000 people. That's one in ten Salvadorans who have benefited directly from this program.

El Salvador has continued to strive toward an orderly and democratic society. The government promised free elections. On March 28th, a little more than a year ago, after months of campaigning by a variety of candidates, the suffering people of El Salvador were offered a chance to vote, to choose the kind of government they wanted. And suddenly, the so-called freedom fighters in the hills were exposed for what they really are—a small minority who want power for themselves and their backers, not democracy for the people. The guerrillas threatened death to anyone who voted. They destroyed hundreds of buses and trucks to keep the people from getting to the polling places. Their slogan was brutal: "Vote today, die tonight." But on election day, an unprecedented 80 percent of the electorate braved ambush and gunfire and trudged for miles, many of them, to vote for freedom. Now, that's truly fighting for freedom. We can never turn our backs on that.

Members of this Congress who went there as observers³ told me of a woman who was wounded by rifle fire on the way to the polls, who refused to leave the line to have her wound treated until after she had voted. Another woman had been told by the guerrillas that she would be killed when she returned from the polls, and she told the guerrillas, "You can kill me, you can kill my family, you can kill my neighbors. You can't kill us all." The real freedom fighters of El Salvador turned out to be the people of that country—the young, the old, the in-between—more than a million of them out of a population of less than 5 million. The world

³ Presumable reference to Kassebaum, Livingston, and Murtha; see footnote 6, Document 104.

should respect this courage and not allow it to be belittled or forgotten. And again I say, in good conscience, we can never turn our backs on that.

The democratic political parties and factions in El Salvador are coming together around the common goal of seeking a political solution to their country's problems. New national elections will be held this year, and they will be open to all political parties. The government has invited the guerrillas to participate in the election and is preparing an amnesty law. The people of El Salvador are earning their freedom, and they deserve our moral and material support to protect it.

Yes, there are still major problems regarding human rights, the criminal justice system, and violence against noncombatants. And, like the rest of Central America, El Salvador also faces severe economic problems. But in addition to recession-depressed prices for major agricultural exports, El Salvador's economy is being deliberately sabotaged.

Tonight in El Salvador—because of ruthless guerrilla attacks—much of the fertile land cannot be cultivated; less than half the rolling stock of the railways remains operational; bridges, water facilities, telephone and electric systems have been destroyed and damaged. In one 22-month period, there were 5,000 interruptions of electrical power. One region was without electricity for a third of the year.

I think Secretary of State Shultz put it very well the other day: "Unable to win the free loyalty of El Salvador's people, the guerrillas," he said, "are deliberately and systematically depriving them of food, water, transportation, light, sanitation, and jobs. And these are the people who claim they want to help the common people."⁴ They don't want elections because they know they'd be defeated. But, as the previous election showed, the Salvadoran people's desire for democracy will not be defeated.

The guerrillas are not embattled peasants, armed with muskets. They're professionals, sometimes with better training and weaponry than the government's soldiers. The Salvadoran battalions that have received U.S. training have been conducting themselves well on the battlefield and with the civilian population. But so far, we've only provided enough money to train one Salvadoran soldier out of ten, fewer than the number of guerrillas that are trained by Nicaragua and Cuba.

And let me set the record straight on Nicaragua, a country next to El Salvador. In 1979 when the new government took over in Nicaragua, after a revolution which overthrew the authoritarian rule of Somoza, everyone hoped for the growth of democracy. We in the United States did, too. By January of 1981, our emergency relief and recovery aid to

⁴Shultz spoke on the "Struggle of Democracy in Central America" before the World Affairs Council and Chamber of Commerce in Dallas on April 15. His address is printed in Department of State *Bulletin*, May 1983, pp. 10–13.

Nicaragua totalled \$118 million—more than provided by any other developed country. In fact, in the first 2 years of Sandinista rule, the United States directly or indirectly sent five times more aid to Nicaragua than it had in the 2 years prior to the revolution. Can anyone doubt the generosity and the good faith of the American people?

These were hardly the actions of a nation implacably hostile to Nicaragua. Yet, the Government of Nicaragua has treated us as an enemy. It has rejected our repeated peace efforts. It has broken its promises to us, to the Organization of American States and, most important of all, to the people of Nicaragua.

No sooner was victory achieved than a small clique ousted others who had been part of the revolution from having any voice in the government. Humberto Ortega, the Minister of Defense, declared Marxism-Leninism would be their guide, and so it is.

The Government of Nicaragua has imposed a new dictatorship. It has refused to hold the elections it promised. It has seized control of most media and subjects all media to heavy prior censorship. It denied the bishops and priests of the Roman Catholic Church the right to say Mass on radio during Holy Week. It insulted and mocked the Pope. It has driven the Miskito Indians from their homelands, burning their villages, destroying their crops, and forcing them into involuntary internment camps far from home. It has moved against the private sector and free labor unions. It condoned mob action against Nicaragua's independent human rights commission and drove the director of that commission into exile.

In short, after all these acts of repression by the government, is it any wonder that opposition has formed? Contrary to propaganda, the opponents of the Sandinistas are not diehard supporters of the previous Somoza regime. In fact, many are anti-Somoza heroes and fought beside the Sandinistas to bring down the Somoza government. Now they've been denied any part in the new government because they truly wanted democracy for Nicaragua and they still do. Others are Miskito Indians fighting for their homes, their lands, and their lives.

The Sandinista revolution in Nicaragua turned out to be just an exchange of one set of autocratic rulers for another, and the people still have no freedom, no democratic rights, and more poverty. Even worse than its predecessor, it is helping Cuba and the Soviets to destabilize our hemisphere.

Meanwhile, the Government of El Salvador, making every effort to guarantee democracy, free labor unions, freedom of religion, and a free press, is under attack by guerrillas dedicated to the same philosophy that prevails in Nicaragua, Cuba, and, yes, the Soviet Union. Violence has been Nicaragua's most important export to the world. It is the ultimate in hypocrisy for the unelected Nicaraguan Government to charge that we seek their overthrow, when they're doing everything they can

to bring down the elected Government of El Salvador. [*Applause*] Thank you. The guerrilla attacks are directed from a headquarters in Managua, the capital of Nicaragua.

But let us be clear as to the American attitude toward the Government of Nicaragua. We do not seek its overthrow. Our interest is to ensure that it does not infect its neighbors through the export of subversion and violence. Our purpose, in conformity with American and international law, is to prevent the flow of arms to El Salvador, Honduras, Guatemala, and Costa Rica. We have attempted to have a dialog with the Government of Nicaragua, but it persists in its efforts to spread violence.

We should not, and we will not, protect the Nicaraguan Government from the anger of its own people. But we should, through diplomacy, offer an alternative. And as Nicaragua ponders its options, we can and will—with all the resources of diplomacy—protect each country of Central America from the danger of war.

Even Costa Rica, Central America's oldest and strongest democracy—a government so peaceful it doesn't even have an army—is the object of bullying and threats from Nicaragua's dictators.

Nicaragua's neighbors know that Sandinista promises of peace, nonalliance, and nonintervention have not been kept. Some 36 new military bases have been built. There were only 13 during the Somoza years. Nicaragua's new army numbers 25,000 men, supported by a militia of 50,000. It is the largest army in Central America, supplemented by 2,000 Cuban military and security advisers. It is equipped with the most modern weapons—dozens of Soviet-made tanks, 800 Soviet-bloc trucks, Soviet 152-millimeter howitzers, 100 anti-aircraft guns, plus planes and helicopters. There are additional thousands of civilian advisers from Cuba, the Soviet Union, East Germany, Libya, and the PLO. And we're attacked because we have 55 military trainers in El Salvador.

The goal of the professional guerrilla movements in Central America is as simple as it is sinister: to destabilize the entire region from the Panama Canal to Mexico. And if you doubt beyond this point, just consider what Cayetano Cárpio, the now-deceased Salvadoran guerrilla leader, said earlier this month. Cárpio said that after El Salvador falls, El Salvador and Nicaragua would be “arm-in-arm and struggling for the total liberation of Central America.”

Nicaragua's dictatorial junta, who themselves made war and won power operating from bases in Honduras and Costa Rica, like to pretend that they are today being attacked by forces based in Honduras. The fact is, it is Nicaragua's government that threatens Honduras, not the reverse. It is Nicaragua who has moved heavy tanks close to the border, and Nicaragua who speaks of war. It was Nicaraguan radio that announced on April 8th the creation of a new, unified, revolutionary coordinating board to push forward the Marxist struggle in Honduras.

Nicaragua, supported by weapons and military resources provided by the Communist bloc, represses its own people, refuses to make peace, and sponsors a guerrilla war against El Salvador.

President Truman's words are as apt today as they were in 1947 when he, too, spoke before a joint session of the Congress:⁵

"At the present moment in world history, nearly every nation must choose between alternate ways of life. The choice is not too often a free one. One way of life is based upon the will of the majority and is distinguished by free institutions, representative government, free elections, guarantees of individual liberty, freedom of speech and religion, and freedom from political oppression. The second way of life is based upon the will of a minority forcibly imposed upon the majority. It relies upon terror and oppression, a controlled press and radio, fixed elections, and the suppression of personal freedoms.

"I believe that it must be the policy of the United States to support free peoples who are resisting attempted subjugation by armed minorities or by outside pressures. I believe that we must assist free peoples to work out their own destinies in their own way. I believe that our help should be primarily through economic and financial aid which is essential to economic stability and orderly political processes.

"Collapse of free institutions and loss of independence would be disastrous not only for them but for the world. Discouragement and possibly failure would quickly be the lot of neighboring peoples striving to maintain their freedom and independence."

The countries of Central America are smaller than the nations that prompted President Truman's message. But the political and strategic stakes are the same. Will our response—economic, social, military—be as appropriate and successful as Mr. Truman's bold solutions to the problems of postwar Europe?

Some people have forgotten the successes of those years and the decades of peace, prosperity, and freedom they secured. Some people talk as though the United States were incapable of acting effectively in international affairs without risking war or damaging those we seek to help.

Are democracies required to remain passive while threats to their security and prosperity accumulate? Must we just accept the destabilization of an entire region from the Panama Canal to Mexico on our southern border? Must we sit by while independent nations of this hemisphere are integrated into the most aggressive empire the modern world has seen? Must we wait while Central Americans are driven from their homes like the more than a million who've sought refuge out of Afghanistan, or the 1½ million who have fled Indochina, or the more

⁵ Truman addressed a joint session of Congress on March 12, 1947. For the text of Truman's address, see *Public Papers: Truman, 1947*, pp. 176–180.

than a million Cubans who have fled Castro's Caribbean utopia? Must we, by default leave the people of El Salvador no choice but to flee their homes, creating another tragic human exodus?

I don't believe there's a majority in the Congress or the country that counsels passivity, resignation, defeatism, in the face of this challenge to freedom and security in our own hemisphere. [*Applause*] Thank you. Thank you.

I do not believe that a majority of the Congress or the country is prepared to stand by passively while the people of Central America are delivered to totalitarianism and we ourselves are left vulnerable to new dangers.

Only last week, an official of the Soviet Union reiterated Brezhnev's threat to station nuclear missiles in this hemisphere, 5 minutes from the United States. Like an echo, Nicaragua's Commandante Daniel Ortega confirmed that, if asked, his country would consider accepting those missiles. I understand that today they may be having second thoughts.⁶

Now, before I go any further, let me say to those who invoke the memory of Vietnam, there is no thought of sending American combat troops to Central America. They are not needed—[*applause*]—

Thank you. And, as I say, they are not needed and, indeed, they have not been requested there. All our neighbors ask of us is assistance in training and arms to protect themselves while they build a better, freer life.

We must continue to encourage peace among the nations of Central America. We must support the regional efforts now underway to promote solutions to regional problems.

We cannot be certain that the Marxist Leninist bands who believe war is an instrument of politics will be readily discouraged. It's crucial that we not become discouraged before they do. Otherwise, the region's freedom will be lost and our security damaged in ways that can hardly be calculated.

If Central America were to fall, what would the consequences be for our position in Asia, Europe, and for alliances such as NATO? If the United States cannot respond to a threat near our own borders, why should Europeans or Asians believe that we're seriously concerned about threats to them? If the Soviets can assume that nothing short of an

⁶ In an April 25 interview conducted in Managua, Ortega "rejected 'emphatically and definitively' that Nicaragua intended to install Soviet missiles, a notion that he said 'has arisen only in the mind' of the United States Administration. 'Our country will never be turned into the military base of anyone,' he said." (Marlise Simons, "Sandinistas Say U.S. Arms the Rebels: Leader Says Washington Seeks Front on Southern Border," *New York Times*, April 27, 1983, p. A15)

actual attack on the United States will provoke an American response, which ally, which friend will trust us then?

The Congress shares both the power and the responsibility for our foreign policy. Tonight, I ask you, the Congress, to join me in a bold, generous approach to the problems of peace and poverty, democracy and dictatorship in the region. Join me in a program that prevents Communist victory in the short run, but goes beyond, to produce for the deprived people of the area the reality of present progress and the promise of more to come.

Let us lay the foundation for a bipartisan approach to sustain the independence and freedom of the countries of Central America. We in the administration reach out to you in this spirit.

We will pursue four basic goals in Central America:

First, in response to decades of inequity and indifference, we will support democracy, reform, and human freedom. This means using our assistance, our powers of persuasion, and our legitimate leverage to bolster humane democratic systems where they already exist and to help countries on their way to that goal complete the process as quickly as human institutions can be changed. Elections in El Salvador and also in Nicaragua must be open to all, fair and safe. The international community must help. We will work at human rights problems, not walk away from them.

Second, in response to the challenge of world recession and, in the case of El Salvador, to the unrelenting campaign of economic sabotage by the guerrillas, we will support economic development. And by a margin of 2 to 1 our aid is economic now, not military. Seventy-seven cents out of every dollar we will spend in the area this year goes for food, fertilizers, and other essentials for economic growth and development. And our economic program goes beyond traditional aid. The Caribbean Initiative introduced in the House earlier today will provide powerful trade and investment incentives to help these countries achieve self-sustaining economic growth without exporting U.S. jobs.⁷ Our goal must be to focus our immense and growing technology to enhance health care, agriculture, industry, and to ensure that we who inhabit this interdependent region come to know and understand each other better, retaining our diverse identities, respecting our diverse traditions and institutions.

And, *third*, in response to the military challenge from Cuba and Nicaragua—to their deliberate use of force to spread tyranny—we will support the security of the region's threatened nations. We do

⁷Reference is to H.R. 2769, the Caribbean Basin Economic Recovery Act, which contained the provisions regarding duty-free treatment of goods from Caribbean countries.

not view security assistance as an end in itself, but as a shield for democratization, economic development, and diplomacy. No amount of reform will bring peace so long as guerrillas believe they will win by force. No amount of economic help will suffice if guerrilla units can destroy roads and bridges and power stations and crops, again and again, with impunity. But with better training and material help, our neighbors can hold off the guerrillas and give democratic reform time to take root.

And, *fourth*, we will support dialog and negotiations both among the countries of the region and within each country. The terms and conditions of participation in elections are negotiable. Costa Rica is a shining example of democracy. Honduras has made the move from military rule to democratic government. Guatemala is pledged to the same course. The United States will work toward a political solution in Central America which will serve the interests of the democratic process.

To support these diplomatic goals, I offer these assurances: The United States will support any agreement among Central American countries for the withdrawal, under fully verifiable and reciprocal conditions, of all foreign military and security advisers and troops. We want to help opposition groups join the political process in all countries and compete by ballots instead of bullets. We will support any verifiable, reciprocal agreement among Central American countries on the renunciation of support for insurgencies on neighbors' territory. And, finally, we desire to help Central America end its costly arms race and will support any verifiable, reciprocal agreements on the nonimportation of offensive weapons.

To move us toward these goals more rapidly, I am tonight announcing my intention to name an Ambassador at Large as my special envoy to Central America.⁸ He or she will report to me through the Secretary of State. The Ambassador's responsibilities will be to lend U.S. support to the efforts of regional governments to bring peace to this troubled area and to work closely with the Congress to assure the fullest possible, bipartisan coordination of our policies toward the region.

What I'm asking for is prompt congressional approval for the full reprogramming of funds for key current economic and security programs so that the people of Central America can hold the line against externally supported aggression. In addition, I am asking for prompt action on the supplemental request in these same areas to carry us through the

⁸On April 28, Speakes announced that the President would nominate Stone to be Ambassador at Large and Special Representative of the President to Central America. For Stone's April 28 question and answer session with reporters, held at the White House, during which the President also offered remarks, see *Public Papers: Reagan, 1983*, Book I, pp. 610–613. For the White House statement on Stone's nomination, see *ibid.*, pp. 613–614.

current fiscal year and for early and favorable congressional action on my requests for fiscal year 1984.

And finally, I am asking that the bipartisan consensus, which last year acted on the trade and tax provisions of the Caribbean Basin Initiative in the House, again take the lead to move this vital proposal to the floor of both Chambers.⁹ And, as I said before, the greatest share of these requests is targeted toward economic and humanitarian aid, not military.

What the administration is asking for on behalf of freedom in Central America is so small, so minimal, considering what is at stake. The total amount requested for aid to all of Central America in 1984 is about \$600 million. That's less than one-tenth of what Americans will spend this year on coin-operated video games.

In summation, I say to you that tonight there can be no question: The national security of all the Americas is at stake in Central America. If we cannot defend ourselves there, we cannot expect to prevail elsewhere. Our credibility would collapse, our alliances would crumble, and the safety of our homeland would be put in jeopardy.

We have a vital interest, a moral duty, and a solemn responsibility. This is not a partisan issue. It is a question of our meeting our moral responsibility to ourselves, our friends, and our posterity. It is a duty that falls on all of us—the President, the Congress, and the people. We must perform it together. Who among us would wish to bear responsibility for failing to meet our shared obligation?

Thank you, God bless you, and good night.

⁹ See footnote 5, Document 139. On June 21, the House Ways and Means Committee approved H.R. 2769 (see footnote 7, above), and the full House passed the bill on July 14. The Senate Finance Committee approved its version of the bill on May 12, and the full Senate attached the Caribbean Basin proposals to the tax withholding bill (H.R. 2973). Although the President did not favor the tax legislation, he did sign the bill (P.L. 98-67; 97 Stat. 369) into law on August 5. (*Congress and the Nation*, vol. VI, 1981-1984, pp. 90, 106-107)

153. Memorandum From the Chairman of the Policy Planning Council (Bosworth) to the Under Secretary of State for Political Affairs (Eagleburger)¹

Washington, May 27, 1983

SUBJECT

Foreign Policy Coordination

Rather than give you a proposed agenda for the first meeting, I thought it might be helpful to tick off a number of different foreign policy issues that cut across geographical and functional bureau lines.² Once you have a chance to reflect on these topics, and others that may occur to you during your trip to Yugoslavia, we can put together an agenda for the first meeting.

You might want to consider some of the following issues:

—*Soviet direct and indirect (proxy) actions which affect US interests in the Third World.* This could deal with Cuban, Libyan, Vietnamese and other proxy activities. It also could address how best to support US friends vulnerable to such Soviet supported actions and to raise the cost for the proxies themselves.³

—*Conventional Arms Transfers.* One issue here is how Soviet arms transfer policy undercuts our interests globally and how best to deal with it (counter-transfers, economic aid, etc.). Another issue is the allied dimension.

—*What has replaced the Nixon Doctrine?*⁴ The Nixon Doctrine focused on support for regional powers with whom we could work to defend

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons 5/16–31/83. Secret. Drafted by Kaplan. A stamped notation indicates that Eagleburger saw the memorandum on May 27. Eagleburger wrote in the top right-hand corner of the memorandum: "Steve: let's talk (with some of your people if you wish). LSE."

² In a May 19 memorandum to Crocker, Enders, Wolfowitz, Burt, Veliotis, and Bosworth, Eagleburger expressed his concern "over the tendency to look at issues very narrowly with little regard to our overall foreign policy objectives. One reason this occurs is that there is insufficient contact between bureaus, particularly at the policy levels." Noting that the situation had to be addressed, he wrote: "Therefore, as much as I dislike meetings, I want to schedule regular one-hour sessions every two weeks so that we can discuss foreign policy issues that cut across bureau lines. If you are in town, I expect you to be there. If not, your senior deputy should attend." Eagleburger also assigned responsibility to S/P to develop the agenda for each meeting. (*Ibid.*)

³ Eagleburger placed two vertical lines and a checkmark in the right-hand margin next to this point.

⁴ During a tour of Asia in July 1969, Nixon outlined what would become one of the major foreign policy themes of his administration. In reference to the U.S. role vis-à-vis Asia, he declared that the United States would stand by its treaty commitments but expect Asian nations to shoulder their own defense burdens. For additional information on the Nixon Doctrine, see *Foreign Relations, 1969–1976*, vol. I, Foundations of Foreign Policy, 1969–1972, Document 29, and *Public Papers: Nixon, 1969*, pp. 544–556.

US interests (e.g. Iran and Persian Gulf). Having passed through the post-Vietnam period and the fall of Iran, etc, do we have a coherent conceptual approach for dealing with this important and fundamental foreign and security policy problem?⁵

—*Non-proliferation Policy*. We have a first draft of a paper on non-proliferation for our Foreign Policy Directions project⁶ and will be sharing it with the Secretary, Ken Dam and you after we have had an opportunity to staff it and talk with Dick Kennedy. That might lay the basis for a useful future meeting of your group on how our non-proliferation and foreign policy interests intersect.

—*Arms control*. How do we move our European allies (especially Germany and the Scandalux countries) away from their near obsession with arms control as the central focus of all security policy, without further undermining the Administration's credibility in terms of support for arms control? The answer, obviously, is gradually, but we need a fuller answer. More importantly, we need a genuine strategy. A EUR/PM paper is working on this subject in the Foreign Policy Directions project, but so far has a long way to go.

—*Europe and Central America*. Two key issues occur to me: 1) the diversion question (the extent to which US attention and material resources might need to be diverted from Europe to our own backyard should things go badly in Central America); and 2) how to get the Europeans to recognize that scoring domestic points off of us on Central America can weaken support for the Atlantic connection?⁷

—*Unilateralism*. The most obvious (and deeply troubling) issue here is how American and European (especially German) unilateralist tendencies tend to reinforce each other (despite their mutual antipathy) and thereby undermine allied common purposes and solidarity. The unilateralism issue, however, has its application in US relations with other parts of the world; that might be explored productively with all the regional bureaus.

—*The US and Europe (and Japan) in the Middle East*. Since Suez, US-European discord over the Middle East has been a major irritant in Atlantic alliance relations.⁸ It also has emerged as a point of friction

⁵ Eagleburger placed two vertical lines and a checkmark in the right-hand margin next to this point. He also underlined "do we have a conceptual approach," placed a vertical line and a checkmark in the left-hand margin next to it, and wrote *No* to the left of the line.

⁶ In January, the "Foreign Policy Directions" project had been assigned to the Policy Planning Council under Bosworth's direction; see footnote 2, Document 123.

⁷ Eagleburger placed two vertical lines and a checkmark in the right-hand margin next to this point. Following the last sentence, he wrote: "Also—how to get them to avoid aid transfers?"

⁸ Reference is to the 1956 Suez crisis. On July 26, 1956, Egypt nationalized the Suez Canal. British, French, and Israeli forces invaded the Suez Canal Zone in October. Eisenhower called for these forces to withdraw from the Zone.

with Japan. Is there any way we can improve policy management of this problem, or should we basically settle for practical cooperation on specific issues (MFN) while ignoring differences at the level of basic and declaratory policy.⁹

—*Engaging the Japanese in our global foreign policy.* You recently approved an S/P paper, focusing on aid policy, that the Secretary gave to Foreign Minister Abe on this issue. The Secretary obviously is interested in developing this further. The regional bureaus might be of some help in identifying opportunities for cooperation in their areas.¹⁰

—*US-Chinese strategic cooperation—in and out of Asia.* This won't be easy in light of currently sour relations. However, if we can begin to turn things around (through technology transfer, etc.) there may be greater opportunities.¹¹ We should use our time now to ask ourselves what *we* would like from the Chinese. For example, would it be feasible in the right political conditions to gain Chinese cooperation concerning reinforcement of the Persian Gulf in crisis situations via Chinese airfields? This may not be the best example but it is one that Chas Freeman once mentioned to Phil Kaplan. I think we ought to look at what might be feasible, and in the mutual US-PRC interest.

—*The Sino-Soviet dialogue.* What are the prospects? What might rapprochement portend for US global interests? What are the policy implications now, and depending upon what eventually might come about in that relationship.

—*Horn of Africa.* We should consider here the interconnections among the ostensibly fraying Libya-Ethiopia-PDRY axis, the Soviet connection, the Sudan's precarious situation, opportunities for Somali-Kenyan reconciliation and potential contributions from the Saudis and other OPEC sources.

—*Latin American (e.g. Brazil)-African relationships.* How important? How do they affect US interests? How could we protect our interests?

This obviously is an off the top of the head list and we will be thinking about it some more. One final rather procedural point might be worth taking up in this first meeting—the need to get the bureaus to focus somewhat more on composite US national interests (which is why you are initiating these meetings) and a good deal less on

⁹ Eagleburger placed two vertical lines and a checkmark in the right-hand margin next to this point.

¹⁰ Eagleburger placed a vertical line in the left-hand margin next to this point and wrote: "Also—How to bring Japan into [unclear] in Eur." He also placed two vertical lines and two checkmarks in the right-hand margin next to this point. The S/P paper has not been found.

¹¹ Eagleburger placed two vertical lines and a checkmark in the right-hand margin next to this point.

defending their clients. If you could achieve this out of your exercise, we would give you the Order of the Eagle with three oak leaf clusters.¹²

¹²Eagleburger placed a vertical line in the right-hand margin next to this paragraph, drew a line to the bottom of the memorandum, and wrote: "Should [unclear] the [unclear] focus of the 1st. mtg." He also underlined "the need to get the bureaus to focus somewhat more on composite US national interests," placed two vertical lines in the adjacent left-hand margin, and wrote "yes. He also placed two vertical lines in the left-hand margin next to the last sentence of the paragraph and wrote: "Amen!!"

154. Letter From President Reagan to Richard Nixon¹

Washington, June 1, 1983

Dear Dick:

While I had earlier expressed my concurrence with your article appearing in *The Wall Street Journal*, "Don't Let Salvador Become Another Vietnam," I wish to tell you how thoroughly I agree with your analysis.²

As you so persuasively illustrate, the significant Vietnam/Salvador parallels are *not* those sometimes urged upon Americans by liberal writers.³ The important parallels are instead the arming of guerrillas with Soviet-bloc weapons, the demands that the governments negotiate and share power with the communists before elections and, most importantly, the terrible consequences to the country, its citizens, and its neighbors in the event of submission to a communist regime.

Your article should also bring home to all Americans where the parallel ends. Unlike the expansion of communism into bordering states on the other side of the world, voluntary submission to further Soviet-bloc

¹Source: Reagan Library, Paula Dobriansky Files, Country File, Presidents, Former; NLR-145-5-18-5-1. No classification marking. An unknown hand wrote "Lenczowski" in the top-right hand corner of the letter and circled the name.

²Richard M. Nixon, "Don't Let Salvador Become Another Vietnam," *Wall Street Journal*, May 2, 1983, p. 30.

³Nixon wrote: "There are chilling parallels between what is happening in El Salvador and what happened in Vietnam. In both cases, the myth that what is involved is simply a civil war with guerrilla forces armed with pitchforks and a few weapons captured from the government has been exploded. In Vietnam, we now know from the North Vietnamese themselves that the Soviet Union was the primary arms supplier to the guerrillas in South Vietnam. In El Salvador, it has been clearly established that the guerrillas are primarily armed with Soviet-bloc weapons funneled through Cuba, Nicaragua and Libya." (Ibid.)

control in Central America would constitute a weakening of our resolve and the beginning of the conflict for communist control of the United States itself. Can reasoning, informed Americans let this happen?

Thank you for the public statement of truths which seriously concern me.

Sincerely,

Ron

155. Memorandum From President Reagan to Secretary of State Shultz and Secretary of Defense Weinberger¹

Washington, June 7, 1983

SUBJECT

Goals and Priorities (C)

With 18 months of our first term remaining we have accomplished a great deal but have a considerable number of demands and opportunities before us. Now is an appropriate time to review the agenda, to

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons 6/16–30/83. Confidential. Copies were sent to Casey and Regan. Under a June 13 memorandum, Shultz sent Bosworth a copy of the President's memorandum, writing: "I look to you to organize a discussion of this important subject sometime within the next 10 days." (Ibid.) Under a June 13 covering memorandum, Paul Boeker (S/P) sent Crocker, Enders, Wolfowitz, McCormack, Burt, Moore, Newell, Veliotis, Hughes, and Howe a copy of the President's memorandum, noting that Shultz had asked S/P to respond "by preparing a paper with an overall strategic agenda for the remainder of the Administration. We want to work closely with you in responding to the President's request for recommendations on the demands we may face and opportunities we could exploit in the foreign policy area. This will involve both substantive initiatives and damage limitation." (Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons 6/1–15/83) Under a June 16 covering memorandum, McNamar sent Regan a copy of the June 7 memorandum, writing: "I believe that Treasury should provide input to that process, since many of the most important problems and opportunities in the international arena are economic ones—e.g. achieving worldwide sustainable non-inflationary growth, the LDC debt problem, transfers of critical technology, etc." McNamar recommended that Regan task Leland with preparing "a short memorandum on Treasury's goals and priorities in the international arena." (Washington National Records Center, RG 56, Department of the Treasury Records, Executive Secretariat, Official Files, 1983, 56–82–2, Memo to the Secretary June 83) Although Regan approved the recommendation on June 17, no record of such a memorandum has been found.

evaluate the potential for progress in various areas, to set priorities, and to identify the resources and investments of time and effort essential to success. (C)

What has been accomplished. In the course of the past two and one-half years we have reversed perceptions abroad—by friend and foe alike—of the United States as a nation in decline, no longer able to define its interests and defend them. The catalyst for this evolution in perceptions has been the articulation of new policies in the following areas:

—Firm commitment to the restoration of the military foundation of our national security policies.

—Establishing a new relationship with the Soviet Union based upon the principles of reciprocity and restraint.

—Restoring confidence and cohesion among our allies.

—Defining a comprehensive and responsible policy for the reduction of strategic and general purpose armaments.

—Establishing a new basis for the conduct of relations with developing countries.

—Maintaining a firm commitment to lead in efforts to bring peace to troubled regions (Middle East, Southern Africa, etc.)

In addition, we have established a disciplined decision-making and policy-planning process through which we have conducted a number of broad regional policy studies. (C)

The Next 18 Months. Much remains to be done within this system to extrapolate from the broad regional policy studies to how we will conduct our affairs with individual countries (e.g., U.S. relations with Korea, Yugoslavia, etc.). One can say that we would leave a commendable legacy were we to do no more than to focus our efforts on completing an additional 75–80 country/issue studies thereby leaving on the shelf a coherent set of policies. But to do so would of course be to ignore the demands for U.S. leadership on the one hand and the opportunities on the other. Each Administration is also faced with ideas whose time has come and which require leadership to come into fruition. The purpose of this memo is to ask your help in taking a look ahead in your areas in an effort to define these demands and opportunities and begin to work together toward those three or four goals which is about the limit of what any President can realistically hope to achieve. (C)

Within the next two—three weeks, I would like to ask you to reflect on the demands and opportunities in your respective areas and submit as detailed a forecast of your recommendations as possible. By forecast, I intend your priority objectives together with your prescription of the actions/milestones along the way to meeting them. You should include specific elaboration of my involvement through public/congressional

addresses and/or meetings, foreign travel and any major reallocations of resources necessary to the promotion of your proposed objectives. Below I list some of the more obvious items on our common agenda. It is by no means exhaustive. Still I want to emphasize that the intention of this request is to identify and begin to flesh out a strategy for achievement of those three or four goals which we can reasonably hope to achieve in the first term. (C)

Your proposals will inevitably include actions by others in receipt of this memo. Please include the fullest possible detail. (U)

I ask that Bill Clark convene a meeting soon to review our thoughts and then to seek your help in integrating these individual efforts into an overall strategic agenda by the first of July. (C)

Common Objectives:

—The Middle East (withdrawal of all foreign forces from Lebanon and agreement on autonomy arrangements for the West Bank and Gaza).

—Arms Control (A START agreement? INF? Agreement of Confidence Building Measures?).

—Launching of the MX program together with sustaining the strategic modernization program.

—Forging improved cooperation among countries of the Western Hemisphere.

—Pacific Basin Initiative. (C)

Ronald Reagan

156. Editorial Note

Secretary of State George Shultz delivered the commencement address at Stanford University in Stanford, California, on June 12, 1983. In his address, Shultz emphasized the “common responsibility” shared by democracies facing “a new set of challenges”: “American students graduating today have many worries, I am sure. You must be anxious about your careers and your future. Yet there is one category of worries that, I daresay, you do not have. You are not concerned that the threat of imprisonment or torture hangs over you if you say or write or do the ‘wrong’ thing. You have no fear of the policeman’s midnight knock on the door. Considering how few democracies there are in this world, what we have in common with our allies is, therefore, something precious: systems of constitutional, representative government; systems of law that guarantee basic political and civil rights and

freedoms; open economic systems that give free rein to individual talent and initiative.

“Most alliances in history have not lasted. The fact that the democracies have been held together by ties of political, economic, and security cooperation for more than three decades, through many profound changes in international conditions, is proof, I believe, that our unity of shared values and common purpose is something special.

“At the same time, the grim lesson of history should warn us that even this great coalition will not survive without conscious effort and political commitment. Those statesmen who were ‘present at the creation’ in the immediate postwar period showed enormous vision and courage. In a new era of history, it is up to all of us to summon the same vision and courage to assure that it survives and flourishes.

“Therefore, it is of enormous importance that our moral unity is today being so effectively translated into political unity. It is important that old divisions within the alliance are narrowing, as shown by the fact that the ministerial meeting I just attended was held in Paris for the first time in 17 years. It is important that the alliance is attractive enough for new countries to want to join—the original 12 now number 16. It is important that the 24 industrial democracies grouped in the OECD have worked out a framework for a consensus on the difficult issue of East-West trade, based on a thoughtful analysis of the balance of interests in economic relations with communist systems.

“Outside the formal alliance framework, British, French, and Italian soldiers now stand alongside our Marines protecting Beirut. Our Atlantic allies, Japan, and other countries around the world are supporting our efforts to promote the withdrawal of all external forces from Lebanon. Britain, France, West Germany, Canada, and the United States are working together as a ‘contact group’ to help reach a negotiated arrangement for the independence of Namibia. And all the diverse Williamsburg summit partners—including Japan—joined in an impressive joint statement on security and arms control.

“Thus, for all our occasional squabbles, the democratic nations have not forgotten the paramount importance of the values and interests we have in common.

“In the economic dimension as well, experience teaches that cooperation is essential. We now live in an interdependent world in which each country’s well-being, primarily its own responsibility is, nevertheless, affected powerfully by the health of the global economy, for which the industrial democracies bear a special responsibility.

“In the 1970s, the plagues of recession, oil shocks, and inflation spread across national boundaries. The impact was not only economic but political. There was great concern that these ills would weaken

not only Western economies but the cohesion of Western societies. If democratic governments proved unable to deal effectively with their economic problems, societies would be under continuing strain, social divisions would be aggravated, and we might have faced a demoralizing crisis of democracy. Increasing resort to protectionism, choking off world trade and compounding the recession, could have undermined relations between allies. These political divisions, as well as budgetary pressures, threatened to weaken the common defense.

“The free nations had learned, however, from the experience of the 1930s, when the failure of cooperation gave birth to widespread protectionism, which deepened the Great Depression. This time the free nations began the practice of holding yearly economic summits and intensified their cooperation in many other forums, multilateral and bilateral. So we can hope that the common sense of the body politic will prevail over the drive of special interests for protective treatment.

“As the Williamsburg declaration testifies: ‘The recession has put our societies through a severe test, but they have proved resilient.’ Rather than economic stagnation, we are seeing the impressive capacity of open economies to regain their vitality. Growth with low inflation has resumed in the United States, Japan, West Germany, Britain, and other countries which together account for about three-quarters of the production of the industrialized world. If we have truly wrung inflation out of our system, and if we all maintain discipline in our national policies, the world could be headed for a long period of sustained noninflationary growth. Those are big ‘ifs,’ I know, but our experience should tell us that the job can be done and that we will be much better off as we do it.

“It is essential that we resist protectionism, which could hinder this recovery. The Williamsburg summit partners candidly acknowledged to each other that every country’s record is spotty on this score. But they committed themselves ‘to halt protectionism, and as recovery proceeds to reverse it by dismantling trade barriers.’ New efforts of trade liberalization would be especially beneficial to the developing countries: in 1980, their export earnings of \$580 billion amounted to 17 times their net receipts from foreign aid.

“For all our temporary setbacks, the free economies have brought about since 1945 an era of growth and prosperity unprecedented in history. On the Eastern side of the divided Continent of Europe, economic problems are systemic. Inefficiencies are built in; innovation is inhibited; effective economic reforms are excluded because they would weaken the grip of centralized Soviet political control. In contrast, our economic difficulties are largely problems of self-discipline, of better management of fiscal and monetary policy to permit the inherent vitality of the free economic system to show its power. The weakness of Soviet-style economies is structural. We have reason for confidence, for our economic future is in our own hands.

“Unfortunately, the Soviet system is very proficient in another sphere: the accumulation of military power. Therefore, security must remain a priority area of cooperation. If the values and interests we have in common are truly precious to us, then we have a duty to defend them. The summit partners at Williamsburg made very clear that they have learned this lesson. Let me read to you from their joint statement:

“As leaders of our seven countries, it is our first duty to defend the freedom and justice on which our democracies are based. To this end, we shall maintain sufficient military strength to deter any attack, to counter any threat, and to ensure the peace. . . . The security of our countries is indivisible and must be approached on a global basis. . . . We have a vision of a world in which the shadow of war has been lifted from all mankind, and we are determined to pursue that vision.’

“In an age of nuclear weapons, maintaining collective security is no easy task. ‘A nuclear war cannot be won and must never be fought.’ That’s a quote from Ronald Reagan. Our challenge is really twofold: we must both defend freedom and preserve the peace. We must seek to advance those moral values to which this nation and its allies are deeply committed. And we must do so in a nuclear age in which a global war would thoroughly destroy those values. As the President pointed out in Los Angeles on March 31, our task is ‘one of the most complex moral challenges faced by any generation.’

“We and our allies have agreed for decades on a twofold strategy for meeting this challenge. First, we are committed to ensuring the military balance, modernizing our forces, and maintaining vigilance. Second, we are prepared for and committed to constructive dialogue with our adversaries, to address the sources of tension, resolve political conflicts, and reduce the burden and danger of armaments.

“We cannot find security in arms alone. We are willing to negotiate differences, but we cannot do so effectively if we are weak or if the Soviet Union believes it can achieve its objectives without any compromise. Therefore, both these tracks—strength and diplomacy—are essential.

“Unfortunately, the democratic nations have tended to neglect their defense responsibilities. Some serious problems have resulted and are now coming home to roost. They underlie many of the current controversies. In the 1970s, the trauma of Vietnam caused the United States to reduce its armed forces and reduce real defense spending, at the same time that the Soviet Union, in the wake of the Cuban missile crisis, was embarked on a relentless buildup in all categories of military power—strategic, conventional, and naval. Once the United States lost its unquestioned strategic superiority over the Soviet Union, NATO’s defense—which relies on the commitment of American strategic power—became much more complicated. Yet NATO conventional forces continue to be inadequate.

Ironically, NATO's success in keeping the peace in Europe for more than three decades leads some to take peace for granted and to forget the crucial role NATO has played in guaranteeing it.

"The unprecedented expansion of Soviet power over the past two decades cannot be ignored or rationalized away. Any president, any administration, would be forced to respond. We have seen too often that an imbalance of power is an invitation to conflict. Therefore, this administration, and our allies, are committed to maintenance of the military balance in Europe and globally.

"Surely the burden of proof is on those who would undo the present military balance, or alter it, or conduct risky experiments with unilateral concessions without genuinely reducing the levels of armaments on both sides.

"At the same time, experience teaches that a balance of power, though necessary, is not sufficient. Our strength is a means to an end; it is the secure foundation for our effort to build a safer, more peaceful, and more hopeful world. On the basis of strength, the cohesion of our alliance, and a clear view of our own objectives, we must never be afraid to negotiate.

"This is our attitude to arms control. As NATO decided in December 1979, for example, we intend to modernize our intermediate-range nuclear forces in Europe to counter the Soviet deployment of over 1,000 nuclear warheads on their new intermediate-range missiles (SS-20s). But we are also willing to eliminate this entire category of nuclear weapons from the face of the earth; and we are prepared, as an interim step, to reduce these forces to any equal, verifiable level.

"If negotiations do not succeed, however, we must be prepared to deploy at the end of this year as decided in 1979. The Soviet Union has no higher priority goal at the moment than to intimidate NATO into canceling its deployments unilaterally, thereby leaving the Soviet Union with its massive monopoly of new missiles and warheads already in place. As the summit partners made unanimously clear at Williamsburg, the alliance cannot, and will not, permit this to happen.

"At Williamsburg and at NATO, we saw an impressive consensus on security and arms control. This is a firm ground for confidence that war will be deterred, that stability will be maintained, and that we will have a chance at least to reach reliable agreements making the world that you inherit a safer place.

"The final lesson I want to leave you with is this: experience teaches us that nothing is foreordained. Nations, like individuals, have choices to make. History is filled with many examples of nations and individuals that made the wrong choices; there are also many examples of foresight, wisdom, and courage.

"Democracies are sometimes slow to awaken to their challenges. But once they are aroused, no force on earth is more powerful than free peoples working together with clear purpose and determination.

“Therefore, I have confidence in the future. You new graduates, with your energy, talent, creativity, represent the promise of that future. Few others are so fortunate. Few others have such a responsibility.

“And now, my congratulations to you, to your parents, and to Stanford, and my very best wishes to all of you.” (Department of State *Bulletin*, July 1983, pages 63–65)

157. Memorandum From the President’s Assistant for National Security Affairs (Clark) to President Reagan¹

Washington, June 14, 1983

SUBJECT

National Security Priorities—Where Are We Going and How Are We Going to Get There

By this time, you have undoubtedly surveyed the global possibilities for making significant gains—for accomplishing something truly important—in the next year. In looking at the horizon there are some places where we are committed and must devote a lot of time and energy to simply holding your own, e.g., El Salvador. In other areas, we could take a lower profile without great risk, e.g., East Asia, but where the potential for opening a truly new direction of emphasis in U.S. foreign policy is very high. In still other areas, e.g., the Middle East, I believe we have lost a chance to achieve truly strategic gains, but could still lose a lot; consequently, we must stay engaged. Finally with regard to whether or not we stand to make any progress in US-Soviet relations, thoughtful men can make a case on both sides. An expanding school of thought states that the U.S. is in the best position in thirty years to negotiate and get results with the Russians.² They base this not only on the clear restoration of our military strength³ which you have set in motion (and which the Soviets know will leave them in second place within ten years), but also on the terribly important political base of support you have

¹Source: Reagan Library, William Clark Files, US-Soviet Relations Papers Working File: Contains Originals. Confidential; Eyes Only. Clark did not initial the memorandum. The President initialed the top right-hand corner of the memorandum. Another copy is in the Reagan Library, Executive Secretariat, NSC Subject File, Goals and Priorities (June 1983–July 1983).

²An unknown hand underlined “Russians.”

³An unknown hand underlined “restoration of our military strength.”

garnered in Europe in the last six months. Added to this, some point to the personal interests Andropov might have in outflanking his “softer” colleagues in the Kremlin by getting a summit at which a good arms control (read constraining U.S. arms) agreement is achieved.

The detractors say that it is too soon to expect to achieve real concessions from the Soviets; that we have sustained the conservative consensus for only two years and that the Russians will wait us out for at least another year.

I tend to side more with the former school—that is, to go ahead to engage the Soviets in serious efforts to solve problems—as long as we do it in a sensible way using our leverage sparingly and not being suckered.

But before we go further to decide any of these issues, we must face the fact that if we try to make progress in all these areas—East-West relations, the Middle East, the Pacific Basin and Central America—we face the very real prospect of failing in all of them. We simply don’t have the resources in this Administration—no Administration does—to undertake four major national security campaigns simultaneously. For example, if you were to decide to make a major effort to make another step—achieving autonomy for the West Bank—in the Middle East this would require whomever you assign this task, to spend full time on it. The corollary is that the person would be unable to do anything else. Thus if George Shultz does that, he would be unable to work, say, on Central America. When Kissinger was trying to get a *partial* disengagement between Israel and Egypt in 1974,⁴ he was out of the United States for more than six months of the year. What happens to Central America while the Secretary of State is gone, much less to any hope of making progress with the Russians?

My point is that we need to: (1) Set some priorities—what do you want to achieve; and (2) Divide the labor so that we apply our resources wisely. In addition to a division of labor we need to take a long look ahead to assure that your involvement is timed properly and planned in advance. Specifically, when should you travel? Where should you go? Why should you go there? In short, we should focus on your activities in a way that does not involve a travelogue to Asia simply because you have not been there, but because it is part of a plan. Most importantly, we should reach the spring of next year having achieved something specific to make the world a better place.

⁴The first disengagement agreement between Israel and Egypt (Sinai I) was agreed to on January 18, 1974, and signed at Kilometer 101 on the Cairo-Suez Road on January 18; see *Foreign Relations, 1969–1976*, vol. XXVI, Arab-Israeli Dispute, 1974–1976, Document 16. Syrian and Israeli officials signed the Syrian-Israeli disengagement agreement on May 31. A second Israeli-Egyptian agreement (Sinai II) was reached on September 1, 1975, and signed on September 4; see *Foreign Relations, 1969–1976*, vol. XXVI, Arab-Israeli Dispute, 1974–1976, Document 226.

I have my own ideas on these matters. I believe, however, that rather than my sending them to you, all of your advisors would benefit from a closely held "strategic review of the bidding." At such a session, George, Cap, Bill and I could lay out our appraisal of what is within the realm of possibility in the next year and how we might go about dividing the labor and laying out a strategy for getting there.

George has asked to see you Wednesday afternoon.⁵ If you agree, I believe it would be worthwhile to ask that he, together with Cap and Bill if you wish, be prepared to discuss the big picture. Without this pause to get your sense of vision, I am afraid we will end up a year from now having "minded the store" but without much to show for it.⁶

⁵June 15.

⁶In the margin below this paragraph, Clark wrote: "Mr. President, I would like your comments before our meeting—Bill."

158. Editorial Note

On June 15, 1983, Secretary of State George Shultz testified before the Senate Foreign Relations Committee concerning U.S.-Soviet relations. Committee Chair Charles Percy (R-Illinois) chaired the hearings and began by welcoming Shultz. He then stated that he believed this would "be among the most important hearings that I have participated in in the years that I have been on the Senate Foreign Relations Committee." He continued, "The subject of these hearings, the United States and the Soviet Union, in an atomic and nuclear age, is one of the most important subjects presented to mankind and to history. How do these two so-called superpowers respond and react with the kind of power that they possess? How can we prevent miscalculation? How can we prevent what so many young people are so cynical about occurring in their lifetimes, the possibility of a nuclear war?"

Before Shultz began his statement, Percy called upon the ranking minority member of the Committee Senator Claiborne Pell (D-Rhode Island) for any comments he "would like to make." Pell responded, in part: "Now, in my mind, the peril that we face is greater now than it was 2½ years ago, when this administration took over. I hope I am wrong, and I hope that your testimony will show that I am wrong, but I think a very increasing crescendo of administration rhetoric, although somewhat subdued in the last few weeks, has alarmed people. Also, the departure of people who really, while of a conservative cast, believed strongly

and vigorously in arms control, like Gene Rostow, or Tom Enders, who believed in the two-track approach in Central America, has made us concerned about what the real direction of the administration is.

“Again, I hope the testimony and the facts, which are most important, will show that our situation is not worsening from the viewpoint of the possibility of war.”

Percy then directed Shultz to offer his statement. Shultz thanked the Committee and stated: “I appreciate the opportunity to meet with you and discuss our approach to United States-Soviet relations in the context of our broader foreign policy. As you have suggested, this has all sorts of dimensions to it that weigh on people’s minds. And it is, of course, a subject that I have thought about a great deal.

“The President has not only taken the time to talk with me about this, but has read through this testimony and made a few suggestions, which I found it possible to accept, and has signed off on the testimony. I feel very confident in saying that I am speaking not only for myself, but for the President in this statement.

“The management of our relations with the Soviet Union is of utmost importance. That relationship touches virtually every aspect of our international concerns and objectives, political, economic, and military, and every part of the world.

“We must defend our interests and values against a powerful Soviet adversary that threatens both. And we must do so in a nuclear age, in which a global war would even more thoroughly threaten those interests and values. As President Reagan pointed out on March 31: ‘We must both defend freedom and preserve the peace. We must stand true to our principles and our friends while preventing a holocaust.’ It is, as he said, ‘one of the most complex moral challenges ever faced by any generation.’

“We and the Soviets have sharply divergent goals and philosophies of political and moral order; these differences will not soon go away. Any other assumption is unrealistic. At the same time, we have a fundamental common interest in the avoidance of war. This common interest impels us to work toward a relationship between our nations that can lead to a safer world for all mankind.

“But a safer world will not be realized through good will. Our hopes for the future must be grounded in a realistic assessment of the challenge we face and in a determined effort to create the conditions that will make their achievement possible. We have made a start. Every postwar American President has come sooner or later to recognize that peace must be built on strength. President Reagan has long recognized this reality.

“In the past 2 years this Nation—the President in partnership with the Congress—has made a fundamental commitment to restoring its

military and economic power and moral and spiritual strength. And having begun to rebuild our strength, we now seek to engage the Soviet leaders in a constructive dialog—a dialog through which we hope to find political solutions to outstanding issues.

“This is the central goal we have pursued since the outset of this administration. We do not want to—and need not—accept as inevitable the prospect of endless, dangerous confrontation with the Soviet Union. For if we do, then many of the great goals that the United States pursues in world affairs—peace, human rights, economic progress, national independence—will also be out of reach. We can—and must—do better.”

Shultz explained that the remainder of his testimony would focus on the “challenge posed by the Soviet Union’s international behavior” and the “strategy which that challenge requires of us,” the “steps this administration has taken to implement this strategy,” and, finally, “the specific issues that make up the agenda for United States-Soviet dialog and negotiation. Regarding this latter point, Shultz asserted: “In this dialog, our agenda is as follows: To seek improvement in Soviet performance on human rights, which you emphasized, Mr. Chairman, in your opening statement; to reduce the risk of war, reduce armaments through sound agreements, and ultimately ease the burdens of military spending; to manage and resolve regional conflicts; and to improve bilateral relations on the basis of reciprocity and mutual interest.

“This is a rigorous and comprehensive agenda, and our approach to it is principled, practical, and patient. We have pressed each issue in a variety of forums, bilateral and multilateral. We have made clear that the concerns we raise are not ours alone, but are shared by our allies and friends in every region of the globe. We have made clear that each of our concerns is serious. The Soviets know that we do not intend to abandon any of them merely because agreement cannot be reached quickly, or because agreement has been reached on others.

“Let me briefly review the state of our dialog in each of these areas.

“Human rights is a major issue on our agenda. To us it is a matter of real concern that Soviet emigration is at its lowest level since the 1960’s, and that Soviet constriction of emigration has coincided with a general crackdown against all forms of internal dissent. The Helsinki monitoring groups have all been dispersed and their leaders have been imprisoned or expelled from the country. And the Soviet Union’s first independent disarmament group has been harassed and persecuted.

“We address such questions both multilaterally and bilaterally. In such forums as the U.N. Human Rights Commission, the International Labor Organization, and especially the Review Conference of CSCE—where Max Kampelman is doing a truly outstanding job—we have made clear that human rights cannot be relegated to the margins of

international politics. Our Soviet interlocutors have a different view; they seek to dismiss human rights as a 'tenth-rate issue,' not worthy of high-level attention.

"But our approach will not change. Americans know that national rights and individual rights cannot realistically be kept separate. We believe, for example, that the elements of the postwar European 'settlement' that were adopted by the parties to the Helsinki Final Act in 1975 form an integral whole; no one part will survive alone. Guided by this conviction, we and our allies have held at the Madrid Review Conference that movement in one 'basket' of this settlement—such as the convening of a European disarmament conference—must be matched by progress in other 'baskets,' especially human rights.

"We insist on this balance because we believe that international obligations must be taken seriously by the governments that assume them. But there is also a deeper reason that directly concerns the question of security.

"In Europe, as elsewhere, governments that are not at peace with their own people are unlikely to be on good terms with their neighbors. The only significant use of military force on the continent of Europe since 1945 has been by the Soviet Union against its East European 'allies.' As long as this unnatural relationship continues between the U.S.S.R. and its East European neighbors, it is bound to be a source of instability in Europe.

"We have been just as concerned about human rights issues on a bilateral as on a multilateral basis. The need for steady improvement of Soviet performance in the most important human rights categories is as central to the Soviet-American dialog as any other theme. Sometimes we advance this dialog best through public expressions of our concerns, at other times through quiet diplomacy. What counts, and the Soviets know this, is whether we see results.

"Let me turn to arms control, our second agenda item. We believe the only arms control agreements that count are those that provide for real reductions, equality, verifiability, and enhanced stability in the East-West balance. Success in our negotiations will not, of course, bring East-West competition to an end. But sustainable agreements will enable us to meet the Soviet challenge in a setting of greater stability and safety.

"The United States is now applying these principles in an ambitious program of arms control negotiations including INF [intermediate range nuclear forces], START [strategic arms reduction talks], MBFR [mutual and balanced force reductions], and the ongoing discussions in the U.N. Committee on Disarmament in Geneva. If we can reach a balanced agreement in the CSCE at Madrid, we would be prepared to participate also in a conference on disarmament in Europe.

"No previous administration has put so many elements of the East-West military equation on the negotiating table. You are aware of the U.S. position in the various talks, so I need not go into great detail. I will, however, touch on a few main points.

"In the strategic arms reduction talks, the United States has focused on the most destabilizing strategic systems, land-based ballistic missiles. Our objective is to strengthen deterrence while enhancing strategic stability through reductions. The President has proposed reductions in ballistic missile warheads by one-third. In presenting a comprehensive proposal, he has indicated that all strategic weapons are 'on the table.' Although our respective positions are far apart, the Soviets apparently accept the proposition that an agreement must involve significant reductions. This is progress.

"We have recently undertaken a full review of the U.S. position, which included an assessment of the Scowcroft Commission's recommendations and some thoughtful suggestions from the Congress. One week ago, the President announced that he is willing to raise the deployed missile ceiling in accordance with the Scowcroft recommendations. He also announced that he has given our negotiators new flexibility to explore all appropriate avenues for achieving reductions. It is now up to the Soviet Union to reciprocate our flexibility.

"We have also tabled a draft agreement on confidence-building measures that calls for exchange of information and advance notification of ballistic missile launches and major exercises. We want to move forward promptly to negotiate separate agreements on these very important measures, which would enhance stability in a crisis as well as symbolizing the common interest in preventing war. Yet another effort to prevent misperception of military activities on either side, and thus to lower the risk of war, is the President's recent proposal to expand and upgrade crisis communications between Washington and Moscow. Here, too, we hope for early agreement.

"In the negotiations on intermediate range nuclear forces, 'equal rights and limits' between the United States and the Soviet Union is one of our key principles. President Reagan's proposal of November 1981 sought to achieve the complete elimination of those systems on each side about which the other has expressed the greatest concern, that is, longer range, land-based INF missiles.

"We still regard this as the most desirable outcome. Yet after more than a year of talks, the Soviets continue to resist this equitable and effective solution. In fact, their position has not substantially changed since it was first put forward nearly a year ago. The proposal made by Mr. Andropov last December would allow the Soviet Union to maintain its overwhelming monopoly of longer range INF missiles while prohibiting the deployment of even one comparable U.S. missile.

“In an effort to break this stalemate, the President has proposed an interim agreement as a route to the eventual elimination of long-range INF systems. Under such an agreement, we would reduce the number of missiles we plan to deploy in Europe if the Soviet Union will reduce the total number of warheads it has already deployed to an equal level. This would result in equal limits for both sides on a global basis. Reflecting the concerns of our Asian allies and friends, we have made it clear that no agreement can come at their expense. We hope that in the current round of negotiations, the Soviets will move to negotiate in good faith on the President’s proposal, which was unanimously supported by our partners at the Williamsburg Summit.

“In the mutual and balanced force reduction talks in Vienna, NATO and the Warsaw Pact are discussing an agreement on conventional forces in Central Europe, the most heavily armed region of the world, where Warsaw Pact forces greatly exceed NATO’s.

“Last year the President announced a new Western position in the form of a draft treaty calling for substantial reductions to equal manpower levels. Although the Soviets and their allies have agreed to the principle of parity, which is progress, further progress has been prevented by inability to resolve disagreement over existing Warsaw Pact force levels and by problems of verification.

“In the 40-nation Committee on Disarmament in Geneva, the United States has introduced a far-reaching proposal for a comprehensive ban on chemical weapons, an agreement which would eliminate these terrible weapons from world arsenals. This initiative has been vigorously supported by our allies and friends, as well as many non-aligned nations. Our emphasis on the importance of mandatory on-site inspections has been widely applauded. An independent, impartial verification system, observed by and responsive to all parties, is essential to create confidence that the ban is being respected.

“In other areas, we have proposed to the Soviet Union improvements in the verification provisions of two agreements to limit underground nuclear testing. So far the Soviet response has been negative. We have also initiated a dialog with the Soviets in one area where our respective approaches very often coincide: nuclear nonproliferation.

“We should not anticipate early agreement in any of these negotiations. The Soviets have their own positions, and they are tough, patient negotiators. But we believe that our positions are fair and evenhanded and that our objectives are realistic.

“Let me turn now to regional issues, which are the third item of our agenda and have historically been the matters that have most upset our relationship with the Soviet Union.

“Important as it is, arms control has not been and cannot be the dominant subject of our dialog with the Soviets. We must also address

the threat to peace posed by the Soviet exploitation of regional instability and conflict. Indeed, these issues, arms control and political instability, are closely related. The increased stability that we try to build into the superpower relationship through arms control can be undone by irresponsible Soviet policies elsewhere. In our numerous discussions with the Soviet leadership, we have repeatedly expressed our strong interest in reaching understandings with the Soviets that would minimize superpower involvement in conflicts beyond their borders.

"The list of problem areas is formidable, but we have insisted that regional issues are central to progress. We have made clear our commitment to relieve repression and economic distress in Poland, to achieve a settlement in southern Africa, to restore independence to Afghanistan, to end the occupation of Kampuchea, and to halt Soviet and Cuban-supported subversion in Central America. In each instance, we have conveyed our views forcefully to the Soviets in an attempt to remove the obstacles that Soviet conduct puts in the way of resolving these problems.

"Last year, for example, Ambassador Hartman conducted a round of exploratory talks on Afghanistan between the United States and Soviet officials in Moscow. Any solution to the Afghanistan problem must meet four requirements: Complete withdrawal of Soviet forces, restoration of Afghanistan's independent and nonaligned status, formation of a government acceptable to the Afghan people, and honorable return of the refugees. This is not the view of the United States alone. These principles underlie the discussions now underway under the auspices of the U.N. Secretary General, which we support.

"On southern African problems, Assistant Secretary Crocker has held a number of detailed exchanges with his Soviet counterpart. Southern Africa has been a point of tension and periodic friction between the United States and the Soviet Union for many years. We want to see tensions in the area reduced. But this more peaceful future will not be achieved unless all parties interested in the region show restraint, external military forces are withdrawn, and Namibia is permitted to achieve independence. If the Soviets are at all concerned with the interests of Africans, they should have an equal interest in achieving these objectives.

"As in our arms control negotiations, we have made it absolutely clear to the Soviets in these discussions that we are not interested in cosmetic solutions. We are interested in solving problems fundamental to maintenance of the international order.

"It is also our view that Soviet participation in international efforts to resolve regional conflicts, in southern Africa or the Middle East, for example, depends on Soviet conduct. If the Soviets seek to benefit from tension and support those who promote disorder, they can hardly

expect them to act responsibility merely because they gain a role. At the same time, we have also made it clear that we will not exploit, and in fact, are prepared to respond positively to Soviet restraint. The decision in each case is theirs.

“The final part of our agenda with the Soviets comprises economic and other bilateral relations. In our dialog, we have spelled out our view of these matters in a candid and forthright way. As we see it, economic transactions can confer important strategic benefits, and we must be mindful of the implications for our security. Therefore, as I have already indicated, we believe economic relations with the East deserve more careful scrutiny than in the past. But our policy is not one of economic warfare against the U.S.S.R. East-West trade in non-strategic areas, in the words of the NATO communique ‘conducted on the basis of commercially sound terms and mutual advantage, that avoids preferential treatment of the Soviet Union, contributes to constructive East-West relations.’

“Despite the strains of the past few years in our overall relationship, we have maintained the key elements in the structure for bilateral trade. We have recently agreed with the U.S.S.R. to extend our bilateral fisheries agreement for 1 year and have begun to negotiate a new long-term United States-Soviet grain agreement. Our grain sales are on commercial terms and are not made with Government-supported credits or guarantees of any kind.

“As for contacts between people, we have cut back on largely symbolic exchanges but maintain a framework of cooperation in scientific, technical, and humanitarian fields. A major consideration as we pursue such exchanges must be reciprocity. If the Soviet Union is to enjoy virtually unlimited opportunities for access to our free society, U.S. access to Soviet society must increase. We have made progress toward gaining Soviet acceptance of this principle, as is indicated by the airing in Moscow this past weekend of an interview with Deputy Secretary Ken Dam.

“Eight bilateral cooperative agreements are now in effect, and exchanges between the Academies of Science continue, as do exchanges of young scholars and Fulbright fellows. ‘America Illustrated’ magazine continues to be distributed in the Soviet Union in return for distribution here of ‘Soviet Life,’ in spite of the absence of a cultural exchanges agreement. Toward the private sector, we have maintained an attitude of neither encouraging nor discouraging exchanges, and a steady flow of tourists and conference participants goes on in both directions. The number of U.S. news bureaus in Moscow has actually increased in the last year.” (*United States-Soviet Relations: Hearings Before the Committee on Foreign Relations, United States Senate, Ninety-Eighth Congress, First Session, June 15 and 16, 1983, Part 1, pages 1, 3–4, 11–16*)

159. Memorandum of Conversation¹

Washington, June 15, 1983, 4:50–5:50 p.m.

SUBJECT

US-Soviet Relations

PARTICIPANTS

The President, Vice President Bush, Counselor Meese, Chief of Staff to the President Baker, Assistant to the President for National Security Affairs Clark, Secretary of State Shultz, Secretary of Defense Weinberger, Deputy Director of Intelligence McMahon, Deputy Assistant to the President for National Security Affairs McFarlane

BACKGROUND: The purpose of the meeting was for the attendees to receive a status report on the state of US-Soviet relations as expressed in the dialogue undertaken at the President's instruction by the Secretary of State in February 1983. There have been approximately ten meetings between the Secretary and Ambassador Dobrynin which have been focussed upon four generic areas: Human Rights; Regional Issues; Arms Control; and Bilateral Issues.²

The Secretary of State opened with a summation of the President's thinking for why the initiative had been authorized originally. He referred to the President's success in establishing a solid beginning toward the restoration of our military strength. More recently, Williamsburg³ had

¹ Source: Reagan Library, George Shultz Papers, Miscellaneous Papers Dealing With the Soviets (05/26/1983–12/19/1983); NLR–775–20–31–3–2. Secret; Sensitive. The meeting took place in the Treaty Room of the residence at the White House. No drafting information appears on the memorandum. The memorandum of conversation is also in *Foreign Relations*, 1981–1988, vol. IV, Soviet Union, January 1983–March 1985, Document 62. Under a June 14 briefing memorandum, Burt sent Shultz talking points for the meeting. (Reagan Library, George Shultz Papers, Miscellaneous Papers Dealing With the Soviets (05/26/1983–12/19/1983); NLR–775–20–31–2–3) In his personal diary for June 15, the President described the meeting, noting that Shultz was “meeting with Dobrynin & Gromyko and wanted to check with us on subject matter & positions. We were all in agreement that we be firm, willing to hold out a hand at same time let them know we d--n well want them to stay away from Central America.” (Brinkley, ed., *The Reagan Diaries*, vol. I, January 1981–October 1985, p. 237)

² Records of these meetings are in *Foreign Relations*, 1981–1988, vol. IV, Soviet Union, January 1983–March 1985, Documents 9, 10, and 11. Shultz further elaborated upon these four areas in a March 3 memorandum to the President (see *ibid.*, Document 13). He also discussed them during his testimony before the Senate Foreign Relations Committee the morning of June 15; see Document 158.

³ The Williamsburg summit was held May 28–30. For the text of the President's May 28 statement, his May 28 remarks, a joint statement read by Shultz on May 29, Shultz's May 29 news briefing, the President's May 29 news briefing, the “Declaration on Economic Recovery” read by the President on May 30, Shultz's May 30 news briefing, the President's May 30 news briefing, his May 30 dinner toast, and his May 31 interview, see Department of State *Bulletin*, July 1983, pp. 3–22. Documentation on the Williamsburg Summit is scheduled for publication in *Foreign Relations*, 1981–1988, vol. XXXVI, Trade; Monetary Policy; Industrialized Country Cooperation, 1981–1984.

presented solid evidence of greatly improved allied cohesion which would contribute significantly to Soviet perceptions of Western strength in any negotiation we might undertake.

The Secretary stated that the President's instructions had been to explore Soviet responsiveness to our interests in each of the four general areas. These discussions were to take place at the Ambassadorial level and based upon the results a decision could be taken as to whether or not the dialogue should be elevated to the Foreign Minister level with a view ultimately toward a meeting between the Heads of State.

STATUS REPORT: The Secretary of State then went into the results thus far achieved in each of the four generic areas.

Human Rights. There appears to be some promise of progress in the human rights area as exemplified by the release of Lydia Vashchenko.⁴ The other members of her family have applied for their visas. The other family (Chymkhalov) has experienced difficulty in making their application. In short, while the process seems to be in motion all except Lydia remain in the Soviet Union.

The Secretary noted the possible promise of a channel established by Ambassador Kampelman with his KGB counterpart in the Soviet delegation at the CSCE-Madrid. While a solid agenda had been discussed no tangible results have thus far been achieved however. Time will tell.

Regional Issues. The Secretary of State said that with regard to discussions on Afghanistan, Poland and Central America, essentially nothing had been achieved. He noted that the Soviets had expressed an interest in discussing the Middle East. He had intentionally restricted references to the Middle East to only the most summary comments.

Arms Control. The Secretary noted that we have had mixed results in discussions on arms control. Today he had heard that the Soviets had made a somewhat encouraging statement in response to the President's recent START announcement.⁵ With regard to INF, we have thus far not been able to make progress. Concerning MBFR, we have had an apparent "nibble." Finally, concerning confidence building measures (CBMs)

⁴ See footnote 4, Document 135.

⁵ Reference is to the President's June 8 remarks on START, made from the Rose Garden at the White House. He announced that he had "directed new steps toward progress in achieving real arms reductions at the START negotiations," including increased flexibility for U.S. negotiators and an adjustment of the U.S. "position on deployed ballistic missiles by relaxing our current proposal for an 850 deployed ballistic missile limit." (*Public Papers: Reagan, 1983*, Book I, pp. 832, 833)

the Soviets appear to have some interest in two of the four proposals we had made.⁶

Bilateral Issues. In this area the Secretary said the only initiative proposed by either side had been our offer for negotiation of a new long-term grain agreement (LTA).⁷ He noted that the Soviets viewed this proposal as serving our interests and not theirs. As a consequence it had a rather ambiguous standing.

The Secretary then went on to describe the format for the sessions with Dobrynin. These normally included two phases: the first in which staff specialists contributed to particular issues on the agenda, (e.g., Ambassador Nitze on INF); followed by a private one-on-one session between the Secretary and Ambassador Dobrynin.

Before going on to propose an agenda for the forthcoming meeting on Saturday, June 18, he asked if anyone had any comments.⁸

Deputy Director McMahon noted that Chernenko's speech at the CPSU Central Committee Meeting in support of Andropov was an indicator of the latter's strength.⁹

The next meeting. The Secretary then proposed that the forthcoming meeting follow the same format as before with the agenda this time to include a discussion of our recent initiative at MBFR (Ambassador Abramowitz to attend) and the President's recent proposal for START (Ambassador Rowny to attend for this item). The Secretary of State said he would also describe the Williamsburg Conference—the point to be made, that of Allied solidarity. In addition to these subjects, the Secretary proposed going once more into each of the four generic areas. With regard to bilateral relations, the Secretary proposed that he be authorized to express US willingness to open talks toward the establishment of a Soviet Consulate in New York City and a US Consulate in Kiev. In addition, he

⁶ The President, in his November 22, 1982, address to the nation (see footnote 14, Document 146), indicated that he had proposed confidence building measures (CBMs) to Soviet officials. At the START negotiations in Geneva in early March, the U.S. delegation had tabled a proposal outlining four CBM proposals; see footnote 17, Document 146. In an April 12, 1983, statement, the President noted that the Department of Defense had completed a report that recommended additional confidence building measures. These included an upgrade to the Direct Communications Link known as the "hotline," the establishment of a Joint Military Communications Link, the upgrading of existing diplomatic communications channels and "a proposal for an agreement, open to all states, which would call on the signatories to consult with each other in the event of a nuclear incident involving a terrorist group." (*Public Papers: Reagan, 1983*, Book 1, p. 526) The text of the April 12 DOD report is printed in *Documents on Disarmament, 1983*, pp. 309–324.

⁷ See footnote 3, Document 147.

⁸ The memorandum of conversation is in *Foreign Relations, 1981–1988*, vol. IV, Soviet Union, January 1983–March 1985, Document 64.

⁹ Chernenko delivered the keynote address at the June session of the Central Committee. For the text, see *Current Digest of the Soviet Press*, vol. XXXV, No. 24, July 13, 1983, pp. 1–10.

proposed that he be authorized to express our willingness to open talks devoted to the negotiation of a new cultural agreement. The Secretary went on to explain that the net benefit from any such agreements would accrue to the United States. Specifically, with respect to the proposed consulates the Secretary noted that the improved intelligence accruing to the Soviets from a New York City consulate would not add that much to the capability they already enjoy through the United Nations presence. On the other hand, a window for the United States in Kiev would provide us a substantial improvement in our collection capability.

With regard to the cultural agreement, the Secretary noted at the moment the Soviets were free to send as many cultural representatives to this country as they wished since these are arranged through private sources and the government now has no real control over them. He noted that a treaty would give us an instrument for seeking greater reciprocity in this area and would also legitimize a higher flow of cultural visits from West to East.

The Secretary then noted that with regard to regional issues the situation had worsened in *Central America* and that this might be a outgrowth of a flaw in the marker we had earlier laid down to the Russians. Specifically, our statement that we would find the introduction of high-performance aircraft or Cuban combat units “unacceptable” may have implied that all actions other than these would be tolerated. The Secretary stated that we should clarify this.

Judge Clark noted that in the early 70’s when the Soviets commenced submarine operations out of Cienfuegos, Cuba, the Administration had characterized this as “an unfriendly act.”¹⁰ Ultimately this had led to the termination of these operations. He recommended that the Secretary treat current Soviet activities in Central America in the same fashion—that is, that their activities which contribute to unrest generally (not just the introduction of modern weapons and combat units) will be unacceptable. The President approved this proposal.

The Secretary then raised the matter of how any mention of a summit ought to be treated. He reiterated existing Administration policy with regard to summits: that is, that we are not opposed in principle however they would need to be well prepared in advance and hold the promise of significant accomplishment.

Secretary Weinberger noted the inconsistency which would be represented by our conducting discussions of the possibility of a

¹⁰ Reference is to Soviet activity at Cienfuegos Bay, Cuba. In September 1970, a reconnaissance plane photographed construction that suggested that the Soviet Union was constructing a naval facility, which went against the 1962 understanding that the Soviets would not base offensive weapons in Cuba. Documentation on the incident is in *Foreign Relations, 1969–1976*, vol. XIII, Soviet Union, October 1970–October 1971 and *Foreign Relations, 1969–1976*, vol. E–10, Documents on American Republics, 1969–1972.

summit while the Soviets remained in Afghanistan, Poland and Central America.

This subject was not conclusively resolved.

At this point the meeting evolved into round-table remarks which were basically supportive of the Secretary proceeding according to the *format* he had proposed. *The Vice President* noted in particular the value of the private meeting after the larger set piece agenda had been disposed of. He believed that this private session held the most promise for getting results.

As the participants rose to leave, the Secretary of State asked whether he should bring Ambassador Rowny back to participate in Saturday's meeting. *The President* agreed that he should.

The Secretary also asked, "what about the other items?" *The President* answered go ahead.

Conclusions: After the meeting it was confirmed that the President approved:

- The convening of a meeting by the Secretary of State with Ambassador Dobrynin on Saturday, June 18.
- That this meeting should be conducted according to the same format as meetings of the past.
- That the Secretary should summarize important issues and proposals put forth by our side since the last meeting (e.g., START proposal and the results of Williamsburg).
- He should discuss human rights, arms control, regional issues and bilateral issues.
- That in discussing the situation in Central America, the Secretary should protest the recent Soviet escalation of military deliveries to Nicaragua and state that we consider these actions and other Soviet measures of support to Nicaragua for the export of revolution to neighboring countries to be unfriendly actions which must cease.
- That Ambassador Rowny and Ambassador Abramowitz should return to participate in the arms control portion.
- With regard to bilateral issues the Secretary was authorized to propose that the U.S. and the Soviet Union open talks devoted to the conclusion of agreements for the establishment of consulates in New York City and Kiev; and for the conduct of cultural exchanges between the two countries.

There were no conclusions reached with regard to:

- Any future possibilities of a summit meeting, or
- Travel by the Secretary of State to Moscow for meetings with Soviet officials.

160. Editorial Note

On June 21, 1983, President Ronald Reagan met with Spanish Prime Minister Felipe Gonzalez in the Cabinet Room at the White House at 11:45 a.m. According to the memorandum of conversation, in addition to the President, Vice President George H.W. Bush, Secretary of State George Shultz, Secretary of the Treasury Donald Regan, Secretary of Commerce Malcom Baldrige, President's Assistant for National Security Affairs William Clark, President's Deputy Assistant for National Security Affairs Robert McFarlane, Deputy Secretary of State Kenneth Dam, Deputy Secretary of Defense William Thayer, Assistant Secretary of State for European Affairs Richard Burt, and National Security Council staff members Charles Tyson and Peter Sommer attended the meeting.

After Reagan's opening remarks, Gonzalez made a statement in which, among other things, he noted the desirability of close Spanish-U.S. ties, and underscored "Spain's historic and cultural links" to the countries of Latin America. According to the memorandum of conversation: "The President praised Gonzalez' remarks, noting he found no areas of disagreement. He said he had long held a dream of improving our relations with our southern neighbors. Past Presidents had proposed the Good Neighbor policy and the Alliance for Progress, but Americans on a whole had remained insensitive to the weight of our size and past history in the region. Early in his Administration, added the President, he had traveled to South and Central America to hear their ideas first hand. There is much common ground. We worship the same God, share the same heritage, and both our forebearers largely came from Europe to these great unexplored continents. The President underlined that he has introduced in Congress the CBI legislation, which is aimed at opening investment opportunities, economic growth, and most importantly job opportunities for the Central American countries and the Caribbean Island nations. We acknowledge, he continued, that there is a wide disparity in the region between those enmeshed in poverty and the more fortunate. This, we recognize, makes many countries vulnerable to revolution.

"Turning to El Salvador the President noted that this small country recently overthrew 50 years of military rule. It now has a democratically elected government, chosen by the people. Guerrilla forces intent on challenging the elected government tried to prevent the election. These non-democratic forces, guided and supplied by the Soviet Union—by way of Cuba and Nicaragua—are seeking a communist dictatorship. The President recalled that the stories he heard from some election observers were astounding and heart rendering. Many of the El Salvadoran people

walked many miles to vote. Some waited in lines for 10 hours. There was even a woman—wounded by guerrillas—who refused to seek medical treatment until she voted. People chanted at the visiting press: ‘tell the truth!’ There was an 80 percent voter turn-out. It has been a long time, added the President, since the U.S. has had such a large turn-out. The El Salvador government plans on holding another election before this year is out. We support a political solution. Three-quarters of our aid is economic. El Salvador, continued the President, has made great strides in land distribution. But their efforts also require a security shield. We only have 55 military advisors in country. In emphasizing that he had no plans to send combat troops, he emphasized that our advisors are helping to train the El Salvadoran military to protect a democratic government.

“*The President* then turned to Nicaragua and what he called its failed revolution. Immediately following the revolution, my predecessor, he said, provided aid to the new government. But the Junta quickly began abusing individual rights, restricted freedoms, and refused to hold early elections. Then Soviet and Cuban equipment came pouring in. Its purpose, the President underlined, was to overthrow the elected government of El Salvador. The Contras are loyal Nicaraguans who participated in the original revolution, but were ousted by the communist elements. Now they strive, he added, to return Nicaragua to the origins of the revolution, i.e., democracy. He said many in Europe do not have a true understanding of the situation in Central America. The Soviet aim is to spread communism throughout Central America and undermine developing democracies in such countries as Costa Rica—which does not even have an army—and Honduras. We recognize Spain’s historic interest—these links can help all of us overcome the problems. As I have repeatedly said, continued the President, the U.S. has no intention of sending troops. Nor, he added, had the Salvadoran government asked for them. President Magana confirmed this to the press in Washington last week. Gunboat diplomacy is not the answer, but we do, he underscored, need to help the El Salvadoran government provide the shield to protect their emerging democratic institutions and reforms.

“In concluding, the President apologized for making a speech and said that discussions could continue over lunch.” (Reagan Library, Executive Secretariat, NSC Subject File, Memorandums of Conversation—President Reagan (06/23/1983–07/25/1983))

In his personal diary entry for June 21, the President described Gonzalez as “sharp, a bright, personable, young moderate & pragmatic socialist. I think we hit it off pretty good which was what he wanted. I did lecture him a little on Central Am.” (Brinkley, ed., *The Reagan Diaries*, volume I, January 1981–October 1985, page 239)

161. Paper Prepared in the Department of State¹

Washington, undated

GOALS AND PRIORITIES

In your memorandum to Cap and me on June 7,² you asked us to identify the priority objectives in foreign policy on which we should concentrate our energies over the next 18 months, with special emphasis on your activity and involvement. This paper lists these priorities and lays out our strategy for pursuing them.

As your memorandum said, we have achieved a great deal in the first half of this Presidential term. In the second half of the term, however, we will need to start drawing dividends from our efforts. The restoration of our military strength, our firmness with the Soviets, the greater unity of the allies, and the promising initiatives we have launched in many areas are a solid foundation from which we can now move forward. The next six months—before the full Presidential campaign begins—are particularly important.

EXECUTIVE SUMMARY

Our foreign policy priorities through the remainder of this term, it seems to me, are the following:

—We must maintain allied cohesion through the difficult period of INF deployment. This will require intensive Presidential contacts with key allied leaders (including Japan); public diplomacy to neutralize the expected sharp Soviet reaction to our deployment; and efforts to ensure that the Soviets, and not we, are blamed if negotiations fail.

—We should use our new leverage with the Soviets to explore the possibilities of constructive dialogue aiming at visible progress on our own agenda, including arms control. The question of a summit should be considered in terms of whether it is a way to make the Soviets face

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons 6/16–30/83. Secret; Sensitive. Shultz sent the paper to Reagan under cover of an undated memorandum. (Ibid.) Hill sent Clark both the paper and Shultz's covering memorandum to Reagan under a June 23 memorandum, indicating that the Department had treated the paper as "particularly sensitive" and had not distributed it internally. (Ibid.) Two drafts of the paper, which Bosworth sent to Shultz under covering memoranda dated June 17 and June 21, are *ibid.* Under a June 21 covering memorandum, Hill forwarded Bosworth's June 21 memorandum and draft paper to Shultz and wrote on the covering memorandum: "OK—but the basic memo still does not recognize the existence of Asia—I think Asia (Japan, China, etc) should somehow rank an up front type of treatment." (Ibid.)

² Printed as Document 155.

up to the long-term direction of our relationship and whether it is an effective way to demonstrate to our public and our allies that we are not to blame for any tensions.

—In the Middle East, we continue to seek the removal of all foreign forces from Lebanon, and we should seek over the next 18 months to shape conditions in the area that will make possible an Arab-Israeli negotiation on the basis of your September 1 initiative. Syria is the key country blocking progress on both, and we need to consider what incentives and penalties we can bring to bear on Syria.

—In Central America, your personal leadership will be essential for maintaining public and Congressional support for what must be done. Success will depend on sustaining the highest possible levels of military and economic assistance. At the same time, we should have a diplomatic agenda and strategy in order to maintain political support in the region and at home.

—Restoring America's position in Asia, a decade after Vietnam, can be one of this Administration's lasting achievements. Our goal for the near-term future is to integrate Japan even more fully into the management of the free world global system, building on the achievement of Williamsburg. Consolidating our strategic relationship with China will block the Soviets' recent attempts at Sino-Soviet rapprochement.

—In Southern Africa, we have a chance to get Cuban troops out of Angola, together with an agreement on independence for Namibia. It is essential to maintain the linkage between the two. Everything depends on perception of our staying power.

ANALYSIS

Success or failure in any one of these areas will affect our success or failure in the others. Our success in holding the democracies together obviously will affect our negotiations with the Soviets, and vice versa. Success in the Middle East would affect our Alliance relationships; a setback in Central America would weaken us in all areas. Bearing in mind these interrelationships, let me discuss each of the priority areas in turn.

The Democracies and INF

The electoral victories of Thatcher, Kohl, and Nakasone³ are reflections of a strengthened resolve among our democratic allies, and the Williamsburg Summit showed an impressive unity among free world nations. Nevertheless, we are still basically dealing with an uncertain

³ Thatcher won reelection as Prime Minister of the United Kingdom on June 9. Kohl was elected Prime Minister of the Federal Republic of Germany on October 1, 1982. Nakasone was elected Prime Minister of Japan on November 28, 1982.

and dispirited Europe, as reflected in the deep polarization in some societies (particularly West Germany). Therefore, it will be no easy task to help these leaders manage through this critical year. Plans have been announced for very large and possibly violent “peace” demonstrations this fall. This will put unprecedented strain on allied solidarity and on West Germany’s political cohesion. The Soviets will try to lure wavering allies into seeking a “delay” of INF deployments while negotiations continue, threatening new missile deployments and an increase in tensions if NATO deployments go forward.

Our strategy for maintaining allied unity in support of deployment will require, first of all, continual consultation at the highest level, drawing heavily on your close personal relationship with the key leaders. Bilateral and perhaps multilateral meetings with key leaders may well be essential as the December date of deployment approaches (particularly with the heads of government of the three initial basing countries: FRG, UK, and Italy). You will need to stay in constant touch with all of them. Next year’s UK-hosted Economic Summit will undoubtedly be an important occasion for reaffirming allied cohesion and our willingness to negotiate with the Soviets on INF.⁴

The second key component of our strategy will be public diplomacy. A bellicose posture is risky for the Soviets, since it could forfeit much of what they have gained through detente in Europe; we should be prepared to exploit it. As the Soviets prepare to stir up tensions to intimidate the allies, our job is to prepare the allies psychologically so they are not shaken by these pressures, and to ensure that European publics place the blame squarely on the Soviets for whatever tensions arise.

Related to this is the third component: our negotiating strategy toward the Soviets on INF. The allies will want reassurance that we have negotiated in good faith and that the blame for failure rests on the Soviets. This may require, down the road, some agile maneuvering and tactical flexibility, at least in presentation. Whether or not we make any further adjustments in our negotiating position, a major Presidential speech on arms control may be helpful at the appropriate moment.

A possible US-Soviet summit could come after the Soviets have given up hope of delaying the start of INF deployments. That timing would put you in the best position to move the dialogue to your agenda. Any such summit, in any case, should probably also be preceded by your meeting with at least Thatcher, Kohl, Mitterrand, and the Italians in Europe.

⁴ Scheduled to take place in London, June 7–9, 1984.

A Dialogue with the Soviets

Over the next 18 months, we are sure to come under increasing pressure at home and abroad to do more to improve Soviet-American relations and in particular to hold a summit meeting between you and Andropov.

At a minimum a summit could help demonstrate to our public and our allies that we are pursuing every avenue of possible progress, and that if no progress results, the Soviets are to blame. However, while the shaping of public attitudes is important, our real starting point in assessing a possible summit should be whether it contributes to attaining our policy goals.

Looking to the next year and a half we can distinguish between our minimum objectives in US-Soviet relations and a series of more ambitious but still reasonable goals:

—Regional conflicts: at a minimum, our aim is no new Soviet gain or critical US setback owing to Soviet sponsorship; if possible, a Soviet retreat from a major geopolitical position (e.g., Angola, Nicaragua).

—Arms talks: at a minimum, no uncompensated sacrifice of key Western weapon systems; if possible, a breakthrough agreement on acceptable principles.

—Human rights: at a minimum, sustaining unified Western pressures for improved Soviet performance; if possible, a major dissident release or emigration increase.

Our record to date gives reason for confidence that all the minimum goals are attainable. By the standards of the 70's this will represent a real achievement. It will require vigilance and effort, especially to sustain public support at critical junctures.

What is less certain is whether meeting our minimum goals is sufficient for sustaining the tougher, more realistic policies this Administration has introduced. I believe that putting the superpower relationship on a more satisfactory footing for the long term may depend in part on whether we can move *beyond* minimum goals in the short term. If not, our policies may be vulnerable to charges of a poor return on our investment (and allowed to unravel, as happened to even the Nixon-Ford policies under Carter). Particularly if the Soviets react to our INF deployments by increasing tensions, the payoff for our firm approach may be still further questioned.

Protecting our minimum goals over the rest of the decade may depend, in short, on making a serious effort to attain at least some of our more ambitious objectives. For this purpose, the leverage we have developed over the past two years—especially our military strength as leverage in the arms talks, and the public consensus that gives all our policies credibility—will be invaluable. However, it is likely that we will have to give increasing attention, as in any negotiation, to defining

acceptable adjustments in the two sides' positions. And we will have to find ways of bringing these issues to a decision point for the Soviets.

My judgment is that a summit may prove a useful device for focusing Soviet attention on the longer-term direction of our relationship. While it cannot by itself substitute for leverage developed in other ways, it may help us to put this leverage to the test.

The prime worry in connection with a prospective summit is how to ensure public understanding of an event which might well produce only limited results or no results at all. I believe this problem will be manageable, especially as your political position continues to strengthen.

If the Soviets prove utterly inflexible and we end up having to tough out the next 18 months without any improvement in US-Soviet relations, we will not necessarily be any worse off whether or not a summit has taken place. In either case, we will face the real job of showing that the Soviets are to blame. Avoiding a summit will not free us of this task.

The problem of public expectations applies not just to a summit that does not produce results but perhaps even more to one that does. You will have to make a major effort to control expectations generated by whatever agreements we are able to achieve. We will need to make clear—within the government, in public, and to the Soviets—that we are capable of sustaining a competitive posture even if the Soviets try to use agreement in one area as a kind of safety valve. To put Soviet-American relations on this secure footing for the long term may be as challenging as restoring our competitive posture in the first place.

On balance, I believe you would enter a summit in a relatively strong position. Precisely because you will not need the meeting to attain your minimum goals, you should be able to shift the negotiating burden to the Soviets. But even if a summit does not produce major progress, as is quite possible, it could have some tangible benefits. The preparations are likely to have a constraining effect on Soviet conduct, and the follow-up to a summit could be quite productive if it became clear to the Soviets that the fact of holding it had strengthened your hand.

Making a decision in principle, of course, would still leave many issues unresolved—timing, preparations, content, and (perhaps crucially) how to protect against the possibility of failure. My tentative view is that a meeting relatively early next year might be desirable, especially to help keep the INF confrontation within bounds. If Andropov comes to the UN General Assembly in the fall, we will face a different set of considerations, which must be carefully examined. These questions will require thorough consideration over the rest of this summer, so that we can have in place by the fall a plan that can be well insulated against the coming Presidential campaign season. I will be sending you further analyses of these questions in the next several weeks.

Middle East

In the Middle East over the next 18 months, we have two specific objectives: getting Syria to withdraw from Lebanon, and creating conditions that will eventually make it possible to start an Arab-Israeli negotiation in accordance with your September 1 initiative. Our broader objectives are to maintain American dominance of Middle East diplomacy and reduce the Soviet role in the area by demonstrating to the Arabs that if they want progress they must come to us.

To achieve these objectives, it will be essential to maintain a relationship with Israel that is no less solid than now. As we see currently in Lebanon, the perception of Israeli weakness is only an encouragement to Arab radicals. In many parts of the world there are opportunities for useful US-Israeli geopolitical cooperation. At this point it is the Arabs, not the Israelis, who bear the onus for blocking our diplomacy on both Lebanon and the peace process. For all these reasons, any policy shift that required us to bring massive pressure on Israel would be futile and counterproductive.

In Lebanon, our strategy is to support and strengthen Gemayel's government and the Lebanese Armed Forces; to mobilize moderate Arab pressures on Syria; to open our own dialogue with Syria; and to stay in close consultation with Israel to ensure that Israeli moves, such as a partial unilateral withdrawal, are coordinated with us and are part of an agreed strategy. It will also be essential to demonstrate to the Syrians and Soviets the risks of non-withdrawal. We have few positive incentives to offer Syria; we should explore whatever pressure points on Syria are available.

Lebanon could at any time produce a crisis, for which we should be prepared. If a crisis erupts from a Syrian-Israeli clash, our strategy will have to be to prevent Soviet involvement and ensure an outcome that deflates the present self-confidence and blocking influence of the Syrians.

Your meetings with Gemayel and Begin in July will be key occasions for concerting strategy.⁵ Continuing Presidential exchanges with all leaders of the area, particularly Fahd, will be essential. White House involvement will also be crucial in Congressional consultations on aid for Lebanon and on the role of the MNF.

On the peace process, there is no possibility of King Hussein's stepping forward in the near future. The present Syrian self-confidence and perceived Israeli weakness in Lebanon are undercutting the peace process, since the result is to embolden radicals and cow the Arab moderates. West Bankers have increasing reason to be disillusioned with the PLO, which blocked a West Bank negotiation and which is now

⁵The President was scheduled to meet with Gemayel on July 22. The memorandum of conversation is scheduled for publication in *Foreign Relations, 1981-1988*, vol. XVIII, Part 2, Lebanon, September 1982-March 1984. Begin did not travel to Washington in July.

dominated by Syria. Nevertheless, something will probably have to happen to deflate or wear down the Syrians before any moderates will step forward (either Hussein or the West Bankers or both together).

Our strategy in the next 18 months should be to keep the September 1 initiative alive while we try to shape the conditions in the area so that progress will be possible at some future point. If you chose to address the UN General Assembly in the fall, it would be a natural forum for reiterating your commitment.⁶ A future trip by me to the area would carry the same message. A success in Lebanon should be parlayed into a renewed push on the peace process, which could well involve a Presidential statement.

In the meantime we might consider an initiative with the Israelis to modify their occupation policies in the West Bank and Gaza to improve civil liberties and economic opportunities for the Palestinians. This will have to be sought through quiet diplomacy with the Israelis, mainly Moshe Arens. In the longer run, success here could have a political payoff: It could enhance US credibility with moderate Arabs, and it could help nurture a creditable indigenous leadership in the West Bank and Gaza which may be willing to participate with King Hussein in a negotiation in accordance with the September 1 initiative.

The present demoralization of the Begin government suggests that major political changes may occur in Israel in the next 18 months. This too could create new prospects for the peace process.

In the meantime, we should deliberately frustrate all diplomatic efforts contrary to ours—whether by the UN, the Europeans, the Soviets, or any other trying to be “helpful”—in order to prove that anyone who wants progress has to come to us. Especially if our own diplomacy seems stalemated, it is in our interest to stick to our present course of demonstrating over and over again that the Soviets can deliver nothing.

Central America

Central America is our point of greatest vulnerability over the next 18 months. Our response to the Communist threat in Central America must cover two fronts: developments within the region, which promise to be difficult but probably not decisive; and reactions here at home, which can undermine our effectiveness, particularly if our tenuous bipartisan support breaks down.

The four elements of your speech to the Joint Session of Congress (democratization, economic development, an active regional diplomacy, and security assistance) are sound.⁷ We have made substantial progress over the last two years, with elections and military training in El Salvador and growing pressure on the Sandinistas in Nicaragua. But this has not

⁶ For the President's September 26 address before the UN General Assembly, see Document 169.

⁷ Printed as Document 152.

yet turned the tide. The Communists and their allies still think they can outlast us. I believe our policy will work over the next two to four years if we stick to it and bolster the various components (e.g., economic and military assistance) as the situation evolves. The alternatives—either more direct US military involvement or a pulling back from our involvement—will be either not feasible or directly contrary to our national interest. The problem is that the lack of faster progress will increase pressures here at home for a policy shift.

Your personal involvement will therefore be critical in providing continuing leadership with the American public and the Congress. Your Joint Session speech had a major impact and helped convey the seriousness of the threat. Success will require that we be able to provide military assistance on a more certain basis than in the past. At the same time, we must still be seen as working seriously for a political solution consistent with our democratic values and with the interests of other countries in the region. This means continuing to give prominence to our own diplomatic activities, including the Stone mission and support for regional peacekeeping. This will be especially necessary if the Cubans and Soviets raise the ante militarily, forcing us to help our neighbors to further strengthen their defenses.

Two symbolic steps are available to hold the political high ground and strengthen bipartisan support. You could take advantage of CBI passage to hold a major ceremony including both government and private sector representatives from Central America and the Caribbean (perhaps outside the United States—in Kingston or Santo Domingo). You could also take advantage of the passage of legislation connected with your Democracy Program to reemphasize your commitment to democratic values in the hemisphere.⁸

To lessen the exclusive focus on controversial Central America, this could be supplemented by your greater personal involvement on issues affecting South America and Mexico. For example, a major disaster relief package to help deal with the devastation wrought on the

⁸ Reference is to "Project Democracy," which the President had announced in his June 8, 1982, address before the British Parliament (see Document 104). Shultz outlined the contours of the program before members of the House Foreign Affairs Committee on February 23, 1983. (Bernard Gwertzman, "Skeptics Pelt Shultz With Queries On Reagan's 'Project Democracy'," *New York Times*, p. A6, and Don Oberdorfer, "Lawmakers Voice Skepticism On U.S. 'Project Democracy'," *Washington Post*, pp. A1, A26; both February 24, 1983) Both House (H.R. 2915) and Senate (S. 1342) versions of bills containing the Department of State authorization for FY 1984 and 1985 to finance the program through four private foundations run by the Democratic and Republican Parties, the AFL-CIO, and the Chamber of Commerce passed. (*Congress and the Nation*, vol. VI, 1981-1984, pp. 167-168) The Department of State Authorization Act, Fiscal Years 1984 and 1985 (H.R. 2915; P.L. 98-164; 97 Stat. 1017), which the President signed into law on November 22, earmarked funds appropriated to USIA for FY 1984 and 1985 for the National Endowment for Democracy. Additional documentation on Project Democracy is scheduled for publication in *Foreign Relations, 1981-1988*, vol. XXXIX, Public Diplomacy.

West Coast of South America by “*El Nino*”⁹ could be publicized as help to “democracies in trouble” and make more credible our defense of democracy in Central America. Your August meeting with the Mexican President will also be important in this regard.¹⁰

Asia

A decade after Vietnam, we are in the process of reestablishing America’s position in Asia. This may well be one of your Administration’s major lasting achievements.

The economies of free Asia—particularly Japan, Korea and ASEAN—will be growing rapidly in the coming decade and playing an even greater role in the global economic system. The political importance of the region—as a counterweight to the Soviets, as a moderating influence in the Third World—will also grow. These important and reliable friends will merit Presidential attention.

The Japanese-American partnership has never been stronger. Your personal relationship with Nakasone is a key element of this. Our closer collaboration in the political and security fields is all the more remarkable against the background of our recent economic disputes, and in fact will provide the framework and impetus for resolving these economic disputes satisfactorily. We have the near-term objective of integrating Japan more fully into the management of the free world global system. This means building on the success of Williamsburg, at which Japan joined in the security declaration.¹¹ The importance of Japan’s role in the INF issue is now clear: It gives us important support and leverage against the Soviets and strengthens our hand with our European allies.

Consolidating our strategic relationship with China is also an important near-term priority. We have certainly gone as far as we can go with Beijing over Taiwan, but China’s global and regional importance is such that it is advantageous to maintain the relationship on an even keel. Rightly or wrongly, most Americans see the China opening since 1971 as an improvement in the US strategic position. Chinese rhetoric and behavior over bilateral questions are often unhelpful, but

⁹ Reference is to the 1982–1983 El Nino warm weather current, which arrived on the west coast of South America in December 1982.

¹⁰ The President met with de la Madrid in La Paz on August 14. In telegram 245003 to Mexico City, August 27, the Department transmitted a copy of the memorandum of conversation. (Department of State, Central Foreign Policy File, Electronic Telegrams, D830498–0944; D830495–0045)

¹¹ Reference is to the joint statement on security issues, issued by the heads of state attending the G–7 Economic Summit meeting in Williamsburg in May (see footnote 3, Document 159). Shultz read the text of the statement on May 29. The text is printed in Department of State *Bulletin*, July 1983, pp. 4–5.

Chinese policy on most international issues is anti-Soviet and therefore parallel to ours—which is the real basis for our relationship.

The decisions you have already made to ease technology transfer should help consolidate these ties, provided that implementation produces some concrete improvements for the Chinese.¹² A visit to this country by Premier Zhao Ziyang in the next 18 months would be seen as a coup: It would demonstrate your effective management of China policy and would demonstrate also that the Soviets have not succeeded in weakening the US-China strategic relationship. It would also make it appropriate for you to visit China if and when you choose.

Southern Africa

Another priority objective for the next 18 months is Cuban troop withdrawal from Angola, in connection with an agreement on independence for Namibia. Besides being a success for our Soviet policy, this major achievement would strengthen the African and domestic flanks of our policy of constructive engagement with South Africa. It would thereby facilitate progress toward two other goals: encouraging South Africa as it makes gradual but practical changes in its apartheid policy, and encouraging dialogue and mutual restraint between South Africa and its neighbors.

A Presidential speech to the UN General Assembly would be an occasion to reiterate our objectives, but other forms of direct involvement by you are also likely to be required at the later stages of the process.

Our present strategy of linking Angola and Namibia is the right way to pursue our interests even if it does not produce immediate results. Everything depends on perception of our staying power; pressures will accelerate on whichever side seems most likely to yield. If we appear locked in concrete on this linkage—and as your reelection seems more and more likely—significant movement in our direction could occur in 1984.

If the Angolans continue to be interested in a dialogue with us but are unable to summon the political will to send the Cubans home, our response will depend on what we see as the main reason for their hesitation. If the reason is Cuban or Soviet pressures, we must maintain

¹² During his trip to China in June 1981, Haig announced that the United States would relax controls on high technology and weapons sales to China. During his June 16 news conference, the President explained that “all we have done is—with the People’s Republic of China, we’ve wanted—and I’ve said for a long time—to improve relations with them, move them to the same status of many other countries and not necessarily military allies of ours, in making certain technology and defensive weapons available to them.” (*Public Papers: Reagan, 1981*, Book I, p. 524) During his May 1983 trip to China, Baldrige indicated that the United States would raise the level of technology transfers as a result of Presidential directives to be implemented over the next several weeks. (Jonathan Broder, “New rules mean more high-tech data for China: Baldrige,” *Chicago Tribune*, pp. E9, E12, and Amanda Bennett, “Baldrige Tells China That U.S. Will Ease Restraints on High-Technology Exports,” *Wall Street Journal*, p. 34; both May 26, 1983)

our counterpressures. If the reason is continued fear of the threat from Savimbi and UNITA, we should work closely with Savimbi to explore how this can be exploited through a UNITA–MPLA negotiation. Depending on how close we felt the Angolans were to a decision, we might consider a high-level mission (by me or Ken Dam) to the Front Line States, including a stop in Luanda. This would provide both an opportunity for high-pressure US diplomacy and a token of the relationship with us that would be possible if Angola shifted away from reliance on the USSR and Cuba.

If the obstacle turns out to be South African reluctance to accept an Angolan proposal we think is reasonable, we could dangle the prospect of [a] P.W. Botha visit to Washington. Given the political sensitivities here, a visit would probably be best in the context of final agreement on a Namibia solution coupled with US encouragement of further internal reforms. Your role will be crucial in building support at home for a Namibia settlement.

If no breakthrough seems possible on Angola/Namibia in the next 18 months, our task would become one of perseverance and damage-limitation. We would seek to preserve the framework of regional negotiations and shore up allied unity in the Contact Group. But we would shift our ground somewhat, from an emphasis on regional negotiations to a vigorous bilateral diplomacy aimed at holding down the level of violence in the region. This would obviously require maintaining our influence with South Africa, while encouraging it to negotiate with its neighbors: The trade-off would be black African restrictions on ANC guerrilla activities against South Africa in exchange for South African military restraint. Maintaining our relations with black Africa would probably require that we remain willing to speak out against internal South African transgressions not related to security.

Other Issues

In addition to the above high-priority objectives, there is another issue which may be of basic importance over the next 18 months.

This is the *Third World debt problem*, which still has the potential to produce a financial crisis in the next year or two. Our major objective here is to avoid a default by any of the large LDC debtors. This requires working patiently with Mexico, Brazil, and Argentina in particular and extending new financing as necessary over the next 18 months until global recovery begins to pull them out of danger. This will be a delicate operation, particularly in Argentina and Brazil where internal political pressures might produce leaders willing to defy us and declare default. On our side, we face two significant dangers: first, the impact on our banks (which the Federal Reserve could move quickly to counter); and second, the risk that the costs of default for these large-market countries would, after a painful transition, prove bearable, thus tempting

emulation by many other countries. (If a smaller-market country is the first to default, the penalties could be made unbearably heavy and prolonged—virtually paralyzing their trade—to set an example.) Unless our own recovery stalls or we lose the IMF bill in the Congress,¹³ we should be able to balance these delicate requirements. Your personal involvement may be needed in the final Congressional push on the IMF bill.

¹³ Reference is to pending legislation that would increase the U.S. contribution to the International Monetary Fund. The Senate version of the bill (S. 695) was reported by the Foreign Relations Committee on March 24 and the Banking Committee on May 16. The full Senate approved the bill on June 8. The House Banking Committee reported its version (H.R. 2957), which included reauthorization of the Export-Import Bank and additional funding for the multilateral development banks, on May 16. The full House would approve the bill on August 3. However, the legislation remained stalled for 3 months due to a variety of issues, including House Banking Chair Fernand St. Germain's (D-Rhode Island) decision to hold up conference until Congress had passed a housing authorization. Eventually, the housing authorization and the IMF increase were combined and attached to the supplemental appropriations bill for FY 1984 (H.R. 3959), which the Senate and House approved on November 17 and 18, respectively. The President signed P.L. 98-181 (97 Stat. 1153) into law on November 30. The IMF component of the legislation increased the U.S. quota in the IMF by \$5.8 billion and authorized a \$2.6 billion increase in the U.S. contribution to the General Arrangements to Borrow. (*Congress and the Nation*, vol. VI, 1981-1984, pp. 104-105)

162. Memorandum From Secretary of Defense Weinberger to President Reagan¹

Washington, June 23, 1983

SUBJECT

Goals and Priorities (U)

(U) When you took office you established an action agenda that included:

- Significant movement toward reducing the risk of nuclear war through an active program to modernize our deterrent and to negotiate significant reductions in the levels of nuclear armaments.
- A reversal in the decline of our military capability *vis-a-vis* the Soviet Union and a restoration of the Nation's margin of safety.

¹ Source: Reagan Library, Executive Secretariat, NSC Subject File, Goals and Priorities (June 1983). Confidential. A stamped notation indicates that it was received in the White House on June 23 at 4:20 p.m.

- A revitalization of our role as the leader of the Free World.
- An increase in the security and freedom of the world community, based on the rule of law and the inalienable rights of the individual.

(U) This Administration has made major progress toward carrying out this agenda. It is appropriate that we now reflect on our progress to date and to lay out our program to finish the task that we boldly undertook when you began your Administration.

(C) The following thoughts represent the considered views of this Department in setting priorities and an agenda for continuing our progress. We have sought to incorporate objectives that both follow-up on current activities and break new ground as well. Broadly speaking, we have grouped our proposed initiatives into four major categories:

- Reducing the Risk of Nuclear War
- Maintaining the Defense Buildup to Restore the Nation's Margin of Safety
 - Supporting our Policies Worldwide
 - Broad Initiatives, with a National Security Content, to Reinforce America's Image Abroad and at Home

REDUCING THE RISK OF NUCLEAR WAR

(U) Your Administration has devoted a new and carefully balanced effort to reduce the risk of nuclear war. We have successfully launched our *strategic forces modernization programs* and *arms reduction initiatives* in order to achieve this goal.

(C) Your *strategic forces modernization* program strengthens deterrence, enhances our credibility as a negotiating partner in arms reduction talks, and improves our image as a leader of the Free World.

(C) It is important that we made the Nation more fully aware of our progress in achieving better *command, control, and communications* for our strategic nuclear forces. While these systems account for a small fraction of our strategic force costs, they are vital in ensuring that we have a safe and effective deterrent.

• The issue about the safety of command and control, fueled by the recent "War Games" movie,² could be turned to our advantage as we publicize planned and accomplished improvements to ensure firm control over our forces. We could demonstrate how your initiatives

² Written by Lawrence Lasker and Walter Parkes and directed by John Badham, the film, starring Matthew Broderick, Dabney Coleman, John Wood, and Ally Sheedy, was released in the United States on June 3. In it, Broderick played a computer hacker who accessed a U.S. military supercomputer and programmed it to run a nuclear war simulation.

provide for greater nuclear safety in peacetime, as well as control, survivability, and responsiveness of our forces in the event of attack.

(C) We should also highlight our ongoing efforts in the realm of space and strategic defense, as a follow-up to your recent speech. We must continue to publicize our efforts to expand our deterrent to include a defensive capability, explaining the rationality of this approach and its consistency with our overall deterrence and arms reduction policies.

- We should utilize space-related events, such as your welcome of the Space Shuttle astronauts, for a Presidential address on these themes, as well as on the importance of our other space initiatives including the Combined Space Operations Center.

- Another speech by you on your strategic defense initiatives could include some of the actual technological problems involved and possible solutions. For example—you could point out that while we can track and destroy some Soviet missiles now, we need enormously increased computer abilities to locate, track on thousands of Soviet missiles and then fire assembled weapons to destroy the Soviet missiles before they get into our atmosphere. It can be done but it is a big job.

(C) This Administration can count among its major achievements the formulation of *arms reduction initiatives* that in both breadth and scope go well beyond mere limitations to the growth of both strategic and intermediate range nuclear systems. We must maintain these initiatives and explain our premises to the American people.

- You might utilize the State of the Union address as an opportunity to highlight two key concepts that govern our policy:

- That we are determined to raise the nuclear threshold, and that nuclear arms *reduction*, coupled with a strong conventional force capability provides the best hope of doing so.

- That we cannot achieve anything in this regard without Soviet cooperation, and that while we have modified our proposals to retain maximum negotiating flexibility, the Soviets must, of their part, become less rigid if a meaningful agreement is to be achieved.

MAINTAINING THE DEFENSE BUILDUP TO RESTORE THE NATION'S MARGIN OF SAFETY

(C) A key element of any strategy for raising and keeping the nuclear threshold as high as possible, both in NATO and elsewhere, is the readiness and combat staying power of our *conventional combat forces*. Thus far—in the first two years of this Administration—we have successfully identified the Nation's defense requirements and received from the Congress necessary funding to get a start on meeting our

national security objectives. This task has not been without a good deal of effort and political will. Our military strategy is balanced in terms of priorities between readiness and sustainability, and modernization and investment in new technology. Without continued adequate funding in the decade of the 1980s we could lose this balance.

(C) We must persevere in our determination to improve our own combat readiness and encourage our Allies to do the same. Similarly, we must set the example for our Allies, by ensuring that *our own forces* could fight a conventional war as long as could the Warsaw Pact.

(C) We have achieved a good rate of increase in the level of funding in this area for both active and reserve forces. This must continue. Our forces are now becoming better trained, better equipped, and more mobile, thanks to more and better manpower programs and the availability of additional reserve stocks, spare parts, and equipment. We have also emphasized improved airlift and sealift for our rapidly deployed forces.

(C) As part of our efforts to modernize our conventional forces, this Administration is taking the lead in pressing the Alliance to *employ new technologies* to enhance NATO's conventional capabilities and begin to offset the Soviet quantitative superiority and qualitative improvement that threaten to undermine the balance of forces in Europe.

(U) We should take the lead in developing a public recognition of the success of the Defense Department in improving the efficiency of its operation and acquisition management and the strengthening of the industrial base. In addition, we should stress the contributions the Defense Department has made to enhancing our industrial base and its responsiveness in peacetime and during any mobilization.

- You might also wish to visit some major defense industry factories or shipyards, and in a speech call attention to the vital need for us to develop an industrial base that could respond as we did in 1941.

(U) Your Administration can point with great pride to its successful effort to enhance the public image of a voluntary military career. The pressure on the *All-Volunteer Force*³ will increase as the economy improves and as the population segment from which recruits are drawn shrinks during the second half of this decade. People serving in the Armed Forces today do so with great pride and with much greater respect and recognition from the general public. It is important, therefore, to maintain the commitment to providing our forces with levels

³The Nixon administration established a draft lottery system in 1969 and renewed the system in 1971. In 1972, Nixon announced that the All-Volunteer Force would replace the Selective Service System by July 1973. See *Foreign Relations, 1969–1976*, vol. XXXIV, National Security Policy, 1969–1972, Documents 131, 133, 135, 138, 138, and 228.

of pay and benefits that will continue to make service in the military a career that is rightly viewed as one that is not only challenging but worthy of respect by the population at large.

- The “Army of Excellence” program (which seeks to achieve excellence in individual soldiers, their leaders, units and equipment) could be highlighted as one attempt to instill excellence into all aspects of military activity. It is this quality of our soldiers as well as their ability to think and act for themselves in emergency, and the ways in which our system of freedom encourages the development of individual initiatives and skills that distinguish our soldiers from those of the Soviet Union, who do not have the benefits of this tradition of freedom, and individual liberty. You could stress this theme during a visit to a field training exercise and to events such as the roll-out of the first B-1B bomber. In addition, this Administration should reaffirm the importance of physical fitness in the American way of life, capitalizing upon current Service fitness programs and the holding of the 1984 Summer Olympics in the United States.⁴

- There are a number of ways in which you could personally involve yourself in reinforcing and reaffirming the Administration’s commitment to people/fitness programs. You might use the occasion of a visit to the Fort Sheridan, Illinois, Headquarters of the U.S. Army Recruiting Command, or to other Service recruiting centers, to make a major speech outlining our ongoing commitment to maintaining high quality, volunteer Armed Forces. Alternatively, you might wish to combine the themes of maintaining a quality force with physical fitness by visiting the Army Fitness Center at Fort Benjamin Harrison, Indiana. Finally, the physical fitness theme could be voiced in a major address at the opening of the Summer Olympics.

SUPPORTING OUR POLICIES WORLDWIDE

(C) The U.S. public shares our basic concerns about the stability of Central and Latin America. But we must develop a *more coherent approach to promoting greater stability in these regions*. This approach should focus on social reforms as well as economic and military assistance.

- I have referred to Central America as part of “mainland” America. We should reinforce this theme at every opportunity. A Presidential visit to Costa Rica could be particularly effective in this regard. Costa Rica is an “embattled democracy.” Its problems could evoke sympathy by the American public, and a visit would demonstrate to both our own public and to Latin America and the world that we are committed to the defense of those values upon which this Nation was built.

⁴Scheduled to take place in Los Angeles, July 28–August 12, 1984.

(C) We must continue to strive for a *settlement of the Middle East conflict*, but we must be under no illusions as to the imminence of our success.

- One accomplishment we can point to now is the success we have achieved in training the Lebanese Armed Forces, an ongoing effort that can only enhance that country's changes of achieving stability once foreign forces have left its territory.

INITIATIVES, WITH A NATIONAL SECURITY CONTENT, THAT ENHANCE AMERICA'S IMAGE

(U) There are a number of steps that this Administration can take that would project a more positive image of U.S. policies and values, thereby improving our political and security relations with overseas states, notably in the Third World. Examples of such initiatives include:

- Establishment of a bipartisan commission to plan observances of the many bicentennial anniversaries that will take place between 1983—the anniversary of the signing of the Treaty of Paris, that ended our revolutionary war—and in 1992—the 500th Anniversary of the discovery of America.⁵

- You might wish to use the occasion of the October 1983 bicentennial of the Treaty of Paris to have a ceremony in the Rose Garden, in the presence of the Ambassadors of the U.K. and France, where you could announce your support for the bicentennial commission. The more we can reinforce a sense of history, particularly in our young people, the more our Nation will understand and support the policies we are trying to implement.

- Finally, and importantly, DoD is sensitive to the enormous toll in wrecked lives, sapped human productivity, violence and other crime that this Nation bears as a result of the *trade in illegal drugs*—both smuggling drugs across our borders and the clandestine, avaricious network that distributes drugs within the country. Defense has already rendered substantial assistance to the U.S. Coast Guard and civilian law enforcement agencies in their attempt to break this illegal drug traffic. We will of course, continue to respond to the leadership of our Commander in Chief in the war on drugs. You may wish to highlight the role of Defense in this regard, consistent with current law, as you continue to voice your opposition to this menace to our society.

Cap Weinberger

⁵ On January 26, Senator Orrin Hatch (R-Utah) introduced a bill (S. 188) co-sponsored by eight senators, proposing the establishment of a Presidential Commission on the Bicentennial of the United States Constitution. On September 29, the President signed P.L. 98–101 into law. For the text of his statement, see *Public Papers: Reagan, 1983*, Book II, p. 1390. There is no indication that a broader bipartisan commission, designed to coordinate all of these commemorations, was established.

163. Memorandum From Robert Sims of the National Security Council Staff to the President's Deputy Assistant for National Security Affairs (McFarlane)¹

Washington, June 30, 1983

SUBJECT

RR Goals and Objectives Memo

As authorized by you and Judge Clark, I confirmed for Bob Toth of the *Los Angeles Times* the existence of the President's memo to State and Defense, and said it was sent "in early June".² I paraphrased paragraph one of the memo and gave Toth direct quotes on the six new policies that have been catalysts in changing perceptions abroad of the United States as a nation in decline:

—Firm commitment to the restoration of the military foundation of our national security policies.

—Establishing a new relationship with the Soviet Union based upon the principles of reciprocity and restraint.

—Restoring confidence and cohesion among our allies.

—Defining a comprehensive and responsible policy for the reduction of strategic and general purpose armaments.

—Establishing a new basis for the conduct of relations with developing countries.

—Maintaining a firm commitment to lead in efforts to bring peace to troubled regions (Middle East, Southern Africa, etc.)

I told Toth the remainder of the memo dealt with the President's request for the thoughts of the Secretaries on goals that he could realistically hope to achieve "in the first term". In response to Toth's question, I said the memo was not politically motivated (he had been told it was a request for ideas about things to do to win the election). Rather, I said, the memo is realistic in setting the end of the term as a logical parameter for planning purposes—but the basic motivation for the memo relates to the President's desire for a long-term bipartisan foreign policy of the kind this country once had.

¹ Source: Reagan Library, Executive Secretariat, NSC Subject File, Goals and Priorities (June 1983–July 1983). Confidential. A copy was sent to Allin. A stamped notation indicates that McFarlane saw it. See Robert C. Toth, "Reagan Solicits Advice on Goals in Foreign Policy," *Los Angeles Times*, July 2, 1983, pp. 1–6.

² Printed as Document 155.

I told Toth replies have been received and are being staffed by NSC prior to Presidential consideration. I gave Toth no information about the substantive part of the memo, or the common objectives section. He expects to write the story tomorrow for the weekend newspaper and may call you about it. I have alerted Mort Allin so that Larry Speakes can be prepared to confirm the items mentioned above after the story appears.

164. Memorandum From the Under Secretary of State for Political Affairs (Eagleburger) and the Chairman of the Policy Planning Council (Bosworth) to the Deputy Secretary of State (Dam)¹

Washington, July 13, 1983

SUBJECT

US Foreign Policy: The Year Ahead—and Beyond

We wanted to follow up promptly on Larry's discussion with you last week on the need for a broader, more integrated approach to our foreign policy.² We are convinced that all of us on the 7th Floor can benefit from looking beyond the immediate to our longer-term and more fundamental purposes. We have a few specific suggestions.

First, we will sharpen the focus on the longer-term dimensions of certain top priority issues, both to provide a sense of our longer-term strategy in core areas of our foreign policy interests and to illuminate policy choices over the next 6–18 months. These issues would include US-Soviet relations, the Mideast, Central America and perhaps southern Africa.

Second, we need to give greater attention to those major subjects which are not now of pressing urgency but which nonetheless are of great importance to US interests. In this regard, the Foreign Policy Directions exercise is continuing. After much exhortation we have received some papers from the bureaus. Frankly, they are of uneven quality. Steve will send those forward which deserve the attention of you and the Secretary while continuing to work the others.

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons 7/1–15/83. Confidential; Nodis. Drafted by Kaplan. Hill initialed the top right-hand corner of the memorandum and wrote: "7/15."

² No record of this conversation has been found.

In the meantime, S/P is itself working on some key issues which are of both immediate and longer-term importance to the institution of integrated, coherent global policy.

In particular:

—*Japan*. How can we continue to strengthen US-Japanese international cooperation? How is Japan's role likely to evolve in the 1980s and what can we do in the period ahead to influence Japanese evolution in constructive directions? What are the areas in which we should encourage/discourage greater Japanese cooperation and assertiveness? How should we manage the critical interaction between domestic and foreign policy aspects of our relations with Japan? Should we seek to pursue our interests with Japan primarily on a bilateral basis or should we seek to expand Japan's participation in allied multilateral arrangements?

—*Western Europe*. Where is Europe (and especially Germany) headed in the 1980s and what can we do to influence that direction? Clearly, we are dealing with a very different Western (and for that matter Eastern) Europe than that of the early 1970s, much less the 1950s or 60s. Europe's real and relative weight in the world has declined over the last decade, pacifism is a serious problem, the European Community is divided and there are some worrisome political and economic trends. Moreover, continued European security dependence on the US nearly 40 years after WWII creates major psychological insecurities for some of our allies. Managing this aspect will be an especially crucial aspect of dealing with the German question.

—*North-South*. The Secretary's April speech won much praise as a thoughtful approach to the developing countries. The need now is to develop a systematic and concrete strategy for pursuing and implementing this strategy. Given the major economic, financial and security issues facing the LDCs, and our tight budgetary situation, this will be a real challenge. But it is long overdue.

S/P will be doing papers on these subjects in the period ahead. Each paper will draw from the longer-term perspective in providing suggestions concerning policy or strategy for the next six months. Steve will send these papers forward as they are completed and suggest meetings with you, the Secretary and Larry.

165. Memorandum From the President's Assistant for National Security Affairs (Clark) to President Reagan¹

Washington, July 15, 1983

SUBJECT

Executive Summary: Goals and Priorities Paper

Below are a number of foreign policy ideas, which, taken collectively, offer a challenging and strategically focused program for the next 18 months. We are developing a separate and more detailed strategy paper, but wanted to get your reaction first to the key ideas set forth in this Executive Summary. I am also attaching the Shultz/Weinberger responses to your original memo of June 7, 1983 (Tab A).²

Resources: The Key to All Else

An extraordinary amount of what we want to do over the next two years hinges on our ability to get foreign assistance resources—to train, to reward, to encourage risks for peace, to punish. We have few other tools to work with; the words of our diplomats will only go so far. Even though the foreign assistance budget has grown each year, it is small in comparison with resources available in the post-war years. We need to replenish these investments to pave the way for a more secure and hospitable world.

We believe you should mount a major campaign—not so much to remove restrictions on existing aid (a separate problem)—but to increase levels in the aggregate.

One dramatic way of achieving this would be for you to publicly announce a plan to cancel a specially selected conventional weapons program now on drawing board—preferably one in some political trouble anyway—and to use the savings thus obtained to rebuild the foreign assistance account. This would *operationalize* the point we have tried so hard to make: namely, foreign assistance *often* makes a more immediate and direct contribution to our security than our own defense programs.

We suggest other ideas as well, such as a first phase effort to rebuild our foreign military training budget. This will be less costly, but

¹ Source: Reagan Library, Executive Secretariat, NSC Subject File, Goals and Priorities (June 1983). Secret; Sensitive. Sent for Information. A stamped notation in the top right-hand corner of the memorandum reads: "NOTED."

² Not attached. The Department of State response is Document 161, and the Department of Defense response is Document 162. The President's June 7 memorandum is Document 155.

if done ambitiously, could be equally important. It is easier to take these problems head on and be honest about real needs, rather than nibble at the edges.

Non-Proliferation: Unifying the Nuclear Suppliers

We have tried to strike a balance between actions that have immediate payoffs and actions that help us *gain control over dangerous long range trends*. Non-proliferation falls in this latter category. The spread of nuclear weapons will open up new options for radicals, force us and our allies to spend more for defense, and complicate arms control. To complement our sensitive intelligence and export control programs, we suggest giving even more public visibility to your *comprehensive safeguards initiative*. We propose trying to split the ranks of our allies, gaining early support of the British and Germans, nailing down a Japanese commitment on your trip, and—if necessary—isolating the French. A related goal is to end maverick, unsafeguarded Chinese nuclear exports using the positive leverage of our technology transfer program. *Success on either or both fronts would be dramatic*. The safeguards goal has eluded past Administrations. Your willingness to help Europe and Japan on other nuclear issues should provide the grease. This can legitimately be billed as a major *arms control victory*, and it is more immediately in sight than some of the others.

Defense: A Campaign to Raise the Nuclear Threshold

The ongoing debate about nuclear war has at least forced sensible persons to think more about the desirability of conventional defense. Moreover, new highly accurate technologies and deep-strike tactics may make a *credible conventional capability* possible at a more tolerable financial cost. For reasons too complex to elaborate here, accurate munitions have even more decisive effects on the flanks and Persian Gulf where our existing deterrent capability is particularly weak. Improved conventional defense capabilities have an importance that transcends their deterrent effect: namely that of making our allies more self-confident in the political-military competition that is ahead.

The problem to date is that *much of this work is unfocused*: many of the most interesting technologies are underfunded; they are not tied together as part of a coherent program; and our public affairs approach has not yet been harnessed to the possibilities at hand. We propose an urgent internal effort to bring these various strands together and to accelerate the most promising technological possibilities. What we want to do is create a new framework for our defense efforts *raising the nuclear threshold*. This helps us retain the high ground and demonstrate that it is we—rather than the Soviets, with their empty declarations—who take seriously the issue of avoiding the “first use” of nuclear weapons. Moreover, precisely because overall defense investments are unlikely

to increase as much as we would like, we have to be sophisticated in achieving the maximum payoff from the investments we have.

Middle East: A Tortured Choice

The Middle East has probably never been more reflective of the fable you tell about the scorpion and the turtle. Assad is playing a waiting game and seems more interested in demonstrating his dominance over the other Arab States than in withdrawing from Lebanon or facilitating an autonomy agreement. Not only does this mean that it will be difficult over the near term for you to achieve your goals in both of these areas, it also means that you have a *new objective* with which to cope: limiting Syrian influence and, by implication, that of Syria's Soviet patron.

We need then to begin to redefine for the public what it is possible to do, so that expectations are not totally dashed. We need to make clear that *we have solid intermediate goals that can be met*. These include: building the authority of the Lebanese government; enhancing stability in Lebanon; frustrating Syrian efforts to intimidate our friends, and nurturing changes on the West Bank and Gaza that keep hope alive until fundamental conditions have shifted more in our favor—at which time we may want to propose something more dramatic, like calling Mubarak, Hussein, Begin, and other West Bank notables to Washington.

For the near term we must help shape the Israeli partial withdrawal in ways that give confidence to the Lebanese while maintaining pressure on Syria. Along with our allies we will need to fill the gaps caused by the departing Israelis.

The relationship with Saudi Arabia also deserves close attention given the Saudis' inability to go very far in taking risks for peace. Rather than increase their discomfiture (while ironically inflating their importance) by asking them to do things they will never be able to do—and yet for which we somehow become indebted—we may want to ask them to take more effective action on things they can do: e.g., more assistance for Turkey, Sudan, Somalia—and less badgering of Oman.

Soviet Union: Striking a Deal While Redefining Expectations

Managing the Soviet relationship over the next eighteen months will require two things: first, probes to determine whether our strength and seriousness have as yet created real openings in the Soviet position; and second, measures to sustain support policies that have increased our leverage.

The key is to recognize that these two efforts are decisively related: *the more strength we amass the greater the likelihood we can create openings; less obvious, perhaps, but equally vital, the more serious we are about looking for openings, the better chance we have of maintaining support for tough policies in all of the many areas where toughness will continue to be necessary.*

More than our ability to reach any specific agreement, the real test before us is to try to permanently *redefine* U.S. policy toward the Soviet Union. This means, in short, making clear that the most likely medium-run goal is an *enduring but safer competition*, one in which we do not reach agreement on everything—nor pretend that we can—but rather press to find agreement in particular areas. While it is in our interest to force tough choices upon the Soviets and to compel them to foresake opportunities, *it is not in our interest to make them desperate* and more inclined to take great risks.

The difference between this approach and detente is clear. We have to push on every issue, but our activism on *many* fronts does not mean we need progress on *every* front to succeed. If we think we do, we will be pushed to split the difference on issue after issue. This was precisely the problem with detente: it split the difference with the Soviets too often, and ended up with second best across the board. It also ignored the need for creating pressure and put the *form* of agreement ahead of *content*.

This leads to the question of a summit. The risks of a summit are clear. But there are dangers, too, in appearing unwilling to talk, since this could cause our consensus for competition in other areas to unravel. We need to realize that if our friends feel our hostility is unbounded, making every conflict a possible stepping stone to a wider war, their willingness to compete at all will rapidly decline.

We propose trying to lay the foundation for a summit aimed at a *controlled and balanced outcome*—an outcome that in fact reflects the new balance in public understanding we hope to strike. On the positive side this means shooting for an arms control agreement. But if an agreement were the sole focal point, that fact would be determinative in shaping public expectations. Hence, we will need to lay down some hard markers on Central America, Afghanistan, and chemical weapons violations. We need to be clear in communicating what we want. And we need a program for turning up the pressure to demonstrate that a Summit doesn't mean an end in our willingness to compete. A special new White House/NSC channel—similar to what was once contemplated under the Kennedy Administration—may provide a unique way of communicating these messages.

Central America: Facing Up to Requirements

If we are to remain credible to our allies and at the same time avoid a human and refugee tragedy of massive proportions, we must reverse the course of current events in the region. The historical record cannot be left to show that while the Soviets were committing over \$4B a year and positioning *thousands* of troops and advisors in and through Cuba, we countered with less than \$500M and 120 military advisors in El Salvador and Honduras.

A strategy for success mandates that we heighten attention to the risk that we could face within a year, a historic failure which would permanently damage the national security position of the United States. At the same time we must emphasize the breadth of our opportunity to promote democracy, recognizing that democracy itself is the single best means of assuring human rights.

We need to cogently present what it will take to prevent a failure and educate the American people on the responsibility of the Congress to provide adequate resources for the execution of a successful policy. This should be accomplished by:

- A Presidentially mandated bipartisan commission.
- A renewed round of working visits by Monge, Suazo, and others.
- New pressure on the EEC.
- A regional diplomatic offensive that is counterbalanced by new efforts to isolate radicals.
- New military pressures.
- A Presidential trip.

Persian Gulf: Making Our Power More Commensurate With Our Interests

Our power in the Persian Gulf is still not commensurate with our interests. We need to move quickly to reverse this situation. Khomeini's passing may create opportunities too large for the Soviets to resist, and for which we have done too little planning. *The key is to break free of self-imposed constraints and begin to make greater use of three large assets: Turkey, new technologies (also referred to in the section on defense), and Israel.* The National Security Decision Directive you just signed sets this in motion.³

Among the specific initiatives we foresee:

- Cooperation with Israel to work together in the event of Soviet attack in the Gulf.
- A diplomatic initiative in the Aegean to end—or reduce—the disagreements of our Greek and Turkish friends.
- New efforts, coupled to your resource initiative, to help Turkey truly modernize its forces.
- Innovative near term steps with the Germans and others to signal the Soviets we will use Turkish geography to exploit their vulnerabilities if they attack the Persian Gulf.

³ Presumable reference to NSDD 99, "United States Security Strategy for the Near East and South Asia," issued on July 12. It is scheduled for publication in *Foreign Relations, 1981–1988*, vol. XXII, Middle East Region; Arabian Peninsula.

- A quiet effort to identify vulnerabilities among key Soviet clients and to exploit these vulnerabilities—particularly S. Yemen—to *show that Soviet gains are reversible*.

- A special emissary to our key NATO allies to lay out our master plan and specific requirements. We may need to cut back on some of the many marginal things we are asking the allies to do in order to channel their efforts into higher payoff opportunities. We must end our piecemeal approach to this problem. This only gives our allies an excuse to hold back, since they are never sure of our bottom line.

Asia: Building on an Inherent Dynamism

Japan should remain the cornerstone of our Asian strategy. Our objectives with Japan should: (1) encourage that country to open its markets; (2) continue our push for viable self-defense capabilities; (3) respond positively ourselves to the defense initiatives Nakasone has already outlined; and (4) stimulate genuinely significant, better coordinated, and more strategically oriented Japanese foreign assistance investments.

We think you might *strike an agreement* on your trip to form a U.S.-Japanese foreign assistance coordinating committee.⁴ We will also be developing imaginative ideas for increasing Japan's defense commitments, e.g., by drawing attention to the subsidy now built into Japanese procurement costs we may be able to persuade the government to write part of that subsidy off to an account other than the Defense Forces. Ultimately, this could trigger a common-sense reaction that would lead to more direct weapons sales from the U.S. This in turn would allow the Japanese to get "more bang for the yen" and also would correct the trade balance. We also need to recognize the far-reaching importance of Nakasone's willingness to close the Straits and to take account of this in our joint exercises.

On the Korean peninsula we must continue to explore all practical options to reduce tensions while further enhancing a credible defense posture capable of responding to a surprise attack from the North. We will be looking at ways to begin to stimulate subtle forms of Japanese-Korean defense cooperation.

With China, we will *complete the liberalization of our technology transfer effort*⁵ and, hopefully use this, to tax Soviet defense investment patterns in ways favorable to the U.S. We also hope to convert the liberalized technology program into political gains. We think we can show real progress in bringing China in line on nuclear export policy.

⁴The President was scheduled to visit Japan, November 9–12.

⁵See footnote 12, Document 161.

Finally, we need to pay attention to quick-fixes that could potentially improve China's capability to withstand certain selective military pressures from the Soviets. This is important for preventing a Soviet effort to coerce and neutralize China without recourse to a major war. We will also key in on a U.S. visit by *Zhao Ziyang* to help demonstrate your attention to U.S.-PRC relations.

Africa: New Possibilities for Pressure and Diplomacy

In Africa we are also looking at a program that would emphasize both *continuity and innovation*.

A priority objective for the next 18 months is Cuban troop withdrawal from Angola, in connection with an agreement on independence for Namibia. Besides being a success for our Soviet policy, this major achievement would strengthen the African and domestic flanks of our policy of constructive engagement with South Africa. A Presidential speech to the U.N. General Assembly would be an occasion to reiterate our objectives, but other forms of direct involvement by you may also be required.

Our present strategy of linking Angola and Namibia is the right way to pursue our interests even if it does not produce immediate results. If the obstacle turns out to be South African reluctance to accept an Angolan proposal we think is reasonable, we could *dangle the prospect of a P.W. Botha visit to Washington*. Given the legitimate political sensitivities here, a visit would probably be best in the context of final agreement on a Namibia solution coupled with U.S. encouragement of further internal reforms.

We envision other innovative, and strategically focused initiatives as well:

- We may want to work quietly through the Somali insurgents in Ethiopia to start making life more difficult for Cuban-troops in that country. Moreover, we need to fortify Somalia against the threats they now face and we need to discourage the Soviets from trying to embarrass us in Somalia, thereby discrediting our broader regional strategy.
- We also think it may be possible to turn the limited rapprochement between Somalia and Kenya into a larger U.S. diplomatic success story. This would make it easier for Somalia to get assistance from Congress and would further isolate Ethiopia.
- We think we may be able to promote a deal in Northwest Africa in which Spain would make concessions to Morocco to provide a cover for Morocco's settlement of the Western Somalia dispute. France in turn would reward the Spanish by earlier entry into the EEC. And this in turn would help us get Spain into NATO.

Conclusion

It is all too easy—and equally wrong—to try to shape policy to affect tomorrow's headlines. We have tried to focus instead on actions that will leave an unmistakable and constructive legacy for the future, both in terms of improved international security and a deeper public understanding of the difficult—if inherently manageable—problems that lie ahead. At the same time, we are sensitive to the fact that concrete, near-term success in certain areas may be necessary to create momentum and mobilize support for longer-range and more difficult foreign policy objectives.

It is also easy to spawn a long list of desirable objectives that bear little relationship to one another—to ignore, in short, the critical problem of tradeoffs among competing alternatives and to forget that our leverage over both allies and adversaries is far from infinite. We have tried to be sensitive to these constraints in what follows, though ultimately you will yourself have to wrestle with this fact of life as you think through your approach to the possibilities outlined below.

Many of the goals we recommend are now possible because of the strides that have been made in rebuilding American power and in cultivating an image of consistency and perseverance. Nonetheless, we have a long way to go. *We must continue rebuilding our strength, recognizing that doing so will open up even more opportunities.* This is because our friends and foes will continue to alter their expectations in accordance with their ever increasing appreciation for U.S. strength.

The conventional wisdom of course is that Presidents consolidate rather than innovate in the second two years of their term. While this is to some extent inevitable, we believe the argument for innovation is also strong. First, there is much yet that needs to be done. Second, the shifting pattern of international events—and the offensives of our adversaries—make it both dangerous and difficult to simply consolidate success. Third, new initiatives can help us continue to set and refine the agenda for debate and deflect attention from problems whose solution will come only over a much longer period of time.

166. Information Memorandum From the Chairman of the Policy Planning Council (Bosworth) to Secretary of State Shultz¹

Washington, July 25, 1983

SUBJECT

Central America—Our Strategy and the Presidential Commission²

I. The Presidential Commission is the latest attempt to deal with the gap between our interests in Central America and the policies we are able to employ to defend those interests.

There is little prospect, however, that the Commission will be able to change the fundamental domestic attitudes which constrain our policy in Central America:

—We will not be able to mobilize political support for the direct use of U.S. military force; and

—We will not be able to set aside concerns over human rights in El Salvador or domestic opposition to the U.S. overthrow of the Sandinista regime.

On the other hand, the Commission does provide an opportunity to build public and Congressional support for a long-term program of more U.S. aid to the region. While more aid is not by itself sufficient as a policy, it will be extremely useful.

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons 7/16–31/83. Secret; Sensitive. Not for the System. A copy was sent to Motley. Shultz's stamped initials appear on the memorandum. McKinley initialed the memorandum and wrote "25/7."

² In remarks made at the quadrennial convention of the International Longshoremen's Association in Hollywood, Florida, July 18, the President announced the creation of "a bipartisan national commission on Central America. The commission will lay the foundation for a long-term, unified, national approach to the freedom and independence of the countries of Central America. The commission will be honored by a very distinguished American, outstanding in the field of diplomacy, virtually a legend in that field. It will be headed by Dr. Henry Kissinger, who will present recommendations to me later this year. Their focus will be on long term, looking to what it is that we want and what we must do in the years ahead to meet the underlying problems of the region." (*Public Papers: Reagan, 1983*, Book II, p. 1047) Executive Order 12433, July 19, formally established the Commission; for the text, see *ibid.*, pp. 1054–1055. Also, on July 19, the White House released a statement listing the individuals to be appointed to the Commission; for the text, see *ibid.*, pp. 1055–1056.

Also, this should be an opportunity, as in the case of the Scowcroft Commission,³ to broaden support for our overall strategy in the Congress and improve our ability to sustain it over the critical period of the next 18 months.

II. This paper examines two major issues we need to face over the next few months:

- 1) How to get better performance out of the Salvadorans, militarily, politically and in human rights area?
- 2) What we are willing to settle for in Nicaragua?

EL SALVADOR

Our objectives in El Salvador are democratization/reform while wearing down the guerrillas militarily and marginalizing them politically. Two problems, resources and Salvadorans' attitudes, have hampered our progress. We have not been able to provide enough resources and the assurance that they will be available long enough for reforms to be consolidated and the guerrillas kept on the defensive. But the disappointing Salvadoran performance is also a result of the fact that as our political commitment increases, the Salvadorans conclude that our stake is so great that we will do whatever may be necessary to prevent a Leftist victory, regardless of what they themselves do or don't do.

The Presidential Commission is obviously an opportunity to deal with the resource issue. But it may also be an opportunity to try to deal with the second problem—Salvadoran attitudes. In fact, the Commission's success in dealing with the resource problem will depend heavily on its being able to present a credible scenario for moving the Salvadorans on political development, human rights and military performance. It must be able to justify more resources by showing that they will produce results in all these areas.

³ Public Law 97-377 (see footnote 4, Document 129) required the administration to produce a report concerning the basing mode for the Peacekeeper missiles. On January 3, the President announced the establishment of a bipartisan Commission on Strategic Forces, chaired by Scowcroft, to review the strategic modernization program. The text of the statement is printed in *Public Papers: Reagan, 1983*, Book I, pp. 4-5. On April 11, the Commission presented a report to the President, recommending that the United States base 100 MX missiles in Minuteman silos and consider developing a new single-warhead missile. (Hedrick Smith, "MX Panel Proposes Basing 100 Missiles in Minuteman Silos: Urges New Limit on Arms," *New York Times*, April 12, 1983, pp. A1, A20) The *Report of The President's Commission on Strategic Forces*, April 6, is printed in *Documents on Disarmament, 1983*, pp. 273-300. On April 19, the President endorsed the Scowcroft Commission's recommendations. (*Public Papers: Reagan, 1983*, Book I, p. 555) Both the House and Senate, in late May, approved the release of funds for the MX. (Steven V. Roberts, "President's Plan for Basing of MX Approved in House: Key Victory for Reagan," *New York Times*, May 25, 1983, pp. A1, A18, and Margot Hornblower, "Senate Completes Reagan's Victory On MX Funding," *Washington Post*, May 26, 1983, pp. A1, A18)

Our approach to El Salvador over the past two years, and particularly the last six months, has been one of creeping involvement in nearly all aspects of policy formulation and implementation. Our military assistance program has become increasingly detailed in its focus on tactics, logistics, intelligence collection, etc.; on the political level, we press for early elections and then take on major responsibility for funding and organizing them; we have become the sponsors of judicial reform; etc., etc.

It can be debated whether this approach is working: is the Army making permanent gains, is polarization between the Right and the Center lessening, is the human rights performance improving? What is not disputable, however, is that our increased assumption of responsibility has greatly reinforced the Salvadoran tendency to conclude that El Salvador has become more important to us than to the Salvadorans. Our ability to use any real leverage on specific issues has diminished. Our increased involvement as program managers also risks increased anti-Americanism which would contribute to the reduction in our ability to control events.

We now appear to be leaning toward increasing substantially our involvement on the military front, in terms of both resources and the number and the role of U.S. personnel. But, increased U.S. involvement in the military effort, unless accompanied by reinforcement of the other elements of our strategy, ignores our analysis of the past two years: that the underlying problem in El Salvador is political, not military. To get on with the political solution (democratization, human rights, economic reform, etc.) the Salvadorans—not the Americans—have to take the lead. Ironically, progress on the military front will also complicate progress on the political front, since much of the blame for the country's enduring political polarization is attributed to the military's tendency to see itself as above the law and deserving of political power—a tendency that will be reinforced by success against the guerrillas. Similarly, our push for early Presidential elections threatens to exacerbate polarization through a Duarte-D'Aubuisson race and thus produce a government with even less ability to govern than at present.

In the meantime, the situation in the Congress approaches gridlock. There is not now a majority willing to take the political risk of cutting off military aid to El Salvador. But there is extreme anxiety over growing American military involvement and diminishing confidence that the democratization/reform strategy is working. Without substantial change in current Congressional attitudes, it is unlikely that we can obtain any major increase in aid, particularly military aid. The Congressional problem will become even more difficult as we get closer to the Presidential campaign.

Clearly, we need an alternative approach which addresses these problems. In particular, we must:

- provide more—substantially more—resources over a reasonable period of time (one to two years);
- put the burden for performance squarely back on the Salvadorans; and
- insulate El Salvador from the upcoming American electoral campaign.

The Presidential Commission may present an opportunity to establish such an approach.

A Possible Medium-Term Compact

We would use the Commission and its report to establish a three-way compact among the Congress, the Administration, and the Government of El Salvador. First, the Commission would develop a series of objectives for Salvadorans over the next two years. For example,

- Continued progress on democratization with a series of elections over the next two years segmented, timed, and organized as the Salvadorans themselves decide. We want to see functioning elected institutions in place in two years (i.e., municipal governments, National Assembly, and a National Executive). A credible opportunity for participation by the Left would exist at each stage and we would remain available to facilitate contacts;
- Continued implementation of the new national counter-insurgency program;
- Concrete, meaningful evidence that the Army and security forces are being brought under civilian control with visible punishment for abusers of the civilian population; and
- Solid, reasonable progress toward judicial reform;
- Completion of land reform on a basis to be agreed between the GOES and the Campesino organizations.

These objectives would in effect be negotiated with the Salvadorans (Government, military, and political parties) who would sign on to them as firm undertakings. It would be up to the Salvadorans to decide how they will meet these goals. We might provide technical assistance in some cases but it would basically be their problem. The quid for all this would be a major increase in aid guaranteed for the period of the compact.

The compact would simultaneously be negotiated with the Congress. The Commission would obviously have a key role here. Most importantly, it would have to sell the concept and the extended funding commitment. This would be difficult, and the Administration

might well have to accept limits on its actions during the period of the compact, particularly on such neuralgic issues as the number and role of U.S. military personnel in El Salvador. But I believe there may be substantial Congressional enthusiasm for the concept. It takes away the political risk during the campaign period of a “who lost Central America” debate while keeping the focus on democratization and reform.

What would happen at the end of the contract period would have to be negotiated between the Administration and the Congress. The Commission could play a role in the evaluation of Salvadoran performance at the end of the compact period and, possibly as a monitor of performance during the period. The President should obviously try to keep his post-compact options as unconstrained as possible. But we would have to recognize that a Salvadoran performance which fell far short of the agreed goals would, as a matter of political reality, restrict our subsequent policy choices.

On the other hand, we would have gained two years, more resources, and reduced the risk that El Salvador will be a major issue in the 1984 election. There is also, I believe, a real chance that the Salvadorans would begin to perform more effectively, and we could see real progress.

NICARAGUA

Since mid-1981, our policy toward Nicaragua has aimed at creating a situation in which the Sandinistas would stop providing direct support to the guerrillas in El Salvador and rein in their “revolution without frontiers.” We have emphasized diplomatic and public information efforts to isolate Nicaragua. However, we believed that diplomatic pressure alone would not be enough and that we also had to “take the war to Nicaragua.”

This policy was based on two key judgments. First, we did not believe that the Nicaraguan opposition groups would be able to rally sufficient popular support to overthrow the Sandinistas within the foreseeable future. (Eden Pastora was a potential wild card. He claimed he would be able to rally substantial numbers of Sandinista troops and bring down the FSLN Directorate. But he has not shown that he can deliver, and it would clearly be imprudent to base our policy on the hope that he will.)

Secondly, we concluded that direct U.S. military action to dislodge the Sandinistas was not feasible. Barring a major provocation (e.g. Nicaraguan invasion of Honduras, introduction of large numbers of Cuban troops in organized units), we would not be able to rally sufficient support in the Congress or in the region to be able to sustain a U.S. military intervention or quarantine. Moreover, even with substantial numbers of U.S. troops,

we would not be able to defeat the Sandinistas militarily. They would fade back into the hills and wait us out in a Nicaragua in which only a minority of the population would see the U.S. military presence as an act of deliverance.

Current Situation

There are some signs that this policy of limited objectives is beginning to work. Regional isolation and some pressure from the Contras, together with a moderate but critical shift in the Mexican position (i.e., Cancun declaration⁴), have gotten the FSLN's attention. Their approaches to Tony Quanton and the July 19 proposal⁵ mark a change in their public posture. It may be largely a ploy, but it's a change we can't ignore.

This means we must be clear as to our objectives and realistic about how much negotiating leverage we have now and how much we are likely to have in the future. If we are going for an internal political formulation which would do for the Nicaraguan opposition what we are offering to the FMLN/FDR in El Salvador, we will have to mount a much more credible threat to the survival of the Sandinistas than now exists. The Contras have grown in number more rapidly than we had expected. However, they are at best now in roughly the same position as the FMLN after the January 1981 "Final Offensive" in El Salvador. They are troublesome to the Sandinistas and require a substantial military response, but they are active only in remote areas and are a long way from threatening Sandinista control over the bulk of the Nicaraguan

⁴ Meeting in Cancun, de la Madrid, Herrera Campins, Betancour, and de la Espriella (the Contadora Group) released a communiqué on July 17 that "called upon 'states with interests and ties to the region to contribute their political influence in strengthening the cause of understanding and commit themselves, without reservation, in favor of the diplomatic option for peace.'" (Richard J. Meislin, "4 Latin Presidents Urge Steps to End Conflict in Region: 'Deterioration' Deplored," *New York Times*, July 18, 1983, pp. A1, A3) The text of the "Declaration of Cancun on Peace in Central America" is printed in *American Foreign Policy: Current Documents, 1983*, pp. 1328-1331. In telegram 10841 from Mexico City, July 19, the Embassy transmitted an unofficial English-language translation of the 10 point declaration. (Department of State, Central Foreign Policy File, Electronic Telegrams, D830408-0928)

⁵ In a July 19 address made in Leon, Nicaragua, on the fourth anniversary of the revolution, Ortega indicated that the Government of Nicaragua would participate in international talks to end the violence in Central America. He noted that the government had also called for negotiations with the United States over various issues of concern. (Marlise Simons, "Nicaragua Offers to Join in Talks on Regional Peace: Sandinista Anniversary," *New York Times*, pp. A1, A9, and Christopher Dickey, "Managua Offers Area Peace Plan," *Washington Post*, pp. A1, A10; both July 20, 1983) In telegram 3172 from Managua, July 20, the Embassy noted: "While Ortega made the customary swipes at the US, the tone was far different from his strident diatribe last year and reflected the Sandinistas' appreciation of the gravity of military, economic and diplomatic challenges they are now facing." (Department of State, Central Foreign Policy File, Electronic Telegrams, D830414-0003)

population. Indeed, there is reason to question whether the Nicaraguan opposition groups, divided among themselves and some still tainted by *Somocismo*, would do any better in open elections in Nicaragua than the FMLN/FDR would be likely to do in El Salvador.

However, even the present level of Contra pressure on the Sandinistas may well be short-lived. We may be able to fund the Contras at the current levels through FY 1984, although the current Nicaraguan “peace offensive” will make this even more difficult in the Congress. But, it is most unlikely that the Congress will permit increases in our funding to the level which would be needed over one to two years to make the Contras as much of a threat to the Sandinistas as, for example, the FMLN is now to the Government of El Salvador. Thus, in assessing our options over the next 18 months we should assume that the Contras, as an instrument of political pressure on the Sandinistas, are probably now at their zenith.

The surge in U.S. military activity now underway in the region will heighten Sandinista (and Cuban) uncertainty. It will temporarily help to offset any decline in pressure from the Contras. But this new pressure will be transitory, and we will eventually be faced with the question of what we do as a follow-on.

As you know, there is an alternative analysis: one which argues that the Contras will soon become a real threat to the survival of the Sandinistas and either overthrow the regime or force the Commandantes to seek a political accommodation with the non-Communist opposition. However, the intelligence community concluded in the recent *SNIE* on Nicaragua that this will *not* happen with the current level of U.S. funding and support. Again, it would seem imprudent to base U.S. policy on the expectation that the Contras will be able to force the departure of the Sandinistas or their retreat from their political ideology within the next 18 months.

Moreover, the *SNIE* confirms our earlier judgment that if the Contras were to threaten the survival of the Sandinistas, the Cubans might well intervene. There are already several indications that the Cubans are increasing their presence, not with organized units, but with more advisors who can operate at the small-unit level with Sandinista troops. If this type of Cuban involvement increases, we will be left with a narrow range of unattractive responses. If the Cubans are not operating in organic units and if there is no major assault on Honduras (as opposed to quick strikes against the Contra base camps), it will be extremely difficult for us to use U.S. military force in Nicaragua. Other Latin countries would be alarmed but not to the point at which we could hope to get the OAS umbrella which

might make U.S. intervention politically feasible in this country. Even a naval blockade or quarantine would be enormously divisive in the U.S. and in the region, and we might have to sustain it for a long period if we hope to force either the Cubans to withdraw or the Sandinistas to yield.

I conclude, therefore, that the optimal period for trying to deal with the Sandinistas may be rapidly approaching or even already upon us. If the Contra activity begins to melt away as our funding is restricted, the currently favorable diplomatic trends in the region will shift rapidly. Both our friends and the fence-sitters will begin to trim their sails.

Possible Negotiating Objectives

Our principal objectives should be (1) the removal of the Cuban military and security presence from Nicaragua and (2) the construction of a set of constraints on Sandinista behavior toward Nicaragua's neighbors. Our primary negotiating leverage is our and Honduran support for the Contras. We should stick to our insistence on reciprocal, verifiable assurances on cross-border activity and non-interference for which the Contadoran countries would act as guarantors. They would provide observer teams and a virtually permanent mediation service. The diplomatic process itself would be a principal constraint on Sandinista behavior, and we should aim at making this process all-pervasive and on-going.

We cannot drop our democratization principle as it applies to Nicaragua, but we probably have to accept that we are not going to be able to give it much, if any, operational content. We should, nonetheless, try to maximize Contadoran pressure on the 1979 Sandinista pledge for democratic pluralism, keeping this as a political club with which to continue to pound the Sandinistas.

Even if successful, this negotiating approach does not eliminate the Sandinista presence from the Isthmus. It will remain as an on-going threat to our interests. However, if we can significantly constrain the Sandinistas' external behavior and insulate this threat to the rest of the Isthmus, we will have advanced our interests substantially. Over time, there may be some prospect that a de-fanged, economically troubled Nicaragua will gradually drift away from adherence to the Cuban model, particularly if the Cuban military-security connection is limited.

167. Memorandum From the Special Assistant to the Deputy Secretary of State (Edson) and the Executive Assistant to the Deputy Secretary of State (Walker) to the Deputy Secretary of State (Dam)¹

Washington, August 26, 1983

SUBJECT

Taking Stock

The current popular perception is that this Administration lacks a foreign policy “success.” In the public mind, “success” may be synonymous with results in the three major issue areas—Central America, the Middle East, and arms control. Tangible “success” in those areas, however, will probably take time and patience—which, as the Secretary has said, should not be confused with indecision.

Obviously, we should not permit our policy to be railroaded by the public clamor for “success.” Nevertheless, policy isn’t made in a vacuum, and the Administration needs public support for its policies. Moreover, the criticism about our lack of success is demoralizing: Jimmy Carter’s “malaise” may not exist in the country at large, but we sense that it pervades Foggy Bottom. Finally, while the current spate of criticism can be attributed to the White House’s traditional pre-election year need for results, it could also represent a more fundamental loss of confidence in the seventh floor’s ability to run the building (rather than vice versa). For all these reasons, we must stoke the fires in the building, capture peoples’ imagination, and move our policy forward wherever practicable.

This means, generally speaking, that we must stop paying obeisance to the folkways of the building. Indeed, several calculated moves—be they process-oriented, or personnel-oriented—that run *contrary* to the folkways of the building may be just what the doctor ordered for malaise.

For the Secretary, the task of moving our policy forward translates into a question of identifying a few areas on which to focus his resources over the next 18 months, and in which he can make a significant contribution. The first step in this process is to recognize that the Secretary’s discretionary time is limited. Whether we like it or not, the inertia of foreign policy is such that the bulk of the Secretary’s time must be devoted to the major issue areas—arms control, Central

¹ Source: Department of State, D Files, Deputy Secretary Dam’s Official Files: Lot 85D308, Memos To/From S 1983. Confidential. Gary Edson initialed for Walker.

America and the Middle East. Accordingly, this paper first examines those three areas in an effort to identify possible openings for constructive action, and then identifies some other issues wherein the Secretary would get the biggest return for his investment of time and influence. Finally, the paper notes how we might better present our track record.

ARMS CONTROL, CENTRAL AMERICA AND THE MIDDLE EAST

Arms control is not an area that lends itself to any new and radical policy departures. Indeed, movement in this area may be more dependent on the Soviets than it is on us. Some benefit may be derived, however, from identifying the Secretary more closely (and more personally) with our arms control efforts. In particular, such an identification would increase the Secretary's effectiveness in selling the MX, etc., on the Hill. A well-timed speech (or better still, an op. ed. piece under the Secretary's signature) would achieve this end.

Central America presents a sufficiently fluid situation—on the ground, and within the U.S. bureaucracy—to permit further Department action. Of the four elements of our Central America strategy, only one—the security shield—is an area where the Department cannot make a major contribution. We should, therefore, make an effort to move our policy forward in the other three areas—democracy and human freedom, negotiation, and economic development. We should consider, for example, the pros and cons of spelling out for the Kissinger Commission² the specifics of an economic initiative for Central America. Your September 15 speech in Houston could be just the first (rather than the last, as we fear) step in this effort.

In the *Middle East*, our efforts, especially on Lebanon, are limited to incremental progress—e.g., ensuring that IDF redeployment occurs without incident, reestablishing a confessional consensus, etc. The September 1 initiative is, if not wholly moribund, held hostage to Lebanon.

We need not acquiesce in this situation. We could sever Lebanon from the peace process. It is untenable for one individual to hold both portfolios simultaneously: just as Phil's peace process credentials were vitiated by his work on Lebanon, so, too, may Bud's credentials be destroyed.

Therefore, in an effort to breathe new life into the September 1 initiative (and we believe it deserves another chance before it is scrapped—a possibility we must, nevertheless, start to consider), we recommend that Bud continue to work on Lebanon, while the Secretary makes a dramatic trip to the area to work exclusively on the peace process. Such a trip, of course, would not yield a breakthrough. Rather, it

² See footnote 2, Document 166.

would be designed simply to (1) let the Arabs hear that the process is not dead; (2) put the Syrians on notice that their intransigence cannot impede us from acting in our own interests, and in the interests of a wider peace (this would support Bud's mission); (3) explore West Bank issues with the Israelis; (4) move the Egyptians to more constructive participation in the peace process; and (5) create an atmosphere of enthusiasm and hope.

OTHER ISSUES

There are a variety of issues—other than arms control, Central America, and the Middle East—that could yield results were the Secretary to commit himself to them. In choosing among them, we believe the Secretary should play to his strengths—economics and mediation.

(1) *International Economic Affairs*

The Secretary has been criticized for the lack of a success in arms control and the Middle East. However, he has yet to receive what is potentially the most damning criticism of all: a failure to show progress in his own area of expertise—international economics. That alone might be a compelling reason for making a push in the economic area. In addition, there are increasing signs that the debt situation is deteriorating, particularly in key strategic countries such as Venezuela and the Philippines. Moreover, economic development is quickly becoming a cornerstone of our Central America and Africa policies. Finally, the idea of a debt moratorium is gaining adherents, especially in Latin America. All of these points argue in favor of some initiative in the economic area.

Arguing against an economic initiative is the bureaucratic pitfall of potentially cutting across Treasury's bow. And from a substantive perspective, doing nothing (except promoting our own non-inflationary recovery) may be a better solution to current global economic problems than doing something (although proposing an acceptable alternative now to the status quo may preempt more radical alternatives later).

On balance, we believe the pros outweigh the cons and that the time is ripe for an international economic initiative led by the Secretary. Such an initiative could involve any one of the following:

- *Endorse Hugh Corbett's Ministerial Group.* The advantage of this idea is that it is already on the drawing board and the Secretary has already been asked to chair it or kick it off. Moreover, if at least the *nominal* country representatives were to be foreign ministers, then the Secretary would not seem to be usurping Don Regan's role. (Certainly, some kind of acceptable division of labor could be worked out with Treasury.) The downside risk, of course, is that foreign ministers are notorious for proposing economically unsound solutions.

- *Initiate a Latin American Debt Conference.* The advantage of this idea is that we would be attacking the heart of the problem, since the bulk

of the debt burden is in Latin America. Moreover, a conference—on our terms and under our aegis—might head off the current clamor for a debt moratorium. Our objective would not be to create new institutions, but to develop new mechanisms (such as Feldstein's proposal utilizing the Exim Bank) for alleviating the LDC debt burden. The downside risk of a Latin Debt Conference is that, unless it were properly coordinated, it is sure to ruffle feathers at Treasury.

- *Launch a Pacific Basin Economic Initiative.* This idea would create fewer bureaucratic problems with Treasury. We should consider, however, whether there is a sufficient rationale—be it economic or political—for such an initiative. The Pacific Basin is economically better off than most areas of the world. More importantly, such an initiative would tend to lump together a group of politically diverse countries, thus undercutting the need to treat China differently in view of the role of the “China card” in U.S.-Soviet relations. Nevertheless, a Pacific Basin Initiative, if properly structured, could complement the President's upcoming trip and serve as a vehicle for practicing what we preach regarding free trade, open markets, etc.

In addition to these initiatives, we would argue that consideration should be given to an even bolder idea—namely, the articulation, by the Secretary, of a global economic strategy (call it an International Economic Compact). This would build on the President's Cancun speech, the Secretary's North-South speech, and our UNCTAD address. Its purpose would be to articulate a policy superstructure that coherently links the CBI, the African economic initiative, GSP renewal, and any or all of the above suggestions. In effect, we propose that George Shultz issue his own “14 Points” speech, outlining how the economic relationship between North and South should develop over the next 20 years. Granted, this is grandiose-sounding. But the international economic area presents the Secretary with his best opportunity for making a lasting contribution to U.S. foreign policy. Moreover, many of the elements of a global economic program already exist, or can be practically implemented. What remains is for someone to be tasked with drawing them together into a comprehensive program.

(2) *Mediation*

The Secretary is obviously a superb mediator/negotiator. However, except for the Lebanon-Israel agreement, his talent has been unused. Obviously, negotiations can consume a great deal of the Secretary's time. On balance, however, we believe that he will get a greater return by investing his time in a negotiation, than in the many multilateral meetings and conferences he attends (and to which substitutes could be sent, if necessary). One negotiation-like process in which the Secretary should

become involved has already been mentioned—the Middle East peace process. Several others follow:

- *Namibia Negotiations*. The French seem to be falling off these negotiations, but the Angolans seem to have become more forthcoming. In short, the negotiations could go either way. To put the Secretary's prestige on the line in such a volatile situation would entail a substantial risk. But the even greater risk is that the negotiations will fall through and the Secretary's lack of involvement will be singled out as the cause.

- *Iran-Iraq*. The conventional wisdom has been that the USG can serve no useful role in this conflict. Yet there is much current activity, and the Secretary's involvement in this issue—even if tangible results must be left for the long term—would lend credibility to his UNGA speech, which focuses on the U.S. role in resolving regional conflicts.

PUBLICIZING OUR TRACK RECORD

Finally, despite the public clamor for "success," our track record is a good one, suffering not from a lack of success but from a paucity of publicity. There are four areas in particular where we have made substantial progress: (1) human rights, (2) nuclear nonproliferation, (3) U.S.-China relations, and (4) relations with our neighbors, Canada and Mexico.

The first two subjects can and should be publicized in speeches by the Secretary and/or Deputy Secretary. Such speeches would serve to raise the profile of the Department, thereby increasing our effectiveness at the margin. A Presidential visit to the PRC would spotlight the improvement in U.S.-China relations.

But one of the best-kept secrets of this Administration remains our improved relations with Canada and Mexico. Given the importance of these countries to our economy, and hence to jobs, we should not hesitate to publicize this improvement and continue to build on it. One dramatic, yet substantively sound, way to do that would be to initiate a Shultz-MacEachen-Sepulveda meeting. Such a meeting could be used to lay the cornerstone of a new policy initiative—the establishment of a permanent "Northern Hemisphere Association." This Association would complement the OAS and the CBI, and serve to reinforce the growing interdependence of states within the hemisphere.

CONCLUSION

An 18-month program designed to move our policy forward in a significant way would, therefore, involve the following (in order of priority):

- (1) The Secretary commits himself to reviving the peace process by travelling to the Middle East;

-
- (2) the Secretary launches an international economic initiative:
- (a) by articulating a global 20-year strategy, and/or
 - (b) by implementing one or more new programs (e.g., Latin Debt Conference, Central American Economic Initiative, Northern Hemisphere Association);
- (3) the Secretary involves himself—in a low-key way—in the Namibia negotiations;
- (4) the Secretary identifies himself personally with the arms control process, and U.S.-Soviet relations generally;
- (5) the Secretary speaks out on human rights and/or nuclear nonproliferation.

This is a program of action—action designed to achieve results in major policy areas. While there may be cause to differ over some of the elements of this program, the first step must be a decision on your part and the Secretary's to provide direction, commit resources, and demand performance.

168. Address by Vice President Bush¹

Vienna, September 21, 1983

Address at the Hofburg, Vienna, Sept. 21, 1983

It is a pleasure for me to come here and speak to you today and it is appropriate that the setting be the Ceremony Hall of the Hofburg, a hall which has witnessed both the full horror of dictatorship and the glistening promise, the abundant actuality of freedom.

This beautiful country of Austria is now in the full bloom of democracy, but others are not so fortunate. I have just come from the countries to your east, and I have seen in the faces of the people there a yearning for the same freedoms and democratic rights enjoyed by the people of

¹Source: Department of State *Bulletin*, November 1983, pp. 19–23. Bush delivered his address in Ceremony Hall at the Hofburg. Bush visited Morocco, September 11–13; Algeria, September 13–15; Tunisia, September 15–16; Yugoslavia, September 16–18; Romania, September 18–19; Hungary, September 19–20; and Austria, September 20–21. For the text of the Vice President's statements, addresses, toasts, and remarks, see *ibid.*, pp. 10–19.

Austria. I know that this is a subject of particular concern to Chancellor Sinowatz, whose home in the Burgenland sits only a few miles from Austria's eastern border.

Last January I traveled to Germany, and in the course of my trip paid what for me will always be an unforgettable visit to the small village of Moedlareuth.² Down the main street ran a high concrete wall topped with densely packed barbed wire. On the rear side, the villagers were peacefully going about the ordinary business of their daily lives. On the far side, soldiers stood watch with machine guns, and attack dogs ran along the wall on chains.

As I looked out to the east, I had the momentary impression that I was standing in a lonely outpost on the edge of western civilization. Given the harsh reality of the wall, the impression is perhaps understandable; but how true is it?

Historically, of course, it couldn't have been more false. That wall—that wound which in one form or another spans the breadth of the continent—runs not along the edge but cuts through the very heart of Europe. The diverse and complex region through which I have just traveled, a region so rich in history and culture, has always been a part of the European mainstream.

You Austrians so aptly call this part of the world *Mitteleuropa*—central Europe. Can a wall, can guard dogs and machine guns and border patrols deny hundreds of years of European history? Can they create and enforce this fictitious division down the very center of Europe?

When we think of that monstrous wall, we think first of the very personal violence it expresses—families divided, a people held prisoner in their own country. But what of the violence—just as real—it does to our history and traditions? What of the violence it does to Europe?

Czeslaw Milosz, the Nobel Prize-winning Polish poet, is one of the many dissident artists, writers, and intellectuals who were forced to choose exile from the language and country they loved rather than be exiled from their history and cultural traditions within their own country. In Milosz's famous book, *The Captive Mind*,³ he writes about the "extinguishment" he sees in the face of East European intellectuals. Their countries, they know, are rightfully part of an ancient civilization, one that is derived of Rome rather than Byzantium. "It isn't pleasant," he writes, "to surrender to the hegemony of a nation which is still wild and primitive, and to concede the absolute superiority of its customs and institutions, science and technology, literature and art. Must one sacrifice so much . . .?" he asks.

² See Document 136 and footnote 2 thereto.

³ Published in 1953.

Over a hundred years ago, some Tsarist historians spoke with a contempt born of envy of the “decadent West.” One example of such decadence was, no doubt, the music of Frederic Chopin. In a recent essay, the Czechoslovakian author, Milan Kundera, tells of how 14 years after Chopin’s death, Russian soliders on the loose in Warsaw hurled the composer’s piano from a fourth-floor window. “Today,” writes Kundera, “the entire culture of central Europe shares the fate of Chopin’s piano.”

It has often been remarked that of the three great events in European history—the Renaissance, the Reformation, the Enlightenment—Russia took part in none. But *Mittleuropa*, the region that gave birth to Jan Hus, took part in them all. This region has always looked west, not east. I was struck by the close ties in even its easternmost quarter when I heard the beautiful romance language, so similar to French and Italian, spoken by the people of Romania.

Fortunately, we are beginning to see fissures in the wall. During my visit I saw that, more and more, the natural forces which bring people closer together, rather than push them apart, are beginning to reassert themselves.

We in America feel strong and unbreakable ties with the people of central Europe. So many Americans came to our country from this region to escape poverty and religious and political persecution. Many still do. America was built in great part through the industry of Hungarians, Germans, Czechs, and Poles. Across the street from my office in the White House stands a statue of Tadeusz Kosciuszko, a hero of our revolutionary war, whose brilliance as a military engineer helped free my country from foreign domination. The United States, in fact all of the civilized world, remembers with the deepest gratitude the part played by the free Polish forces in World War II, the brave fighters who rejected Hitler’s and Stalin’s infamous pact to partition their country. And we will never forget the courage of the Poles who, after years of suffering the ravages of war and the ruthless suppression of their people, rose up again in Warsaw—they fought to the end, while those who called themselves their allies cooled their heels on the east bank of the Vistula River.

The ties of my country to central Europe are many, our histories are often intimately intertwined, The founder and President of the first Czechoslovak Republic, Thomas Masaryk,⁴ married an American. Sixty-five years ago this October, he wrote the Czechoslovak Declaration of Independence, a document founded on the same “historic and natural” rights that guided our own forefathers in writing our Declaration of Independence. To quote from that document written by Masaryk: “We accept and shall adhere to the ideals of modern democracy, as

⁴ Masaryk served as President of Czechoslovakia from 1918 until 1935.

they have been the ideals of our nation for centuries." The "nation of Comenius," he said, accepts "the principles of liberated mankind, of the actual equality of nations, and of governments deriving all their just power from the consent of the governed."

The Czechoslovak Republic, which lasted from 1918 until 1938, was one of the most prosperous countries in Europe. Its charter guaranteed "complete freedom of conscience, religion and science, literature and art, speech, the press, and the right of assembly and petition."

Today, according to their own Constitution, the Czechs are promised the same freedoms; so, too, by written law and international treaties to which the Soviet Union and the governments of Eastern Europe are signatories, are the people of other countries in the region promised these basic human rights. But we have seen how often governmental deeds diverge from official promises. The people in many parts of Eastern Europe must now carry on their culture, their traditions, underground and in fear.

But there are groups, such as the Charter '77 movement in Czechoslovakia and Solidarity in Poland, which have sought to persuade their governments to abide by their own laws and international commitments. Because of these individuals, who courageously demand their human rights, and because of the more imaginative leaders in some of these countries who have listened to the just wishes of their people and have sought to democratize their social and economic systems, European culture on the eastern side of the continent will never die.

The United States shares with these people a vision of Eastern Europe in which respect for human rights becomes the norm and not a rare concession to international pressure, where prosperity and advancement replace economic backwardness, and openness overcomes barriers to human contacts and economic cooperation. In approaching the problems of the region, U.S. policy is guided by certain constants. First, we recognize no lawful division of Europe. There is much misunderstanding about the substance of the Yalta conference.⁵ Let me state as clearly as I can: There was no agreement at that time to divide Europe up into "spheres of influence." On the contrary, the powers agreed on the principle of the common responsibility of the three Allies for all the liberated territories. The Soviet Union pledged itself to grant full independence to Poland and to all other states in Eastern Europe and to hold free elections there. The Soviet violation of these obligations is the primary root of East-West tensions today.

A similar misunderstanding exists about the Helsinki accords. Some argue that Helsinki endorses the *status quo*, the present division of

⁵ The Yalta Conference, convened to discuss the postwar reorganization in Europe, took place February 4–11, 1945, at Livadia Palace near Yalta in the Soviet Union.

Europe. We reject this notion. At review sessions in Belgrade, Madrid, and the upcoming session here in Vienna in 1986,⁶ we have stated and will continue to insist that the heart of Helsinki is a commitment to openness and human rights.

Let me stress here that the United States does not seek to destabilize or undermine any government, but our attitude toward the region is informed by a sense of history—of *European* history. For this reason, we support and will encourage all movement toward the social, humanitarian, and democratic ideals which have characterized the historical development of Europe. We appreciate the special role of countries such as Yugoslavia and Austria which have contributed so much to restoring historic patterns of trade and communications.

We share with the people of Eastern and central Europe three basic aspirations—freedom, prosperity, and peace. We recognize the diversity and the complexity of the region. Of Austria's neighbors to the east, some have shown a greater measure of independence in the conduct of their foreign policy. Some have introduced greater openness in their societies, lowered barriers to human contacts, and engaged in market-oriented economic reforms. Others, unfortunately, continue to toe the Soviet line. Their foreign policy is determined in Moscow, and their domestic policies still flagrantly violate the most fundamental human rights.

In our relations with the countries of Eastern Europe, we take these differences into account. Our policy is one of differentiation; that is, we look to what degree countries pursue autonomous foreign policies, independent of Moscow's direction, and to what degree they foster domestic liberalization—politically, economically, and in their respect for human rights. The United States will engage in closer political, economic, and cultural relations with those countries such as Hungary and Romania which assert greater openness or independence. We will strengthen our dialogue and cooperation with such countries.

We are not saying that countries must follow policies identical to those of the United States. We will not, however, reward closed societies and belligerent foreign policies—countries such as Bulgaria and Czechoslovakia which continue to flagrantly violate the most fundamental human rights, and countries such as East Germany and, again, Bulgaria, which act as proxies to the Soviets in the training, funding, and arming of terrorists and which supply advisers and military technical assistance to armed movements seeking to destabilize governments in the developing world.

Let me stress once more that our hopes for Eastern Europe are peaceful. But we believe that reform is essential. Over the span of many

⁶Scheduled to take place beginning in November 1986.

years, the United States has provided hundreds of millions of dollars of loans and credits for the Polish economy in the hope that this aid would help build a more plentiful and open society. We cannot, however, be expected to shore up a nation's economy when the government refuses to institute the most basic economic reforms. If countries insist on following the Soviet economical model, even dollars, francs, and marks cannot prevent the certain failure of their economies.

It is by now abundantly clear that highly centralized, command economies cannot fulfill the basic needs of their populations, let alone remain competitive in world markets or keep pace with technological advancement. Just as retarded industrial development relegated much of 19th century central Europe to a backwater of agricultural poverty, there is ample evidence that the unfolding information revolution will sweep past an unprepared Soviet Union and much of Eastern Europe—unless there is basic change. For example, Hungary's relative prosperity demonstrates the practical, positive results that follow on social and economic liberalization.

The countries of Eastern Europe have a choice to make. They can close themselves off or they can open up and join the world economy positively as traders rather than debtors. Think about this: 25% of all Soviet farm output comes from private plots that occupy less than 3% of the Soviet Union's agricultural land. It's doubtful whether Soviet agriculture could survive without this concession to private enterprise.

Freedom is the essential component of progress—the freedom of each individual to bring his knowledge and wisdom to bear on the economic decisions that will directly affect his life. This requires freedom of information, the free flow of ideas, and the free movement of people. We take these freedoms to be fundamental moral precepts, but they are also practical necessities. If a society revises history to suit ideological needs, if it censors information, if it punishes imaginative and creative individuals and discourages initiative in its people, that society condemns itself to ignorance and backwardness and poverty.

Just as freedom and prosperity go hand-in-hand so too are freedom and prosperity linked to peace. I know that the people of central Europe, who have such an intimate experience of the waste and horror of war, ardently yearn for peace. President Reagan and I and the American people share in your hopes and desires. Our commitment to nuclear arms reduction—not just arms control but the reduction of these terribly destructive weapons—is unshakeable. The United States has already unilaterally withdrawn 1,000 nuclear warheads from Europe. The implementation of the 1979 NATO decision to deploy INF will not increase by even one the number of nuclear weapons in Europe. But while we've been withdrawing nuclear weapons, the Soviets have been

engaged in an unprecedented and relentless military buildup in conventional and nuclear arms.

One of the most dangerous and destabilizing new elements is the Soviet Union's monopoly of intermediate-range nuclear missiles—missiles which can strike any target in Europe within a few minutes. The Soviets have already more than sufficient INF weapons in place to meet their security requirements, and yet they seek to further intimidate the people of Europe by dire warnings of counterdeployments in Eastern Europe should NATO go ahead with deployments in December.

It is our hope that the Soviet leadership will have the courage and vision to reverse their dangerous arms buildup. If they show some flexibility at the bargaining table and a balanced approach is adopted, agreement in Geneva is still possible before the end of this year. Here in Vienna, at the negotiations for mutual and balanced force reductions, after many years of stalemate, there are some signs of movement for verifiable reduction in conventional forces in central Europe.

But a prerequisite for peace is respect for international law. Regrettably, the Soviet Union and most of the Warsaw pact countries continue to flout the human rights agreements to which they are all signatories. And the world is still in shock from the brutal murder of 269 civilians aboard a commercial airliner which strayed off course and was unlucky enough to pass over Soviet territory.⁷

Let me ask you this question: Would the United States, would Austria, ever wantonly shoot down a commercial airliner? Never. But the Soviets resolutely state they would do it again. These are not the actions and words of a civilized system. The European tradition stresses, above all things, a respect for human life. Those traditions, sadly, are not universal.

What are we to think of leaders who compound such brutal deeds with bald and careless lies and who respond to the just inquiries of the international community with utter contempt? This use of brute force is exactly the kind of Soviet behavior in Eastern Europe that the United States has been protesting for years.

Recognition of the true nature of the Soviet system doesn't make our desire for peace any less strong. If anything, it makes it stronger. But we enter all negotiations with the Soviets with our eyes open. We will never give up in our attempts to use reason and whatever reassurances we can give to persuade the Soviets to join truly constructively the community

⁷ Reference is to the Soviet attack on Korean Air Lines Flight 007 on September 1. All 269 passengers and crew aboard the Boeing 747, en route to Seoul, died. Documentation on the incident is in *Foreign Relations, 1981-1988*, vol. IV, Soviet Union, January 1983-March 1985. Documentation is also scheduled for publication in *Foreign Relations, 1981-1988*, vol. XXX, Japan; Korea, 1981-1984.

of nations. Our desire for peace is strong and unfailing. With your help, with the help of all nations, I'm certain we can make that hope a reality.

I'd like to close with the words of a great *Mitteleuropean*, His Holiness Pope John Paul II. In just three lines he pointed out the road toward a better future.

Persons over Things
Ethics over Technology
Spirit over Matter.⁸

I have visited four important nations in central Europe—nations rich in culture and history; nations with differing systems and perspectives. But in my talks with the leaders and people of these countries, I've become convinced that we all share a common goal—to heal the wounds that separate us, to remove the artificial barriers which divide us, and to reduce the level of fear and terror in the world through arms reduction.

I come away from Eastern Europe with a strong sense of its diversity, a strong sense of the uniqueness of each country. With some, our ties are already greatly improved—my visit is one indication of that. But we are not about to write off a single country. We are ready to respond to each to the extent that they are meeting their own people's aspirations, are pursuing their own independent foreign policy, and are willing to open up to the rest of the world.

I am an optimist. I see a bright future for central Europe—a future of peace, prosperity, and freedom. I am positive the barriers will come down and that the desire of our neighbors to the east to become once more a full part of Europe will finally, after many hard bitter years, be fulfilled. In this spirit of reconciliation, we must all work together to make this optimistic vision a reality—to once again make Europe whole.⁹

⁸ Presumable reference to Pope John Paul II's first encyclical letter *Redemptor Hominis*, released in March 1979.

⁹ In a September 29 memorandum to Clark, Dobriansky, who accompanied Bush on his trip, reported: "As a culmination of his trip to Eastern Europe, the Vice President delivered a major address before the Austrian Foreign Policy Association on Central Europe and the U.S. policy of differentiation. In my biased opinion (I was involved in drafting portions of the speech), it was a clear and effective message, which skillfully wove both tough and conciliatory elements. For the first time, the criteria which shaped our relations with individual East European countries were clearly described by a high Administration official. The speech cited Hungary and Romania as those East European countries which have asserted greater openness and independence and criticized Bulgaria, GDR and Czechoslovakia for their repressive domestic policies, support of international terrorism, and slavish following of the Soviet foreign policy line. The speech also reminded those in the East and West that the United States never accepted the post-World War II division of Europe as permanent." (Reagan Library, Executive Secretariat, NSC Country File, Africa, Africa General (07/20/1983–10/01/1983); NLR-748-1-17-1-7)

169. Address by President Reagan Before the United Nations General Assembly¹

New York, September 26, 1983

Address Before the 38th Session of the
United Nations General Assembly in New York, New York

Mr. Secretary-General, Mr. President,² distinguished delegates, ladies and gentlemen of the world:

Thank you for granting me the honor of speaking today, on this first day of general debate in the 38th Session of the General Assembly. Once again I come before this body preoccupied with peace. Last year I stood in this chamber to address the Special Session on Disarmament.³ Well, I've come today to renew my nation's commitment to peace. And I have come to discuss how we can keep faith with the dreams that created this organization.

The United Nations was founded in the aftermath of World War II to protect future generations from the scourge of war, to promote political self-determination and global prosperity, and to strengthen the bonds of civility among nations. The founders sought to replace a world at war with a world of civilized order. They hoped that a world of relentless conflict would give way to a new era, one where freedom from violence prevailed.

Whatever challenges the world was bound to face, the founders intended this body to stand for certain values, even if they could not be enforced, and to condemn violence, even if it could not be stopped.

¹ Source: *Public Papers: Reagan, 1983*, Book II, pp. 1350–1354. The President spoke at 10:34 a.m. in the General Assembly Hall at the United Nations. In his personal diary entry for September 26, the President wrote: "Put on my iron undershirt & off to the U.N. Gen. Assembly. It seems many of its members carry weapons. The speech was very well received. Mrs. de Cuellar said it got the most applause of any U.S. presidential address to the U.N. The theme was arms reduction & peace." (Brinkley, ed., *The Reagan Diaries*, vol. I, January 1981–October 1985, p. 268) In a September 24 radio address broadcast around the world, the President provided an overview of his upcoming UN address. He began his remarks by stating: "In 2 days I will be going to the United Nations General Assembly to speak for a cause that people everywhere carry close to their hearts—the cause of peace. This subject is so important I wanted to share our message with a larger audience than I usually address each Saturday afternoon in the United States. So today I'm speaking directly to people everywhere, from Los Angeles to New Delhi, Cairo, Bangkok, and I'm attempting to speak directly to the people of the Soviet Union. I'd like to talk about ideas and feelings all of us share which I intend to communicate to the United Nations on Monday [September 26]." (*Public Papers: Reagan, 1983*, Book II, p. 1343)

² Pérez de Cuellar and Illueca, respectively.

³ See Document 106.

This body was to speak with the voice of moral authority. That was to be its greatest power.

But the awful truth is that the use of violence for political gain has become more, not less, widespread in the last decade. Events of recent weeks have presented new, unwelcome evidence of brutal disregard for life and truth. They have offered unwanted testimony on how divided and dangerous our world is, how quick the recourse to violence. What has happened to the dreams of the U.N.'s founders? What has happened to the spirit which created the United Nations?

The answer is clear: Governments got in the way of the dreams of the people. Dreams became issues of East versus West. Hopes became political rhetoric. Progress became a search for power and domination. Somewhere the truth was lost that people don't make wars, governments do.

And today in Asia, Africa, Latin America, the Middle East, and the North Pacific, the weapons of war shatter the security of the peoples who live there, endanger the peace of neighbors, and create ever more arenas of confrontation between the great powers. During the past year alone, violent conflicts have occurred in the hills around Beirut, the deserts of Chad and the western Sahara, in the mountains of El Salvador, the streets of Suriname, the cities and countryside of Afghanistan, the borders of Kampuchea, and the battlefields of Iran and Iraq.

We cannot count on the instinct for survival to protect us against war. Despite all the wasted lives and hopes that war produces, it has remained a regular, if horribly costly, means by which nations have sought to settle their disputes or advance their goals. And the progress in weapons technology has far outstripped the progress toward peace. In modern times, a new, more terrifying element has entered into the calculations—nuclear weapons. A nuclear war cannot be won, and it must never be fought. I believe that if governments are determined to deter and prevent war, there will not be war.

Nothing is more in keeping with the spirit of the United Nations Charter than arms control. When I spoke before the Second Special Session on Disarmament, I affirmed the United States Government's commitment, and my personal commitment, to reduce nuclear arms and to negotiate in good faith toward that end. Today, I reaffirm those commitments.

The United States has already reduced the number of its nuclear weapons worldwide, and, while replacement of older weapons is unavoidable, we wish to negotiate arms reductions and to achieve significant, equitable, verifiable arms control agreements. And let me add, we must ensure that world security is not undermined by the further

spread of nuclear weapons. Nuclear nonproliferation must not be the forgotten element of the world's arms control agenda.

At the time of my last visit here, I expressed hope that a whole class of weapons systems, the longer range INF—intermediate nuclear forces—could be banned from the face of the Earth. I believe that to relieve the deep concern of peoples in both Europe and Asia, the time was ripe, for the first time in history, to resolve a security threat exclusively through arms control. I still believe the elimination of these weapons—the zero option—is the best, fairest, most practical solution to the problem. Unfortunately, the Soviet Union declined to accept the total elimination of this class of weapons.

When I was here last, I hoped that the critical strategic arms reduction talks would focus, and urgently so, on those systems that carry the greatest risk of nuclear war—the fast-flying, accurate, intercontinental ballistic missiles which pose a first-strike potential. I also hoped the negotiations could reduce by one-half the number of strategic missiles on each side and reduce their warheads by one-third. Again, I was disappointed when the Soviets declined to consider such deep cuts, and refused as well to concentrate on those most dangerous, destabilizing weapons.

Well, despite the rebuffs, the United States has not abandoned and will not abandon the search for meaningful arms control agreements. Last June I proposed a new approach toward the START negotiations. We did not alter our objective of substantial reductions, but we recognized that there are a variety of ways to achieve this end.⁴ During the last round of Geneva talks, we presented a draft treaty which responded to a number of concerns raised by the Soviet Union.⁵ We will continue to build upon this initiative.

⁴ The START talks resumed in Geneva on June 8. The President is referring to the negotiating strategy that he outlined in his remarks made at the White House on June 8 (see footnote 5, Document 159), in which he underscored the concept of flexibility: "There may be more than one way to achieve our objective of greater stability at reduced levels of arms. So, I've instructed Ambassador Rowny to make clear to the Soviet delegation our commitment to our fundamental objectives, but I have also given him the flexibility to explore all appropriate avenues for meeting our goals. I sincerely hope that the Soviet Union will respond with corresponding flexibility." (*Public Papers: Reagan, 1983*, Book I, p. 833)

⁵ Reference is to the draft treaty presented by the U.S. delegation in Geneva on July 8. On August 5, Rowny provided the President an overview concerning the recent round of talks. According to the *New York Times*, Rowny briefed with reporters after his meeting with the President: "In a meeting with reporters, Mr. Rowny said that, in presenting a draft treaty on July 8, the Reagan Administration dropped several key demands for reducing Soviet forces because the Russians were objecting that the United States was trying to dictate how Moscow should revamp its force structure." ("Key U.S. Demands Dropped in Talks on Strategic Arms: But American Negotiator Says the 2 Sides Are Still Split on the Central Issues," *New York Times*, August 6, 1983, pp. 1, 4)

Similarly, in our negotiations on intermediate-range nuclear forces, when Soviet leaders adamantly refused to consider the total elimination of these weapons, the United States made a new offer. We proposed, as an interim solution, some equal number on both sides between zero and 572.⁶ We recommended the lowest possible level. Once again, the Soviets refused an equitable solution and proposed instead what might be called a “half zero option”—zero for us and many hundreds of warheads for them. And that’s where things stand today, but I still haven’t given up hope that the Soviet Union will enter into serious negotiations.

We are determined to spare no effort to achieve a sound, equitable, and verifiable agreement. And for this reason, I have given new instructions to Ambassador Nitze in Geneva, telling him to put forward a package of steps designed to advance the negotiations as rapidly as possible.⁷ These initiatives build on the interim framework the United States advanced last March and address concerns that the Soviets have raised at the bargaining table in the past.

Specifically, first, the United States proposes a new initiative on global limits. If the Soviet Union agrees to reductions and limits on a global basis, the United States for its part will not offset the entire Soviet global missile deployment through U.S. deployments in Europe. We would, of course, retain the right to deploy missiles elsewhere.

Second, the United States is prepared to be more flexible on the content of the current talks. The United States will consider mutually acceptable ways to address the Soviet desire that an agreement should limit aircraft as well as missiles.

Third, the United States will address the mix of missiles that would result from reductions. In the context of reductions to equal levels, we are prepared to reduce the number of Pershing II ballistic missiles as well as ground-launched cruise missiles.

I have decided to put forward these important initiatives after full and extensive consultations with our allies, including personal correspondence I’ve had with the leaders of the NATO governments and Japan and frequent meetings of the NATO Special Consultative Group. I have also stayed in close touch with other concerned friends and allies. The door to an agreement is open. It is time for the Soviet Union to walk through it.

I want to make an unequivocal pledge to those gathered today in this world arena. The United States seeks and will accept any equitable,

⁶ Reference is to the interim START proposal announced on March 30; see footnote 18, Document 146.

⁷ The next round of INF negotiations resumed in Geneva September 6. In a September 21 statement, read by Speakes during the daily press briefing that day, the President outlined the instructions given to Nitze. For the text, see *Public Papers: Reagan, 1983*, Book II, pp. 1318–1319.

verifiable agreement that stabilizes forces at lower levels than currently exist. We're ready to be flexible in our approach, indeed, willing to compromise. We cannot, however, especially in light of recent events, compromise on the necessity of effective verification.

Reactions to the Korean airliner tragedy are a timely reminder of just how different the Soviets' concept of truth and international cooperation is from that of the rest of the world.⁸ Evidence abounds that we cannot simply assume that agreements negotiated with the Soviet Union will be fulfilled. We negotiated the Helsinki Final Act,⁹ but the promised freedoms have not been provided, and those in the Soviet Union who sought to monitor their fulfillment languish in prison. We negotiated a biological weapons convention, but deadly yellow rain and other toxic agents fall on Hmong villages and Afghan encampments.¹⁰ We have negotiated arms agreements, but the high level of Soviet encoding hides the information needed for their verification. A newly discovered radar facility¹¹ and a new ICBM raise serious concerns about Soviet compliance with agreements already negotiated.

Peace cannot be served by pseudo arms control. We need reliable, reciprocal reductions. I call upon the Soviet Union today to reduce the tensions it has heaped on the world in the past few weeks and to show a firm commitment to peace by coming to the bargaining table with a new understanding of its obligations. I urge it to match our flexibility. If the Soviets sit down at the bargaining table seeking genuine arms reductions, there will be arms reductions. The governments of the West and their people will not be diverted by misinformation and threats. The time has come for the Soviet Union to show proof that it wants arms control in reality, not just in rhetoric.

Meaningful arms control agreements between the United States and the Soviet Union would make our world less dangerous; so would a number of confidence-building steps we've already proposed to the Soviet Union.¹²

Arms control requires a spirit beyond narrow national interests. This spirit is a basic pillar on which the U.N. was founded. We seek a return to this spirit. A fundamental step would be a true nonalignment of the United Nations. This would signal a return to the true values of the charter, including the principle of universality. The members of the United Nations must be aligned on the side of justice rather than

⁸ See footnote 7, Document 168. The President addressed the nation the evening of September 5, asserting: "This crime against humanity must never be forgotten, here or throughout the world." (*Public Papers: Reagan, 1983*, Book II, p. 1227)

⁹ See footnote 4, Document 48.

¹⁰ See footnote 6, Document 56.

¹¹ Reference is to the large phased-array radar at Krasnoyarsk.

¹² See footnote 17, Document 146 and footnote 6, Document 159.

injustice, peace rather than aggression, human dignity rather than subjugation. Any other alignment is beneath the purpose of this great body and destructive of the harmony that it seeks. What harms the charter harms peace.

The founders of the U.N. expected that member nations would behave and vote as individuals, after they had weighed the merits of an issue—rather like a great, global town meeting. The emergence of blocs and the polarization of the U.N. undermine all that this organization initially valued.

We must remember that the nonaligned movement was founded to counter the development of blocs and to promote *détente* between them. Its founders spoke of the right of smaller countries not to become involved in others' disagreements. Since then, membership in the nonaligned movement has grown dramatically, but not all the new members have shared the founders' commitment of genuine non-alignment. Indeed, client governments of the Soviet Union, who have long since lost their independence, have flocked into the nonaligned movement, and, once inside, have worked against its true purpose. Pseudo nonalignment is no better than pseudo arms control.

The United States rejects as false and misleading the view of the world as divided between the empires of the East and West. We reject it on factual grounds. The United States does not head any bloc of subservient nations, nor do we desire to. What is called the West is a free alliance of governments, most of whom are democratic and all of whom greatly value their independence. What is called the East is an empire directed from the center which is Moscow.

The United States, today as in the past, is a champion of freedom and self-determination for all people. We welcome diversity; we support the right of all nations to define and pursue their national goals. We respect their decisions and their sovereignty, asking only that they respect the decisions and sovereignty of others. Just look at the world over the last 30 years and then decide for yourself whether the United States or the Soviet Union has pursued an expansionist policy.

Today, the United States contributes to peace by supporting collective efforts by the international community. We give our unwavering support to the peacekeeping efforts of this body, as well as other multilateral peacekeeping efforts around the world. The U.N. has a proud history of promoting conciliation and helping keep the peace. Today, U.N. peacekeeping forces or observers are present in Cyprus and Kashmir, on the Golan Heights and in Lebanon.

In addition to our encouragement of international diplomacy, the United States recognizes its responsibilities to use its own influence for peace. From the days when Theodore Roosevelt mediated the Russo-Japanese War in 1905, we have a long and honorable tradition of

mediating or damping conflicts and promoting peaceful solutions. In Lebanon, we, along with France, Italy, and the United Kingdom, have worked for a cease-fire, for the withdrawal of all external forces, and for restoration of Lebanon's sovereignty and territorial integrity. In Chad we have joined others in supporting the recognized government in the face of external aggression. In Central America, as in Southern Africa, we are seeking to discourage reliance upon force and to construct a framework for peaceful negotiations. We support a policy to disengage the major powers from Third World conflict.

The U.N. Charter gives an important role to regional organizations in the search for peace. The U.S. efforts in the cause of peace are only one expression of a spirit that also animates others in the world community. The Organization of American States was a pioneer in regional security efforts. In Central America, the members of the Contadora group are striving to lay a foundation for peaceful resolution of that region's problems. In East Asia, the Asian countries have built a framework for peaceful political and economic cooperation that has greatly strengthened the prospects for lasting peace in their region. In Africa, organizations such as the Economic Community of West African States are being forged to provide practical structures in the struggle to realize Africa's potential.

From the beginning, our hope for the United Nations has been that it would reflect the international community at its best. The U.N. at its best can help us transcend fear and violence and can act as an enormous force for peace and prosperity. Working together, we can combat international lawlessness and promote human dignity. If the governments represented in this chamber want peace as genuinely as their peoples do, we shall find it. We can do so by reasserting the moral authority of the United Nations.

In recent weeks, the moral outrage of the world seems to have reawakened. Out of the billions of people who inhabit this planet, why, some might ask, should the death of several hundred shake the world so profoundly? Why should the death of a mother flying toward a reunion with her family or the death of a scholar heading toward new pursuits of knowledge matter so deeply? Why are nations who lost no citizens in the tragedy so angry?

The reason rests on our assumptions about civilized life and the search for peace. The confidence that allows a mother or a scholar to travel to Asia or Africa or Europe or anywhere else on this planet may be only a small victory in humanity's struggle for peace. Yet what is peace if not the sum of such small victories?

Each stride for peace and every small victory are important for the journey toward a larger and lasting peace. We have made progress. We've avoided another world war. We've seen an end to the traditional colonial era and the birth of a hundred newly sovereign nations. Even

though development remains a formidable challenge, we've witnessed remarkable economic growth among the industrialized and the developing nations. The United Nations and its affiliates have made important contributions to the quality of life on this planet, such as directly saving countless lives through its refugee and emergency relief programs. These broad achievements, however, have been overshadowed by the problems that weigh so heavily upon us. The problems are old, but it is not too late to commit ourselves to a new beginning, a beginning fresh with the ideals of the U.N. Charter.

Today, at the beginning of this 38th Session, I solemnly pledge my nation to upholding the original ideals of the United Nations. Our goals are those that guide this very body. Our ends are the same as those of the U.N.'s founders, who sought to replace a world at war with one where the rule of law would prevail, where human rights were honored, where development would blossom, where conflict would give way to freedom from violence.

In 1956 President Dwight Eisenhower made an observation on weaponry and deterrence in a letter to a publisher. He wrote: "When we get to the point, as we one day will, that both sides know that in any outbreak of general hostilities, regardless of the element of surprise, destruction will be both reciprocal and complete, possibly we will have sense enough to meet at the conference table with the understanding that the era of armaments has ended and the human race must conform its actions to this truth or die." He went on to say, ". . . we have already come to a point where safety cannot be assumed by arms alone . . . their usefulness becomes concentrated more and more in their characteristics as deterrents than in instruments with which to obtain victory. . . ." ¹³

Distinguished ladies and gentlemen, as we persevere in the search for a more secure world, we must do everything we can to let diplomacy triumph. Diplomacy, the most honorable of professions, can bring the most blessed of gifts, the gift of peace. If we succeed, the world will find an excitement and accomplishment in peace beyond that which could ever be imagined through violence and war.

I want to leave you today with a message I have often spoken about to the citizens of my own country, especially in times when I felt

¹³ Reference is to an April 4, 1956, letter Eisenhower wrote to Richard Simon, President of the Simon & Schuster publishing house. In his September 7, 1983, column, *Washington Post* journalist David Broder indicated that Princeton University Professor Fred Greenstein, the author of *The Hidden Hand Presidency*, had called his attention to Eisenhower's letter. Broder indicated that he had secured the permission of retired General John S.D. Eisenhower to print it in his column, adding "I think it is an important statement on nuclear war as I have ever read." (David Broder, "Ike on 'Man Against War'," *Washington Post*, September 7, 1983, p. A17)

they were discouraged and unsure. I say it to you with as much hope and heart as I've said it to my own people. You have the right to dream great dreams. You have the right to seek a better world for your people. And all of us have the responsibility to work for that better world. And as caring, peaceful peoples, think what a powerful force for good we could be. Distinguished delegates, let us regain the dream the United Nations once dreamed.

Thank you.

170. Memorandum From Donald Fortier of the National Security Council Staff to the President's Assistant for National Security Affairs (McFarlane)¹

Washington, October 24, 1983

SUBJECT

Explaining Middle East Policy

I refrained from jumping on the bandwagon at this morning's staff meeting on the subject of greater eloquence in explaining our purpose in being in Lebanon. I would make a slightly different point. We are now at a crucial juncture in our Middle East policy. An already shell-shocked public may soon see, in rapid succession, American involvement in an escalating Gulf war; dramatic retaliation for those involved in the bombing of our Marine headquarters in Beirut;² continuing controversy over our role in Lebanon and other matters like the JLP; and, finally, the unveiling of a new relationship with Israel. As central as the Lebanon problem is we need to begin to show how it fits as part of an even bigger picture.

The President must therefore move quickly to show the American people that the events described above are related to one another in decisive ways and that we have a coherent regional strategy for dealing

¹ Source: Reagan Library, Donald Fortier Files, Subject File, Middle East Policy Development 10/18/1983–11/04/1983. Secret. Sent for information. Printed from an uninitialed copy.

² On October 23, a truck filled with explosives blew up the Marine Battalion Landing Team headquarters at the Beirut Airport, killing 241 U.S. military personnel. Another explosion killed 56 people at the French military headquarters. Documentation on the attack is scheduled for publication in *Foreign Relations*, 1981–1988, vol. XVIII, Part 2, Lebanon, September 1982–March 1984, and *Foreign Relations*, 1981–1988, vol. XLVII, Part 1, Terrorism, January 1977–May 1985.

with them. It is better that the terms of the debate be clear, than that there be confusion about our purposes. The possible distraction of events in other theaters—and of new and confusing surprises in the Middle East itself—elevates the importance of providing the public with a *framework* with which to relate isolated events.

We might want to think as ambitiously as a speech before a joint session of Congress. That speech must show that we can essentially foresee what is coming and are taking steps in advance to deal with the trends that we foresee. Only within the context of an integrated strategy can harsh sacrifices be given greater meaning. Reducing a complex policy to its integrated essential requires sophistication and, as you know, is not as easy as it may sound. But it is now essential.

171. Information Memorandum From the Chairman of the Policy Planning Council (Bosworth) to Secretary of State Shultz¹

Washington, October 24, 1983

SUBJECT

Toward a Strategic Concept for U.S. Policy Toward Northeast Asia

East Asia is enjoying peace and prosperity, ASEAN is thriving and there is much talk about the coming “Pacific Century”. Therefore, since crises rather than stability demand your time, East Asia has not regularly been on the front burner. Yet we perceive opportunities for a more integrated, long-term approach to the key *northeast* Asian states that might over time strengthen US global strategy, channel Japanese and Chinese energies toward more effective international cooperation and provide some regional safety nets should our bilateral relations with Japan or China come under heavy pressure. These perspectives may prove useful as you prepare the President for his November trip to Japan and Korea and his April trip to China.²

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons 10/16–31/83. Secret; Sensitive. Sent through Eagleburger. Drafted by Kaplan on October 21. Hill initialed the memorandum and wrote “10/24.” Shultz’s stamped initials appear on the memorandum. Shultz also wrote in the top-right hand corner of the memorandum: “PW [Paul Wolfowitz] FYI & reflection. G.”

² The President was scheduled to travel to Japan and Korea, November 9–14, and China, April 26–May 1, 1984.

A strategic conception of northeast Asia would more explicitly *view* the US, Japan and China, as well as South Korea, as a collective security bulwark against the USSR and as a basis for generating the cumulative political and economic strength of the US and these northeast Asian nations in a more coordinated fashion.

A Pacific Quad along the lines of the Atlantic Quad would be impractical at this time. Moreover, sharp constraints exist in the form of distrust among Japan, China and Korea, which will make progress slow and difficult. Indeed, the PRC and ROK do not now have diplomatic relations.

Nonetheless, we have a high stake in gaining greater Asian (and especially Japanese) support for our foreign policy. To this end, we believe it might be possible for the U.S. to devise parallel policies and political interaction with Japan and China through a more concerted approach to high-level exchanges of visits (by Eagleburger, Wolfowitz and their counterparts) and to Department guidance on key international issues (e.g., Kampuchea, Afghanistan and INF). In fact, the Chinese plan to approach the Japanese shortly to discuss their growing and shared concerns over Soviet SS-20 deployments in Asia. We also could test Tokyo's and Beijing's receptivity to a more structured approach by seeking initially to arrange trilateral meetings on specific but very modest economic, scientific or educational issues, such as marine resources or coal technology. We could pursue a similar trilateral approach with Japan and Korea where, despite national antipathies, cooperation between Nakasone and Chun may afford a basis for more marked progress. The Deputy Secretary might initiate similar meetings to brief these groupings on carefully selected diplomatic issues, (e.g. Mideast, southern Africa).

These two sets of trilaterals, with only Washington and Tokyo participating in both, would reinforce the central Japanese-American foundation for our East Asian and Pacific relationship. These institutional arrangements also could be developed through Japan's involvement in the Summit-7, to include meetings of political directors or Under Secretaries between the summits. Trilateral arrangements could facilitate our wish to deepen Japanese cooperation internationally.

The attached paper analyzes the limits, opportunities and possible tactical approaches to such a long-term strategy. I do not want to overstate the case or minimize the obstacles, but there may be an opportunity here to strengthen the potential in our northeast Asian relationships which merits your consideration.

Attachment

Paper Prepared in the Policy Planning Council³

Washington, undated

Toward a Strategic Concept for U.S. Policy Toward Northeast Asia

East Asian Dynamics

Three major elements are particularly striking about the current situation in East Asia.

—*Success.* With the notable exceptions of Indochina and the Philippines, the region is characterized by stable peace, sustained prosperity and sound prospects. While recurrent talk about the coming “Pacific Century” may be premature, East Asia is likely to play an ever-larger role in global politics and in the world economy. We should seek to shape and channel these emerging forces to our advantage.

—*ASEAN Cooperation.* The growth of ASEAN unity and cooperation since the end of the Vietnam war is one of the great regional success stories. National divergencies have been subordinated to a common line on Kampuchea and a rallying-around Thailand, the threatened front-line sister-state. The ASEAN states also represent a set of some of the fastest growing national economies in the world. In brief, ASEAN has made a real difference to the security and stability of post-war southeast Asia, and is an important factor for stability as we face the crisis in the Philippines.

—*Northeast Asian Ad-hocery.* Growing unity in free southeast Asia contrasts sharply with the rather singularly national approaches of China, Japan and South Korea, which (together with North Korea) make up the Northeast Asian region but do not constitute any type of political grouping or entity. As long as China was at dagger’s points with the U.S. and with Japan, it was only natural that we deal with each of these countries separately and that they deal with each other similarly. But the tentative improvement of China’s relations with Washington and Tokyo, the first budding sprouts of a Seoul-Beijing connection and cautious albeit recurrent ROK proposals for an inter-Korean “cross-rapprochement”, suggest that the time soon may be ripe for a more strategic US view of its policy toward Northeast Asia.

³ Secret; Sensitive. Drafted by Kaplan on October 21.

Atlantic vs. Pacific Connections

The current separability of our relationships with Japan, China and South Korea are especially noteworthy when compared with the structure of US connections with our West European allies. Our Atlantic ties are embedded in a regional security organization (NATO), economic grouping (OECD) and in our economic and political relationships with the European Community. The intensification of diplomatic business in the Atlantic Quad represents the most recent organized effort to coordinate policy with our European allies on out-of-area issues, albeit so far with relatively modest concrete results. Nonetheless, these and other Atlantic multilateral organizations have succeeded over nearly 40 years in stimulating collective Western efforts in the security and economic fields and in channelling West German energies in generally manageable directions.

Japan does participate in the OECD and is for the first time, under Nakasone, an increasingly vocal member of the exclusive Summit-7 Club. But there are no northeast Asian institutions—beyond U.S. security treaties with Japan and Korea—that afford a regional context for our policies, that provide a regional safety net for our crucial relationships with Japan or that influence China's role in the region. China, of course, belongs to none of these organizations and is only now moving toward membership in the ADB and IAEA.

Improving US-Northeast Asian Cooperation

This lack of strong reinforcing pillars for our set of relationships in northeast Asia impedes US efforts to promote shared interests and to soften the suspicions of Japan and China which are harbored by the South Koreans (and by the ASEAN governments). This is not now a significant obstacle to the pursuit of U.S. interests. But it does mean that we lack safety mechanisms in case heavy pressures from trade or defense disputes weaken our vital relationship with Japan, or in the event that the Taiwan issue or domestic PRC developments undercut Sino-American relations. It also tends to limit the potential for deepening cooperation between the U.S. and northeast Asian nations. That cooperation will become increasingly important in the years ahead as we seek to diversify the strategic bases of our global policies.

In an *ideal world*, we would want to correct these shortcomings of our northeast Asian relationships by forging a trilateral political and consultative relationship among the U.S., Japan and China to parallel the Atlantic Quad. We also would seek to develop at least modest ties amongst that grouping, the ROK and ASEAN. Such a Pacific Community, with all its diversity and distinctive national interests, and lack of common security arrangements, would over time have a marked impact on the international scene. It would develop ties with the European Community; indeed the EC already is deepening its relationships with

ASEAN. It also would forge increasing commercial links to the Mideast, Africa and Latin America. It is this vision that doubtless beckons advocates of a still nebulous “Pacific Basin Community” concept.⁴

There obviously are sharp *constraints* making such a broad Pacific—or even northeast Asian—vision impractical in the foreseeable future. Profound distrust continues to obstruct the development of relations among Japan, China and South Korea, not to mention the antipathy characterizing inter-Korean relations, where Seoul seems determined to use the next five years single-mindedly building the economic and military strength to deal effectively with Pyongyang. Moreover, our own relationship with China remains unstable. And even the core U.S.-Japanese relationship remains vulnerable to threatening trade storms, domestic politics and Japanese sharp practices in the technological field.

These constraints are important. But they do not argue for simple satisfaction with the status quo. However stable and prosperous Asia now appears, the growing economic importance of East Asia in the world, and the potential significance of Japan and China for our global strategy, require a more imaginative conceptual basis for our approach to Asia in general and Northeast Asia in particular.

Northeast Asia Strategic Concept

Security Bulwark

I believe we should seek to elaborate a strategic concept that more explicitly *views* the US, Japan, China and South Korea, *together*, as a security bulwark against Soviet expansion, and as a basis for generating the cumulative political and economic strength of the US and these northeast Asian nations in a more coordinated fashion. This northeast Asian bulwark encompasses more than one-fourth of the world’s population and nearly one-fourth of its GNP. The U.S. and Japan alone amount to nearly one-half of the non-communist world’s output. Those figures are likely to grow, vis-a-vis Europe, through the rest of this century. Our interests in Asia will grow with them and northeast Asian states will loom larger in our global geopolitical strategy.

This is, of course, not at all a startling proposition. The United States obviously has long sought to contain Soviet aggression in northeast Asia through separate mutual security pacts with Japan and the ROK, and through its developing ties with China. We fought a major war in Korea to this end. Moreover, these northeast Asian security arrangements are reinforced by the ANZUS pact⁵ and by our bases in

⁴ For additional explanation concerning this concept, see Document 114.

⁵ Signed in 1951 by representatives from Australia, New Zealand, and the United States and entered into force in 1952, the ANZUS Treaty or Pact was designed to protect the security of the Pacific.

the Philippines. We need now to produce a strategy that draws more consciously and coherently on these assets.

Under such a concept *US policy would identify Japan as the linchpin and China as a key member of the northeast Asian tier*. Such a strategy would place Japan where it belongs—at the center of US Asian policy—without rejecting China as an important strategic partner. This conceptualization also has the advantage of disposing of the past practice of treating Japan and China as separate parts of Asian policy. The northeast Asian concept also would facilitate U.S.-Japanese-Korean cooperation, whatever the future course of Seoul's relations with Beijing or Pyongyang.

Parallel Policies

A northeast Asian concept should be conceived of as a strategic concept in the sense that NATO is a strategic concept. However, encumbering it with alliance relationships and formal institutional ties would be undesirable and unnecessary. Accordingly, the northeast Asian concept is a way of thinking about and interacting with Japan, China and South Korea, rather than formally organizing joint efforts.

This northeast Asian concept is *not* a basis for immediate *joint efforts*, but does open the door to a US strategy based on *parallel policies* toward the key regional powers, especially Japan and China. *In short*, it is *premature* to pursue *de jure* trilateral consultations *with Tokyo and Beijing* akin to the Atlantic Quad, *but* it may be *feasible* to pursue *parallel* approaches to those two capitals designed to advance *de facto* trilateral cooperation. *Similar parallel approaches* are *feasible with Tokyo and Seoul*; indeed, such a strategy could be helpful in diminishing mutual suspicions among these US allies, which do not serve US interests.

These parallel approaches might involve periodic visits (perhaps twice a year) on international issues by the Under Secretary for Political Affairs to northeast Asian capitals and triennial visits by the EA Assistant Secretary. The Policy Planning Council already meets annually with its Japanese and Korean counterparts and is discussing such a meeting later this year in Beijing.⁶ These visits would be in pursuit of specific international agendas, discussed in coordinated fashion in Tokyo and Beijing and in Tokyo and Seoul. It would probably result in an intensification of bilateral exchanges in capitals between local Embassies and Foreign Offices on these topics, and, in time, to similar visits to Washington from Chinese, Japanese and Korean counterparts.

⁶ In telegram 99767 to Tokyo and Beijing, April 12, the Department indicated that agreement had been reached to hold the annual U.S.-Japan planning talks in Tokyo during the first part of September. In addition, the Department noted that Bosworth and his colleagues in S/P "propose visiting Beijing for informal discussions with Embassy and appropriate Chinese officials either before or after planning talks in Tokyo." (Department of State, Central Foreign Policy File, Electronic Telegrams, D830203-1064)

It also should result in a more coordinated approach to our instructions to these capitals on U.S. international objectives. These activities could be supplemented, in Washington, by meetings in which the Deputy Secretary briefs the local Japanese and PRC or Japanese and Korean Ambassadors on current international issues.

Trilateral Cooperation

The long-term goal, evidently, is to convert this *de facto* parallel approach gradually into a more concrete form of trilateral cooperation. This could take the form of US-Japanese-Korean meetings, or, initially a single US-Japanese-Chinese meeting in Tokyo. We should start along both triangles with a modest, specific non-political subject, such as marine life, coal technology or fisheries, rather than security matters. Over time, we might be able to move to other forms of educational, economic and scientific cooperation that permit the U.S. and Japan jointly to address China's interest in economic modernization and to discuss trilaterally such key international questions as Kampuchea and Afghanistan. Progress on the political front might be more marked with our two allies, Japan and Korea, where there are truly common interests in such issues as the SS-20 threat to northeast Asia.

These two sets of trilaterals, with only Washington and Tokyo participating in both, would reinforce the central Japanese-American foundation for our East Asian and Pacific relationship. These institutional arrangements also could be developed through Japan's involvement in the Summit-7, to include meetings of political directors or Under Secretaries between the summits. Trilateral arrangements could facilitate our wish to deepen Japanese cooperation internationally.

Broader Asian Policy

Such a northeast Asian concept also would mesh nicely with our broader US Asian policy. In this framework, US Asian policy could be said to consist of northeast Asian, ASEAN and ANZUS elements.

Conclusions

Needless to say, no US regional or subregional strategic concept is meaningful if our bilateral ties with the key states are poor. A larger framework can reinforce or reinsure bilateral relationships, but must build on strong foundations. This means simultaneously strengthening our bilateral and international cooperation with Japan and China. We should have no roseate illusions about Nakasone and Deng, both of whom have their own agendas and neither of whom are politically immortal. But both are, at least at present, pursuing policies broadly compatible with US objectives and both have seen their political goals and fortunes linked to some degree to the benefits of cooperation with the US.

Progress in shaping a northeast Asian policy concept also will have implications that transcend the Asia region. We are sure to capture Moscow's attention. I believe the deepening of US cooperation and consultation with the Asian powers also may stimulate our European partners to accord more respect and support to their American connection and to their own Asian connections.

172. Information Memorandum From the Assistant Secretary of State for European and Canadian Affairs (Burt) to Secretary of State Shultz¹

Washington, October 25, 1983

SUBJECT

U.S Policy Toward Eastern Europe: Difficulties and Opportunities

SUMMARY

Recent developments in Eastern Europe suggest that this region is by no means in the Soviets' hip pocket and that we can have an important impact there. The Vice President's trip to Yugoslavia, Romania and Hungary enhanced our position in each of these countries.² The Polish people continue to assert their sense of national identity and to look westward for support. Shortly after exchanging views with you, the Hungarian and Romanian Foreign Ministers participated in the Sofia Warsaw Pact meeting that produced a notably mild statement on INF.³

At the beginning of this year, however, we were in danger of losing the toe-hold in Eastern Europe that had taken us years to establish. We

¹Source: Reagan Library, George Shultz Papers, Official Memoranda (11/03/1983) (1). Secret. Sent through Eagleburger. Drafted by Combs on July 25; edited by Combs on October 25; cleared by Palmer, Miles, Simons, and Kornblum. Combs initialed for the clearing officials. An unknown hand wrote "GPS" at the top of the memorandum. Hill initialed the memorandum and wrote "11/3." The document is also in *Foreign Relations*, 1981-1988, vol. X, Eastern Europe, Document 22.

²See footnote 1, Document 168.

³Warsaw Pact foreign ministers meeting in Sofia, October 13-14, released a communiqué specifying that if agreement had not been reached on INF by the end of 1983, "it is essential that the talks should be continued with a view to reaching it in the conditions of the renunciation by the United States and its NATO allies of their schedule for deploying new medium-range nuclear missiles." (Serge Schmemmann, "East Says Missile Talks Must Continue," *New York Times*, p. 3, and Dusko Doder, "Soviet Bloc Hints At Geneva Deal For Missile Delay," *Washington Post*, p. A16; both October 15, 1983)

managed to overcome the immediate crises in the three countries where our relations are strongest (with the massive “Friends of Yugoslavia” package;⁴ with resolution of the Romanian education tax/MFN issue;⁵ and with the quieter IMF/bank effort for Hungary).

But these crises are symptoms of larger, longer-term problems in Eastern Europe, which in turn pose important policy options for both the U.S. and the USSR. The basic issue is whether there will be movement towards greater independence from Moscow and greater internal economic and political reform (with potential impact upon the Soviet Union’s own economic and political development). Or will the Soviets succeed in bringing about greater area-wide integration and gaining tighter control over the region? For example, will Poland now revert to the repression and conformity of the 1950’s, or move towards the Hungarian model of the 1980’s? In, larger perspective, will Eastern Europe be a source of Soviet strength or a source of Soviet weakness?

This paper discusses three key factors that will shape the outcome of this issue: (1) Andropov’s policies; (2) the policy debate inside the Administration; (3) the current policy opportunities and pitfalls for the U.S. and its Allies in Eastern Europe. It proposes a new offensive for the region, pointing out that in the aftermath of the KAL tragedy,⁶ we should renew our efforts to weaken the USSR by diminishing its control over Eastern Europe, while we continue to strengthen our economic and defense posture relative to that of the Soviet Union. End Summary.

Andropov’s Policies

In the period following Brezhnev’s death, the importance of Eastern Europe for the Soviet Union has been emphasized by Soviet spokesmen,

⁴ Presumable reference to an economic aid package proposed by 15 countries, including the United States, in January. In April, representatives of the 15 Western governments and commercial banks meeting in Zurich announced a Yugoslavian assistance package totaling \$1.3 billion. (“Yugoslavia Aid Of \$1.3 Billion in ‘83 Is Set by 15 Nations,” *Wall Street Journal*, January 20, 1983, p. 28, and “Yugoslav Aid Deal Confirmed By Banks and Governments,” *Washington Post*, April 18, 1983, p. 41)

⁵ Reference is to the Government of Romania’s implementation of a decree, or “education tax,” which required any Romanian citizen wishing to emigrate to repay the educational costs beyond the compulsory level. In a March 4 statement the President indicated that the decree was in conflict with the provisions of the Trade Act of 1974 (P.L. 93–618; 88 Stat. 178) and, therefore, he planned to terminate Romania’s most-favored nation tariff status effective June 30 if the decree remained in force. (*Public Papers: Reagan, 1983*, Book I, p. 329) On May 25, Derwinski noted at a luncheon of the Overseas Writers that Romanian officials unofficially had informed the Reagan administration that Romania would eliminate the tax to preserve its MFN status. (John M. Goshko, “Romania Called Ready to Alter Policies to Enhance Status Here,” *Washington Post*, May 26, 1983, p. A24) On June 3, the President noted that he had received assurances from Romania that it would permit emigration to the West and not levy the “education tax” as an emigration precondition. He also indicated that MFN would be extended for 12 months. (“President Extends Romania’s Status As Trading Partner,” *Washington Post*, June 4, 1983, p. A16)

⁶ See footnote 7, Document 168.

including Andropov. Moscow's response to Eastern Europe's problems thus far has been to seek greater political, economic and ideological unity among the countries of the "World Socialist System"—as Moscow pompously terms its shaky Eastern European (plus Cuba, Mongolia and Vietnam) alliance system. Moscow undoubtedly will also continue to press its economically-strapped allies to maintain, if not increase, real defense spending. As Andropov told the June 1983 CPSU Central Committee Plenum: "The socialist countries and their policy are in our days a factor of immense importance . . . To strengthen the cooperation and cohesion of these countries is, I would say, *the paramount direction* of the international activities of the CPSU and the Soviet State"(under-scoring added).⁷

It is not surprising that Andropov would highlight the importance of Eastern Europe. He has worked fulltime on Eastern European problems for roughly one-half of the past 30 years (as Ambassador in Hungary, 1955–57, and as head of the Central Committee Department for Socialist Countries, 1957–67). In fact, it is his one real specialty.

Throughout the postwar period Moscow has had two fundamental goals regarding Eastern Europe: *conformity* to the Soviet Union's domestic and foreign policy norms, and *stability* that presents a solid facade to the West and averts reallocation of scarce Soviet resources to crisis management in Warsaw Pact countries. As the current Hungarian case shows, Moscow is willing to trade a measure of conformity for enhanced stability, in the sense of accepting internal diversity attractive to the Hungarian populace, so long as Soviet security and foreign policy needs are not jeopardized. However, the current Polish case, as with Hungary in 1956 and Czechoslovakia in 1968,⁸ makes clear there are limits to the amount of non-conformity Moscow will tolerate.

What has changed since 1956 and 1968 is the USSR's growing inability and unwillingness to provide large-scale economic assistance to Eastern Europe. Because of its own economic stringencies, Moscow can no longer meet the economic needs of its Warsaw Pact allies, particularly those whose relatively developed economies need the West if they are to remain competitive in world markets. Moreover, Moscow does not have an effective prescription for curing the present economic, social and other domestic ailments in Eastern Europe, any more than it has an effective program for addressing its own very serious domestic troubles. Moscow may also feel that the impact of Soviet military intervention in Eastern Europe would be significantly more costly to its policies *vis a vis*

⁷ In telegram 7650 from Moscow, June 16, the Embassy transmitted a summary of Andropov's June 15 speech. (Department of State, Central Foreign Policy File, Electronic Telegrams, D830343–0146)

⁸ The Hungarian revolution was October 23–November 10, 1956; see footnote 4, Document 8 regarding the Czech revolution.

Western Europe than heretofore, because of Moscow's strong interest in countering tough U.S. policies by fostering "Euro-detente" and isolating the U.S. from its European Allies.

On the other hand, Soviet political doctrine asserts that underlying trends in the area ultimately will bind Eastern Europe closer to the USSR, and Moscow probably believes it feasible to increase economic, political and military integration. The USSR without question has considerable assets in the region. These include overwhelming military power, economic leverage stemming from the Soviet-engineered dependence of most Eastern European economies upon the Soviet economy, and a demonstrated capacity to use coercion against an errant Eastern European regime.

These realities indicate that our objective of reducing Soviet control over Eastern Europe can be achieved only through a gradual process, in which the Soviet leadership will not be able to point to any one specific step as threatening to its vital interests, and therefore as justifying a specific reaction. "Creeping counter-revolution" is what Moscow fears most, and with good reason.

Policy Differences Within the Administration

After lengthy and difficult interagency debates, the President in September 1982 approved National Security Decision Directive 54, "U.S. Policy Toward Eastern Europe."⁹ The NSDD determines that our primary long-term goal in Eastern Europe is "to loosen the Soviet hold on the region and thereby facilitate its eventual reintegration into the European community of nations." It calls for our policy to differentiate among the countries of Eastern Europe so as to encourage diversity, using as a baseline our policy toward the Soviet Union. To weaken overall Soviet control in the region, our policy should:

- encourage more liberal trends in Eastern Europe;
- further human and civil rights in East European countries;
- reinforce the pro-Western orientation of their peoples;
- lessen their economic and political dependence on the USSR and facilitate their association with the free nations of Western Europe;
- encourage more private market-oriented development of their economies, free trade union activity, etc;
- undermine the military capabilities of the Warsaw Pact.

Despite the President's approval, a contrary approach still flourishes among some elements of the USG (primarily OSD) who opposed the NSDD in the first place. Crudely put, this school argues that because

⁹ Issued on September 2; see *Foreign Relations, 1981–1988*, vol. X, Eastern Europe, Document 18.

the USSR is our mortal enemy, and since Moscow regards Eastern Europe as its sphere of influence, the worse things are in that region, the worse for Moscow, and the better for us. This school questions the wisdom of trade with Eastern European countries on grounds that such trade would strengthen their economies and thereby contribute to the overall strength of the Soviet empire. It is uneasy about technology transfer of even mundane items to the most independent of the East European countries, convinced that the technology subsequently will find its way to the USSR.

In short, this approach tends to ignore both the potential and the limitations on our approach to Eastern Europe. The policy of "the worse, the better," plays into Soviet hands by weakening the modernizing Europeanist elements in Eastern Europe and by increasing divisions between the United States and its allies over policies in the region. This at a time when the Soviets are vigorously trying to isolate us from our NATO allies. Such an approach concentrates on one aspect of our relationship with the East—the U.S.-Soviet super-power competition—without allowing us to use positive opportunities both to improve our position in Eastern Europe, to weaken the Soviet hold over the region, and to help manage our important alliance relationships.

Current Policy Opportunities

The current situation in Eastern Europe presents the U.S. with unique opportunities to weaken Moscow's hold over the area, while demonstrating to the rest of the world the incompatibility between Soviet-imposed regimes and national aspirations.

U.S. opportunities arise from four salient facts:

—First, Soviet-style ideology as a motivating force in Eastern Europe is increasingly insignificant. Opportunism and self-advancement are the keys; few in authority believe in a doctrinal program whose inadequacies have become steadily more apparent over the years. Those in high positions continue to have a personal stake in the system, of course, but conviction and proselytizing zeal are waning.

—Second, the unwritten "social contract," whereby political acquiescence of the population is purchased by steadily rising living standards, is under increasing challenge as those standards continue to fall. Poland is the classic example of the destabilizing political influence of economic stagnation and even decline. Economic deprivation has the potential of causing political instability throughout the region.

—Third, as noted above, the large, sustained injections of Soviet resources that were characteristic of past crisis periods have simply not appeared, and each of the Eastern European countries is seemingly left to work out its own economic problems. In the face of dwindling economic resources, the perceived need to boost productivity with Western equipment and technology is bound to increase.

—Fourth, the bankruptcy of the Soviet model reinforces the general historical tendency of East Europeans to look westward for new ideas. This is particularly true of the most innovative groups: youth and the intelligentsia.

At the same time, U.S. near-term opportunities in Eastern Europe are limited:

—As NSDD-54 points out, Moscow has the capability of using force in the region and likely would do so if it perceived a threat to the Soviet Union's vital interests.

—Given the reality of Soviet power, plus the promise of Western know-how, East Europeans will attempt to play off East against West to get as much as possible from both.

—In countries whose present regimes emphasize loyalty to the USSR (e.g., Bulgaria and Czechoslovakia), differentiation will have marginal short-term impact, particularly if US-Soviet relations remain strained.

—Our economic leverage is constrained by the nature of Eastern European economies. In addition to the Soviet economic model's predominance in most European countries, the East Europeans, must rely on the Soviet Union for energy and other raw materials and as a market for large quantities of industrial products whose shoddy quality or low technology make them unmarketable in the West (although some can be marketed in the developing world).

—The kinds of actions we can take are also constrained by our limited domestic resources and by the size of Eastern Europe's debt burden. The ever more acute economic and political dilemmas of Eastern Europeans, however, make them increasingly receptive to a differentiated approach.

Country Agendas. Pouring more money into Soviet-style economic systems would be foolish, as the experience of the 60's and 70's made clear. We need instead to fine-tune our policy for each country to encourage structural change away from the Soviet economic and political model. Specific agendas should be tailored to the countries of the region along the following lines:

—*Poland's* distinguishing characteristic continues to be the fundamental refusal of the populace to accept the Soviet-imposed political system. Despite the relative success of martial law in maintaining order, Moscow must be concerned about Poland's reliability as a Warsaw Pact ally, its political and economic stability, and its future evolution. We should show realism and flexibility in fostering evolution within Poland along the lines of Kadar's Hungary, as opposed to Husak's Czechoslovakia. If the human rights situation in Poland allows, we should consider conducting a new high-level, dialogue with Warsaw.

—While *the GDR* is buffeted by many of the forces that affect other Eastern European countries, it has been allowed to develop a higher standard of living to minimize embarrassing comparisons with life in the FRG. At the same time, political and ideological purity have been strictly enforced, and the GDR has been expected to align its economy especially closely to that of the USSR. Even so, an unofficial anti-war movement has developed in the GDR, as has a heightened awareness of the special role of Germany in Europe. While our ability to influence political and economic developments in the GDR is quite limited, we are exploring with the GDR the possibility of moving forward in parallel to solve several long-standing problems: U.S. official claims against the GDR, non-official Jewish claims, and family reunification. As an incentive for the GDR to deal with these issues constructively, we are holding out the possibility of a trade agreement (short of MFN) containing tariff reductions or elimination on a specified list of items at the end of the process.

—*Hungary* is implementing a pragmatic, market-oriented economic reform and is experimenting with limited political reform. The Hungarian leadership clearly does not regard the Soviet Union as a model for Hungary, has expanded ties with Western economic institutions, and has been quietly seeking increased elbow room in Warsaw Pact and CEMA affairs. The Vice President's September visit to Budapest, plus the new Hungarian Foreign Minister's visit to Washington in the same month, have underscored our regard for Hungary's relative independence from the USSR. We should broaden and deepen our dialogue with Hungarian officials, encourage Budapest's experimentation with economic and political reform, and maximize Hungary's affinity with the West. Specific goals include an enhanced cultural affairs program and multi-year MFN.

—*Romania* suffers domestically from Ceausescu's repressive rule, aptly termed "dynastic socialism." But Romania's maverick role in the Warsaw Pact and CEMA is a headache for Moscow, as is the anti-Soviet feeling and tradition of independence from foreign domination of the Romanian people. The September visit of the Vice President has bolstered Bucharest's sense of independence and enhanced Ceausescu's personal prestige. We need to keep pressure on the GOR for improved human rights performance, as we encourage Romania's independence from the Soviet Union. An immediate goal should be to provide Bucharest with a Landsat ground station.

—There are stirrings even in Moscow's most loyal Slavic allies, *Czechoslovakia* and *Bulgaria*. The Western-minded Czech and Slovak people clearly resent their Soviet-style, Soviet-oriented government, as indicated by the Charter 77 movement and continuing internal dissent. We shortly plan to test Prague's willingness to improve our bilateral relationship by having our new Ambassador, Bill Luers, propose the

entry into force of a long-standing draft consular agreement and negotiation of a cultural exchanges agreement. In addition to continuing manifestations of Bulgarian national pride, the Bulgarian leadership is quietly experimenting with decentralizing economic reforms similar to the Hungarian approach. Ambassador Barry's lengthy meeting with Bulgarian Party and Government Chief Zhivkov this summer produced Zhivkov's promise to move on several bilateral issues of interest to us.¹⁰ This promise has begun to materialize. We are developing an agenda of further bilateral steps that can encourage a more nationalistic, less Soviet-oriented Bulgaria, (assuming the absence of a credible "Bulgarian connection" to the Papal assassination attempt).¹¹

—The two countries in the southwestern part of the region, *Yugoslavia* and *Albania*, demonstrate even more clearly than Hungary and Romania that once loyal socialist allies can break out of the Soviets' grip. Both have refused participation in Moscow's economic, military and ideological integration schemes (although Yugoslavia maintains observer status in CEMA).

—While maintaining its isolation from the U.S. as well as the USSR, *Albania* has diplomatic ties with almost 100 countries, including all of Europe except the UK and the FRG. Albania has made some intriguing small openings to the West (though not to the U.S.) over the past five years. We will send you a separate policy paper on Albania. Meanwhile, we are proceeding with the initial stages of a World War Two-related claims/gold agreement with Albania. We also plan to urge our Allies to increase their contacts with the current Albanian regime.

—*Yugoslavia* is struggling to modernize its economy, with emphasis on decentralization and market forces, while its foreign policy remains independent and nonaligned. We should continue our strong commitment to support Yugoslav independence, most recently accentuated by the Vice President's visit to Belgrade. In particular, this will require our leadership in crafting a financial assistance package for 1984 acceptable to private banks and participating governments, as well as to the GOY. The package should be in hand when Yugoslav President Spiljak visits the President early next year.

CONCLUSION

Our assessment of the current difficulties and opportunities for our policy toward Eastern Europe indicates that we should resist calls, in the aftermath of the KAL tragedy, to treat Eastern Europe as an integral

¹⁰ In telegram 2840 from Sofia, August 3, Barry transmitted a synopsis of his 4-hour meeting with Zhivkov on August 1. (Department of State, Central Foreign Policy File, Electronic Telegrams, D830442–0549)

¹¹ On May 13, 1981, Pope John Paul II was shot in St. Peter's Square at Vatican City and survived the attack.

part of the Soviet Empire and to pursue a policy of "the worse, the better" with regard to individual Eastern European countries. Continuing repression in Poland should not be misread as a signal for retreat by the West, but rather as proof of the weakness of the existing system, and as the inspiration for a *new offensive* using all of the economic, cultural and ideological weapons in our arsenal.

This will require considerable effort across a broad front, sensitivity to the constrained circumstances of East Europeans and to the differences among them, and political determination in Washington. Like our policy toward the Soviet Union, this approach toward Eastern Europe is a policy for the long haul. It will not bring dramatic short-term payoffs. It will require intensified bilateral dialogue to sustain step-by-step progress. But while we build our strength relative to the USSR, we should undertake a sustained offensive to weaken the USSR by promoting greater independence in Eastern Europe and enhancing our own position in this vital region. The INF issue, U.S.-Soviet relations and other pressing problems have tended to push Eastern Europe to the back burner. We should now move it forward.

The Vice President's trip to Yugoslavia, Romania and Hungary provides a good beginning. I am planning a trip to Eastern Europe early in 1984 which could serve to lay the groundwork for a visit to the area by you later next year. Meanwhile, we intend to consult with our respective Eastern European embassies regarding detailed agendas for the near and middle terms. We will confer with our Allies concerning common opportunities in the region. And we will push hard for the specific items presently on our agenda, including a Landsat ground station for Romania, a 1984 financial assistance package for Yugoslavia, an enhanced cultural affairs program with Hungary, new bilateral undertakings with Bulgaria and Czechoslovakia, and a new policy towards Albania.

173. Memorandum From Donald Fortier of the National Security Council Staff to the President's Assistant for National Security Affairs (McFarlane)¹

Washington, October 25, 1983

SUBJECT

The President's Speech

Your instinct to work toward a speech that puts Lebanon and Grenada in a broader context is right on the mark.² I don't mean to encourage insubordination, but I hope it may still be possible to steer the draft back somewhat more in this direction. I spoke to Al Myer about this, and I think he pretty much agrees.

The reason for this is obvious. An already shell-shocked public may soon see, in rapid succession, American involvement in an escalating Gulf war; dramatic American retaliation for the slaughter of our Marines in Beirut; continuing controversy over our role in Lebanon and legislative rancor over the JLP; and, finally, the unveiling of a new relationship with Israel. We have to give people a better framework for making sense out of these individual developments. Yes, we also have to answer the gut questions on people's minds; but our objectives—and our sacrifices—will only be fully intelligible when put in a context of an integrated strategy.

Two quick additional observations:

—The public *is* confused about the objective of our forces in Lebanon, but the broader problem, I think, is their uncertainty about how we get from where we are today to the achievement of those objectives. Our game plan simply isn't understood, in part, of course, because decisions needed to give life to our game plan are still in train.

—In Grenada, in Chad and in Lebanon we continue to run up against the same problem, namely, the perception that it is somehow wrong to use our strength to curtail the lawlessness of our weaker adversaries. This of course only ensures that our antagonists will continue to strengthen themselves under the sanctuary we provide them, forcing us to confront far worse choices with time. The introduction

¹ Source: Reagan Library, Donald Fortier Files, Subject File, Middle East Policy Development 10/18/1983–11/04/1983. Secret. Sent for information.

² References are to the October 23 attack in Beirut (see footnote 2, Document 170) and the U.S. invasion of Grenada on October 25 after the overthrow and murder of Prime Minister Bishop. The President addressed the nation on October 27 regarding both events. (*Public Papers: Reagan, 1983*, Book II, pp. 1517–1522)

that I did to this morning's draft of the President's speech is designed to confront this issue directly. I still think it is important.

174. Address by the Deputy Secretary of State (Dam)¹

Chicago, October 31, 1983

Challenges of U.S.-Soviet Relations at the 50-Year Mark

The commemoration today of International House's five decades appropriately coincides with the eve of another 50th anniversary—that of the establishment of formal diplomatic relations between the United States and the Soviet Union. It was, of course, in November of 1933 that the Roosevelt-Litvinov agreement was concluded, giving us one of our first opportunities to undergo the rigors of the classic Soviet negotiating style.²

In the following years, every American Administration since F.D.R.'s has had to wrestle with the increasingly complex problems posed by this evolving relationship: How does the United States deal with the reality of a country that is both assertive and insecure in its dealings with the rest of the world? How do we build a constructive relationship with a nuclear superpower whose interests and values are so different from ours? How do we sustain a coherent policy in the face of wide swings in American popular opinion from euphoria to hostility? Honest men and women can have different views about these matters, both because the Soviet Union is far more complex than it was 50 years ago and because we still know far too little about it.

¹Source: Department of State *Bulletin*, December 1983, pp. 26–30. All brackets are in the original. Dam spoke before the International House at the University of Chicago. In a note dictated on October 31, Dam recalled: "I was in Chicago this morning to give a speech on U.S.-Soviet affairs before the 50th Anniversary International House Conference at the University of Chicago on the Soviet Union. It was the first Administration speech on U.S.-Soviet relations since the KAL shootdown, and as a result, it was a somewhat difficult speech to craft. But a lot of work was done on it, and I imposed on the process an outline and a set of ideas which the EUR Bureau did a good job of developing into a polished speech with the help of Gary Edson, who is a superb craftsman, and Jim Timbie, who knows an enormous amount about security issues." (Department of State, D Files, Deputy Secretary Dam's Official Files: Lot 85D308, Personal Notes of Deputy Secretary—Kenneth W. Dam—Oct. 1983–Sept. 1984)

²November 16, 1933; see *Foreign Relations, The Soviet Union, 1933–1939, Documents* 1–59.

It is especially fitting, then, that we have come together at International House to take a fresh look at the issues involved in U.S.-Soviet relations of the 1980s—examining some problems that are familiar after 50 years and others that are quite new.³

As the keynote speaker to a conference entitled “The Search for Solutions,” I should not preempt the rest of the field by providing all of the definitive answers this early in the morning. Do not fear. If this Administration or those that recently preceded it had the final answers, you would not be having this conference. I can, however, aspire to setting the stage for the discussions to follow by reviewing with you those aspects of Soviet policy of the past decade that directly affect American interests. They are the facts of life, if you will, that any U.S. decision-maker would have to face in considering the future course of Soviet-American relations.

I shall focus on three areas—the growth of Soviet military power, Soviet expansion, and the Soviet quest for absolute security.

Soviet Military Buildup

Let me begin by reviewing the steady increase in Soviet military strength during the past two decades, extending through periods of both tension and detente. I do so because it is the Soviet military establishment that provides the basis for the Soviet Union’s superpower status in the world of the 1980s.

The growth in Soviet resources for military purposes has been persistent and substantial. The burden of defense in the Soviet Union—the share of the gross national product (GNP) devoted to the military—has been about 14% through the past decade. By contrast, defense spending in the United States during this period averaged about 6%. With our planned increases, U.S. defense spending in 1984 will increase to about 7% of our GNP, still only half as much as the Soviet Union allocates to defense. Soviet military spending continues to grow in real terms. Though the growth rate may have slowed somewhat in recent years, the current high level of spending provides for very large annual increments in inventories of military equipment and extensive modernization of forces.

The Soviet military sector continues to have first claim on raw materials, transportation resources, personnel, and capital equipment. More than one-third of all Soviet machinery output now goes to the military and about one-half of all research and development expenditures are for military applications. In human terms, the Soviet military sector

³ In addition to Dam, Bosworth, Brzezinski, former Ambassador to Japan Robert Ingersoll, and former KGB officer Vladimir Sakharov spoke at the conference. (Lucia Mouat, “Experts say Soviets have not gained ‘hearts, minds’ of third world,” *Christian Science Monitor*, November 2, 1983, p. 6)

takes about one-seventh of total manpower and a substantially higher proportion of the best qualified scientific and technical personnel.

The military sector is truly a separate, fast-track economy with distinct organizations and a different set of rules and *modus operandi* from the civilian economy. Uniformed military personnel are present at defense plants to ensure schedules are met and to conduct quality control tests. The Soviet defense industries have a much more impressive record in developing new products and bringing them into production than their civilian counterparts. One reason is the close cooperation between producer and consumer, which is absent in the civilian economy. The resulting burdens of this separate military economy weigh heavily on the quality of life for the average citizen.

In view of the pervasive secrecy in the Soviet Union and the formidable intellectual issues involved, debates recur both within and outside the U.S. Government regarding our ruble and dollar estimates of Soviet defense spending. The concrete results of such spending programs, however, are clear. There is nothing hypothetical about the overall size and growth of Soviet military forces.

Over the past decade, for instance, the Soviets have manufactured approximately 2,000 new intercontinental ballistic missiles [ICBMs]; by comparison, the United States built approximately 350 during the same time. The Soviets built 54,000 new tanks and armored vehicles; U.S. production was 11,000. The Soviet Union turned out 6,000 tactical combat aircraft; the United States, 3,000. The Soviets launched 61 attack submarines; the United States, 27.

It is not just a question of numbers. There have also been dramatic improvements in the quality of Soviet weapons. Within just the last 2 years we have seen:

- The first tests of two new Soviet land-based ICBMs (a large MIRVed [multiple independently-targetable reentry vehicle] missile and a single warhead missile) and the continued improvement of their already deployed force of over 800 SS-17, SS-18, and SS-19 large, MIRVed ICBMs;
- Flight tests of a new strategic heavy bomber, which we call the Blackjack, and of an entirely new generation of Soviet cruise missiles;
- The first units of the 25,000-ton Typhoon-class strategic ballistic missile submarine and two new Kiev-class aircraft carriers to join the two Soviet carriers already in operation;
- Deployment of some 100 new SS-20 intermediate-range missiles carrying three nuclear warheads each, for a total thus far of 360 of these mobile missiles targeted on Europe and Asia;
- In space, an increase in the Soviet Union's military-related programs, involving manned missions; satellites for reconnaissance,

surveillance, and targeting; and the world's only operational antisatellite system.

Our attention is inevitably drawn to the new weapons systems. Yet the steady pursuit of longstanding programs, combined with the Soviet practice of keeping older but capable models in inventory much longer than in the West, has resulted over the years in a tremendous military inventory for the Soviet Union. The results are readily apparent in NATO-Warsaw Pact force comparisons: the East now fields some 42,500 main battle tanks, as compared to 13,000 in the West, and over 31,000 artillery pieces and heavy mortars, compared to less than 11,000 comparable Western weapons.

This inventory has also provided a reservoir for the ready supply of Soviet weaponry at concessional rates to an increasing number of countries. Since 1969 Soviet military aid to the Third World has increased tenfold. As a result, the Soviet Union has become the largest arms exporter to the Third World and the principal supplier of over 34 states, twice as many as a decade ago.

The Soviet military machine is not without flaws. Its highly centralized command structure inhibits initiative and flexibility, and Soviet strategists in the 1980s will have to consider the military implications of the Soviet Union's long-term economic and demographic problems. The West, moreover, can bring to bear powerful advantages of its own in maintaining a common defense. In recent years, we have done much to redress past inadequacies.

The scope and persistence of the Soviet Union's efforts to create an instrument of military power beyond plausible defense requirements are troubling. This quest for military superiority has been carried out in the face of mounting domestic economic difficulties. Our concerns over this Soviet preoccupation with the new instruments of power have been heightened by their increasingly disruptive international behavior over the past decade.

Soviet Expansion

The record of increased Soviet activism and influence, particularly in the Third World, is already familiar to you. The diversity of the Soviet Union's ties with various client states of the Third World defies any simple summary or categorization. In recent years we have seen:

- The Soviet Union's direct military intervention into Afghanistan;
- Its strengthened economic and military involvement with such regional communist powers as Cuba and Vietnam and its active support for the occupation of Kampuchea;
- Deployment of over 20,000 of Soviet and Eastern-bloc military personnel in more than 30 Third World countries, including Soviet

crews for sophisticated air-defense missiles in Syria and Soviet advisers with surface-to-surface missiles in Syria; and

- Its extensive use of surrogate forces—some 40,000 Cuban military personnel are in Angola, Ethiopia, and Central America, not to mention Grenada.

However, Soviet relations with the Third World are not without friction. Soviet arms shipments do nothing to help resolve the serious economic problems of many Third World countries, leading these countries to turn to the West in increasing numbers. At times, the conflicting interests of the Soviet Union and a Third World nation or group have contorted Soviet diplomacy. The PLO's [Palestine Liberation Organization's] Arafat has recently discovered this to his misfortune, now that he is opposed by Syria and, as a result, has become a nonperson in Moscow's eyes. Nor is it a game without risks for the Soviets. Their failures in Egypt and Somalia in the 1970s are well known.

Nonetheless, it is possible for us to identify two broad benefits that the Soviet Union has gained through its Third World relationships. First, these relationships have permitted the Soviet Union to project power into regions not immediately on its borders. Looking at today's geopolitical map, we can see—for the first time—Soviet military presence in strategically sensitive points throughout the world: Cam Ranh on the South China Sea approaches to the Straits of Malacca; Asmara, Aden, and the Dahlak Islands at the access to the Red Sea and Suez Canal; Luanda in southern Africa; and a variety of installations in Cuba.

Second, these Third World relationships have now enabled the Soviet Union to involve itself in regional politics to a much greater degree than before. The causes of instability in the Third World are predominantly local in origin. But all too often the Soviets have used the opportunities provided by local instability to expand their power. To that end, their policies have frequently hindered efforts to resolve existing tensions. The difficulties—for instance, of securing peace in Lebanon in the face of Soviet encouragement of Syrian obstruction—are obvious and immediate.

Soviet Quest for Absolute Security

At the same time that the Soviets are playing this increasingly active, if unconstructive, role throughout the world, they strive for absolute security for themselves. But steps they take in the name of security have the result of making the entire world, including the Soviet Union, less secure.

If nothing else, the Soviet Union's destruction of Korean Air Lines (KAL) #007, its subsequent attempts to deny any wrongdoing on its part in this tragedy, and its assertion that it is prepared to act again in a similar manner underscore a Soviet search for absolute security

carried beyond all rational limits.⁴ Another manifestation of this search is Soviet insistence on maintaining levels of weaponry greater than those of many other states combined, which we now see in the INF [intermediate-range nuclear forces] talks.

In the name of absolute security, the Soviet leadership continues to be unwilling to countenance either meaningful national autonomy for Eastern-bloc countries or free expression and initiative for its own peoples. They insist that states on their border duplicate the Soviet system, and in recent years a general internal crackdown has occurred within the Soviet Union. Jewish, German, and Armenian emigration is at the lowest level since the 1960s, and officially sponsored anti-Semitism is on the rise. The oppression of such prominent dissidents as Sakharov and Shcharanskiy continues unabated. Unfortunately, just in the past month two new trials have been held, resulting in the convictions of:

Iosif Begun, a noted Jewish activist, who was sentenced to 7 years in prison and 5 years in exile; and

Oleg Radzinskiy, a leader in the unofficial Soviet peace movement, who was sentenced to 1 year in prison and 5 years in exile.⁵

In both cases their alleged crime was dissemination of so-called anti-Soviet material.

Soviet infringements of the rights provided under the Helsinki Final Act are representative of the Soviet Union's persistent violations of both the spirit and the letter of international obligations. In recent years, apparent Soviet contraventions of various agreements have increased with troubling frequency, including evidence of yellow rain and chemical and toxin warfare in Afghanistan and Indochina. Most recently, a series of Soviet activities involving radar construction and ICBM testing has raised serious questions about Soviet compliance with the ABM [antiballistic missile] and strategic offensive arms agreements.⁶ These Soviet efforts to stretch treaties and obligations to their very brink and sometimes beyond have disturbing implications for the future of the arms control process.

⁴In a statement made on September 6, Acting Secretary of State Eagleburger said, in part: "Today the Soviet Government at last admitted that its forces shot down KAL #007. Their confession comes only after the truth was known everywhere, that the U.S.S.R., without any justification, shot down an unarmed civilian airliner with 269 people aboard. And their admission was made only after the entire civilized world had condemned the Soviet action. Yet the Soviet Union has still not apologized, nor has it accepted responsibility for this atrocity. On the contrary, the Soviet Government states flatly that it will take the same action in the future in similar circumstances." (Department of State *Bulletin*, October 1983, p. 11)

⁵Radzinsky was sentenced on October 13 and Begun on October 14. For additional information about the sentencing, see "Moscow Dissident Gets 1-Year Term on Slander," October 14, 1983, p. A7, and "Case of Soviet Activist Brings U.S. Questions," October 16, 1983, p. A9; both *New York Times*.

⁶For an example of Soviet non-compliance, see footnote 11, Document 169 and footnote 3, Document 182.

Soviet Behavior and U.S. Policies

Occasionally we hear the argument that the patterns of Soviet behavior that I have described are at least in part a response to recent U.S. policies. It is asserted that Soviet actions, however disproportionate in final result, have arisen out of deep-seated fears exacerbated by a perceived U.S. hostility. While this circular action-reaction model of U.S.-Soviet relations has a simplicity and symmetry that may appeal to those so inclined, the evidence available does not support it.

In considering Soviet actions over the past decade—whether in terms of military buildup, expanded Third World involvement, or domestic suppression—I am struck as much by the sense of continuity as of change. Obvious shifts in tempo and tactical emphasis have occurred, but the basic direction of the Soviet Union has remained much the same throughout its dealings with the Nixon, Ford, Carter, and now Reagan Administrations. The Soviets themselves say that their policies have not changed.

The Soviet military buildup started well before the United States began devoting increased attention to defense in the last 3–4 years. The large ICBMs that form the core of the Soviet strategic forces, for instance, have no counterpart in U.S. forces and certainly cannot be considered a response to any U.S. program. Soviet SS-20 deployments in Europe and Asia since the mid-1970s cannot be seen as a counter to U.S. actions, since the United States has no comparable missiles. The number of U.S. nuclear weapons in Europe has, in fact, declined during this period. Last week we announced a further reduction of 1,400 nuclear warheads in Europe.

The degree to which particular American legislation and policies have affected Soviet emigration rates in the 1970s can be debated. The sustained crackdown on dissidents over the past years, however, has been based primarily on internal considerations. Soviet activism in various Third World areas appears to be far more opportunistic than defensive in the face of any supposed American provocation.

Similarly, it is hard to make the case that U.S. statements about the advantages of democracy over the Soviet system are themselves responsible for Soviet-American frictions. I recall that on one of his visits to Moscow, French President Giscard d'Estaing proposed to then-Soviet leader Brezhnev that detente in the diplomatic and economic sphere should be accompanied by a relaxation of ideological competition. Giscard was firmly rebuffed with the Soviet rejoinder that ideological coexistence was totally impossible. The Soviet reaction to our efforts to assist and support those who seek to build democracy within the Third World shows that this policy has not changed.

The inference should not be drawn, however, that we cannot influence the Soviets. On the contrary, U.S. policy can be a major factor in shaping Soviet policies. We should be wary, however, of illusions about the possibility of quick or dramatic breakthroughs.

In considering how we might respond to the Soviet actions that I outlined earlier, this Administration concluded that we should strive to create an international environment in which the Soviet Union is faced:

First, with tangible evidence of a renewed determination by the United States and its allies to strengthen both our common defenses and Western political and economic cohesion; and

Second, with drastically reduced opportunities and incentives for adventurism and intimidation.

In pursuing this strategy, we have sought to be prudent and realistic. In such an environment we expect that over time the Soviets will see greater restraint on their part as the most attractive option—not out of any sudden conversion to our values but out of sober calculation of how best to serve Soviet interests.

U.S. policy alone is only one part of such a strategy. The larger issue is how the West as a whole manages its dealings with the East. This is a subject beyond the scope of my talk today. This morning, I would only note one important point. There is some validity to the view that a lack of firmness on the part of the United States and a lack of cohesion within the Western alliance have encouraged the Soviet Union in its lack of restraint. This Administration believes that the converse is also true—that strengthened consultation and cooperation with our allies and friends can serve to discourage unconstructive Soviet actions.

We have worked to forge a cohesive alliance policy toward the Soviet Union at the successful Williamsburg summit and a series of productive meetings in NATO and other international organizations on common trade and security policies. Through this process, we and our allies reached a common position that economic relations with the Soviet Union should be conducted on a strict balance of mutual advantage and should not directly contribute to Soviet military strength. At the same time, the Western governments reaffirmed their support of the 1979 dual-track decision to restore a balance in intermediate-range nuclear missile forces—through negotiations or U.S. deployments. Such alliance approaches are much more likely to obtain positive results than efforts of individual countries acting alone.

Earlier this year, the United States began to step up the pace of our dialogue with the Soviets in a variety of channels—in both Washington and Moscow as well as in Geneva, Vienna, and Madrid. Our contacts included extensive sessions on the part of Secretary Shultz and myself with Ambassador Dobrynin. We pressed a comprehensive agenda—covering arms control, regional issues, human rights, and bilateral questions involving trade and exchanges.⁷ We were expecting no

⁷See Document 159.

breakthroughs. Rather, we sought to discover where some progress might be made in resolving particular problems with the Soviets.

A number of modest, but nonetheless encouraging, developments occurred. In the summer rounds of the START [strategic arms reduction talks] and MBFR [mutual and balanced force reductions] negotiations,⁸ the Soviets showed tentative willingness to contribute to making progress. The Soviet authorities allowed the emigration of the Pentecostalist families that had been living at our Embassy in Moscow for so many years.⁹ After rapid negotiations, a long-term grain agreement was signed.¹⁰ In response to our proposal, a meeting of U.S. and Soviet experts was held in Moscow to discuss upgrading the hotline and other crisis communications improvements.¹¹ We were beginning to discuss the possibility of both a new cultural exchanges agreement and the opening of new consulates in both countries.

I do not want to make too much of these modest steps. Contrary to some press speculation, they did not constitute a sudden warming in the relationship nor were they necessarily a prelude to an early summit. Nonetheless, by late August we were viewing the Secretary's scheduled meeting with Foreign Minister Gromyko at the concluding session of the Madrid CSCE [Conference on Security and Cooperation in Europe] meeting as an opportunity to see whether the Soviets were willing to take genuinely constructive steps.

Then, on August 31, Soviet air-defense forces shot down KAL #007 and its 269 civilian passengers just as the Korean airliner was leaving Soviet airspace over Sakhalin. The manner in which the Soviets handled the KAL tragedy throughout and the way these events inevitably set back any hopes for early progress in our relations with the Soviets are well known.

The necessity of a firm American response to these Soviet actions was clearcut. We promptly took a number of steps on our own and in concert with other nations.¹² We pressed for the international condemnation of the Soviet actions. We were active in supporting the aviation boycott of

⁸ June 8–August 2 and May 19–July 21, respectively.

⁹ See footnote 4, Document 135.

¹⁰ See footnote 3, Document 147. Block and Soviet Foreign Trade Minister Nikolai Patolichev signed the 5-year LTA in Moscow on August 25. The LTA raised the annual Soviet purchase from a minimum of 6 million to 9 million metric tons and included a U.S. pledge not to block exports. (Dusko Doder, "U.S. Signs 'Building Block' Grain Pact in Moscow," *Washington Post*, August 26, 1983, pp. A19, A22)

¹¹ The talks took place in Moscow, August 9–10. In telegram 10051 from Moscow, August 10, the Embassy summarized the first day of talks. (Department of State, Central Foreign Policy File, Electronic Telegrams, D830456–0537) In telegram 10102 from Moscow, August 10, the Embassy reported: "CBMs talks ended with agreement in principle on a follow-up meeting, with contacts through diplomatic channels to arrange the agenda." (Department of State, Central Foreign Policy File, Electronic Telegrams, D830457–0360)

¹² The President discussed many of these steps in his September 5 address before the nation; see footnote 8, Document 169.

the Soviet Union.¹³ Foreign Minister Gromyko's performance in Madrid—both before the assembled CSCE participants and in this private meeting with Secretary Shultz—made clear that the Soviet Union was determined to stonewall on this issue and was not interested in finding a way to limit the damage this tragedy would cause to East-West relations.¹⁴

The domestic calls for a harsh and across-the-board reaction on our part were understandably strong and came from both liberal and conservative directions. However, the Administration believed that its basic approach in dealing with the Soviet Union was still valid. We were shocked but not surprised. This use of Soviet force merely confirmed what we had been saying all along about the Soviet Union and reaffirmed the need for realism and strength on our part. Similarly, we concluded that however justifiably strained our relations with the Soviets might become over the KAL shootdown, we should not be the ones to foreclose serious dialogue.

This balance of firm resistance to unacceptable Soviet actions with a readiness to pursue a meaningful dialogue was a central theme of the President's address before the UN General Assembly on September 26.¹⁵ The President gave substance to that message by announcing a threefold initiative in the INF talks in Geneva. Within a week, he followed with a major new initiative in the START negotiations.¹⁶

I urge you to look closely at what we are proposing in those negotiations. In both cases, we are making a serious effort to address Soviet

¹³ Presumable reference to the International Federation of Airline Pilots Associations recommended 60-day ban on civil airline flights to Moscow. (Department of State *Bulletin*, October 1983, p. 12)

¹⁴ Reference is to Gromyko's address delivered before the CSCE on September 7 and the meetings between Gromyko and Shultz, which took place on September 8. Documentation for the latter are printed in *Foreign Relations, 1981–1988*, vol. IV, Soviet Union, January 1983–March 1985, Documents 104, 105, and 106. Shultz's statement at the conclusion of his meeting with Gromyko is printed in Department of State *Bulletin*, October 1983, p. 12. In it, Shultz referenced Gromyko's September 7 address, noting that "Gromyko made matters even worse by claiming that his country had the right to do what it did and has the right to do it again." He asserted that Gromyko's response to him during their meetings that day proved "even more unsatisfactory" and "unacceptable," adding: "This is not the end of the matter. In the days and weeks ahead, the United States, along with others throughout the international community, will press hard for justice for the families of those murdered and safety and security for innocent travelers."

¹⁵ See Document 169.

¹⁶ In an announcement made on October 4 in the Rose Garden at the White House, the President indicated that he had directed Rowny, at the resumption of the START talks, to offer "new initiatives," including "a series of build-down proposals" focused on building down ballistic warheads and bombers. Rowny was instructed to propose the establishment of a U.S.-Soviet working group to consider these proposals. Reagan added that the United States "will be willing to explore ways to further limit the size and capability of air-launch cruise missile forces in exchange for reciprocal Soviet flexibility on items of concern to us." He concluded, "It's fitting today to repeat what I said last week. The door to an agreement is open. All the world is waiting for the Soviet Union to walk through." (*Public Papers: Reagan, 1983*, Book II, pp. 1411–1412)

concerns and achieve equitable and mutually acceptable agreements. In INF, for example, we are moving on an issue—so-called forward-based aircraft—that the Soviets have been raising since the beginning of the SALT I [strategic arms limitation talks] process. Similarly, in START we have now explicitly committed ourselves to tradeoffs between our advantages in bombers and their advantages in missiles.

For their part, the Soviets have not yet responded in any way to reduce tensions. They have sought to maintain a pose of apparent moderation and reason toward the Europeans, while adopting an increasingly shrill tone toward the United States. Indeed, the intemperate language of Mr. Andropov's statement of September 28 was designed to suggest that the Soviets have given up altogether on dealing with the Reagan Administration.¹⁷ This conclusion is not borne out by daily realities. Our channels to the Soviets are open and working. We continue to talk; they continue to talk. In some instances, it is tough talk. It is not yet clear, however, how the Soviets will proceed from here.

We are now in a period of uncertainty as to the immediate future of U.S.-Soviet relations. The Soviets are facing a major foreign policy setback. Should we not reach agreement this fall in Geneva, U.S. deployments of intermediate-range missiles will go forward—an event the Soviet Union has invested considerable political capital to try to block. The Soviets have rejected all efforts at an equitable solution, and all Soviet proposals, including Andropov's offer last week, call for a Soviet monopoly of such weapons.¹⁸ Earlier this week, the Soviet Ministry

¹⁷ In telegram 12430 from Moscow, September 29, the Embassy provided its assessment of the Andropov statement, noting: "Andropov's September 28 statement is the strongest and most comprehensive attack on the United States by a Soviet leader in years. The substance of most of his allegations (U.S. efforts to attain world dominance; administration 'slander' of the Soviet Union; Washington's having undertaken a 'crusade' to rid the world of the USSR) have appeared regularly in Soviet press criticism of the administration over the past three years. Andropov has raised them to the most authoritative level and has catalogued them in unprecedented detail. He has also used his strongest language to date in describing President Reagan personally. Andropov characterizes the President's UNGA performance as 'convincing no one' and accuses him of setting the tone of anti-Soviet rhetoric for the administration. He complains that unidentified leaders of the U.S. have resorted to 'foul-mouthed abuse mingled with hypocritical sermons on morality and humanity' in their attacks on the Soviet Union and its people." (Department of State, Central Foreign Policy File, Electronic Telegrams, D830565-0577)

¹⁸ In telegram 13569 from Moscow, October 26, the Embassy reported: "The Soviet Union has made its long-awaited INF move. Answering questions from a *Pravda* correspondent, Yuri Andropov has made a three part offer in the negotiations. He says that the Soviet Union can accept equality in missile warheads with the British and French, which would mean 140 launchers for the USSR. He has offered to freeze Soviet INF missiles in Asia in the event of an agreement, and he has offered to agree on an equal level of NATO and Soviet aircraft different from the level in current Soviet proposals. At the same time, Andropov has flatly ruled out continuation of the INF negotiations after NATO deployments. If the US will postpone or cancel the deployments, he has offered to begin unilateral destruction of some 200 SS-4 missiles." (Department of State, Central Foreign Policy File, Electronic Telegrams, D830624-0859)

of Defense announced intentions to deploy modern, short-range missiles in both East Germany and Czechoslovakia as a countermeasure to the potential U.S. deployments.¹⁹ It is not yet clear what the scope of so-called countermeasures will be, and we do not yet know the extent to which these measures represent improvements to Soviet forces in Eastern Europe that were planned long before the NATO decision was made on U.S. deployments.

We see no justification for “counters” to U.S. deployments, which are responses to Soviet SS–20 missiles already in place in much larger numbers. We also see no justification for suspending negotiations when U.S. deployments begin; over the 2 years of negotiations thus far, the Soviets have deployed some 100 SS–20 missiles. It remains uncertain how long and how widely they are prepared to chill East-West relations over the missile issue. We believe, as the Soviets have said to us and to others in private, that they do not want a confrontation.

Support for Soviet-East European Studies

These uncertainties and as yet unanswerable questions return me to my beginning point—that despite 50 years of intense preoccupation with our Soviet relationship, we still know and understand far too little about the Soviet Union.

In the Administration, and in the State Department in particular, we are acutely aware of the need to rebuild and to strengthen Soviet and East European studies within the United States. That is a resource we cannot afford to neglect any longer.

For those reasons, the Administration fully supports the goals expressed in the Soviet-East European Research and Training Act of 1983, a bill now before the Congress sponsored by Senator Richard Lugar and Representative Lee Hamilton.²⁰ This legislation would help to provide a stable base for the improvement of our professional Soviet and East European research. The State Department has taken the lead in the Administration’s efforts to obtain a separate annual appropriation to administer the programs envisioned in this bill. This financial and administrative mechanism would give us the means to achieve the objectives which all parties—the Congress, the executive, and the academic community—agree are essential to strengthening our understanding of the Soviet Union.

¹⁹ On October 24, the Soviet Ministry of Defense announced the proposed deployment. (Eric Bourne, “As Soviets plan countermissiles, East Europe is visibly glum,” *Christian Science Monitor*, October 27, 1983, p. 11) In telegram 13439 from Moscow, October 24, the Embassy transmitted the text of the Ministry of Defense’s statement. (Department of State, Central Foreign Policy File, Electronic Telegrams, D830618–0424)

²⁰ Lugar introduced S. 873 in the Senate on March 21; Hamilton introduced H.R. 601 in the House on January 6.

We still have far to go, both in the development of a more stable and constructive relationship with the Soviet Union and in the development of a better understanding of the Soviet system. I believe we have laid the groundwork for progress in both regards. I welcome your insights in both areas and thank you for inviting me here today.

175. Address by President Reagan Before the Japanese Diet in Tokyo¹

Tokyo, November 11, 1983

Address Before the Japanese Diet in Toyo

Mr. Speaker, Mr. President, Mr. Prime Minister, distinguished Members of the Diet:

It is with great honor and respect that I come before you today, the first American President ever to address the Japanese Diet.

I have been in your country only 2 days. But speaking for my wife, Nancy, and myself, may I say you have more than made us feel at home. The warmth of your welcome has touched our hearts. In welcoming us, you pay tribute to the more than 230 million Americans whom I have the privilege to represent. From all of us—all of them to you we reach out to say: The bonds of friendship which unite us are even greater than the ocean which divides us. *Nichibei no yuho wa eien desu.* [Japanese-American friendship is forever.]

It was a dozen years ago on an autumn day like this one that I first visited Japan, and today, as then, I feel energy, initiative, and industry surging through your country in a mighty current for progress. And just as before, I am struck by a unique gift of the Japanese people: You

¹Source: *Public Papers: Reagan, 1983*, Book II, pp. 1574–1579. All brackets are in the original. The President spoke at 9:35 a.m. in the Assembly Hall of the House of Representatives at the National Diet Building. The President visited Japan, November 9–12, and South Korea, November 12–14. Documentation on the President's trip is scheduled for publication in *Foreign Relations, 1981–1988*, vol. XXX, Japan; Korea, 1981–1984. In telegram 22093 from Tokyo, November 12, Mansfield stated: "The President's visit can only be described as having left Japan glowing. As a result of his historic Diet speech, meetings with the Prime Minister and other activities, all Japan is quoting him, praising him, and looking forward to working together with us." (Department of State, Central Foreign Policy File, Electronic Telegrams, D830664–0546)

do not build your future at the expense of the grace and beauty of your past.

Harmony is a treasured hallmark of Japanese civilization, and this has always been pleasing to Americans. Harmony requires differences to be joined in pursuit of higher ideals, many of which we share. When former President Ulysses S. Grant visited here in 1878, he discovered Japan is a land of enchantment.

During his stay, he met with the Emperor, and their discussion turned to democracy, the pressing issue of the day. President Grant observed that governments are always more stable and nations more prosperous when they truly represent their people.

I am proud to help carry forward the century-old tradition, meeting first with your Emperor on my arrival and now meeting with you a great milestone in your history: the 100th session of the Diet under the modern Japanese Constitution. In 6 years you will celebrate your 100th anniversary of representative government in Japan, just as we will celebrate the birth of our own Congress. I bring you the best wishes and heartfelt greetings from your American counterparts, the Congress of the United States.

One cannot stand in this chamber without feeling a part of your proud history of nationhood and democracy, and the spirit of hope carrying the dreams of your free people. Of all the strengths we possess, of all the ties that bind us, I believe the greatest is our dedication to freedom. Japan and America stand at the forefront of the free nations and free economies in the world.

Yes, we are 5,000 miles apart; yes we are distinctly different in customs, language, and tradition; and yes, we are often competitors in the world markets. But I believe the people represented by this proud parliament and by my own United States Congress are of one heart in their devotion to the principles of our free societies.

I'm talking about principles that begin with the sacred worth of human life; the cherished place of the family; the responsibility of parents and schools to be teachers of truth, tolerance, hard work, cooperation, and love; and the role of our major institutions—government, industry, and labor—to provide the opportunities and security—opportunities and security free people need to build and leave behind a better world for their children and their children's children.

America and Japan are situated far apart, but we are united in our belief that freedom means dedication to the dignity, rights, and equality of man. Yukichi Fukuzawa, the great Meiji-era educator, said it for you: "Heaven has made no man higher or no man lower than any other man."

Our great American hero Abraham Lincoln put it in political perspective for us: "No man is good enough to govern another man

without that other's consent." We both value the right to have a government of our own choosing. We expect government to serve the people; we do not expect the people to serve government.

America and Japan speak with different tongues, but both converse, worship, and work with the language of freedom. We defend the right to voice our views, to speak words of dissent without being afraid, and to seek inner peace through communion with our God.

We believe in rewarding initiative, savings, and risk-taking. And we encourage those who set their sights on the farthest stars and chart new paths to progress through the winds and waters of commerce. Others censor and stifle their citizens. We trust in freedom to nurture the diversity and creativity that enriches us all. I like what your poet Basho said: "Many kinds of plants and each one triumphant in its special blossoms."

Finally, our freedom inspires no fear because it poses no threat. We intimidate no one, we will not be intimidated by anyone. The United States and Japan do not build walls to keep our people in. We do not have armies of secret police to keep them quiet. We do not throw dissidents into so-called mental hospitals. And we would never coldbloodedly shoot a defenseless airliner out of the sky. We share your grief for that tragic and needless loss of innocent lives.

Our two countries are far from perfect. But in this imperfect and dangerous world, the United States and Japan represent the deepest aspirations of men and women everywhere—to be free, to live in peace, and to create and renew the wealth of abundance and spiritual fulfillment.

I have come to Japan because we have an historic opportunity, indeed, an historic responsibility. We can become a powerful partnership for good, not just in our own countries, not just in the Pacific region but throughout the world. Distinguished ladies and gentlemen, my question is: Do we have the determination to meet the challenge of partnership and make it happen? My answer is without hesitation: Yes we do, and yes we will.

For much of our histories, our countries looked inward. Well, those times have passed. With our combined economies accounting for half the output of the free world, we cannot escape our global responsibilities. Our industries depend on the importation of energy and minerals from distant lands. Our prosperity requires a sound international financial system and free and open trading markets. And our security is inseparable from the security of our friends and neighbors.

The simple hope for world peace and prosperity will not be enough. Our two great nations, working with others, must preserve the values and freedoms our societies have struggled so hard to achieve. Nor should our partnership for peace, prosperity, and freedom be

considered a quest for competing goals. We cannot prosper unless we are secure, and we cannot be secure unless we are free. And we will not succeed in any of these endeavors unless Japan and America work in harmony.

I have come to your country carrying the heartfelt desires of America for peace. I know our desires are shared by Prime Minister Nakasone and all of Japan. We are people of peace. We understand the terrible trauma of human suffering. I have lived through four wars in my lifetime. So, I speak not just as President of the United States, but also as a husband, a father, and as a grandfather. I believe there can be only one policy for preserving our precious civilization in this modern age. A nuclear war can never be won and must never be fought.

The only value in possessing nuclear weapons is to make sure they can't be used ever. I know I speak for people everywhere when I say our dream is to see the day when nuclear weapons will be banished from the face of the Earth.

Arms control must mean arms reductions. America is doing its part. As I pledged to the United Nations less than 2 months ago, the United States will accept any equitable, verifiable agreement that stabilizes forces at lower levels than currently exist.² We want significant reductions, and we're willing to compromise.

In the strategic arms reduction talks, American negotiators continue to press the Soviet Union for any formula that will achieve these objectives. In the longer range INF talks, we are pursuing the same course, even offering to eliminate an entire category of weapons. I'm very conscious of our negotiating responsibility on issues that concern the safety and well-being of the Japanese people. And let me make one thing very plain. We must not and we will not accept any agreement that transfers the threat of longer range nuclear missiles from Europe to Asia.

Our great frustration has been the other side's unwillingness to negotiate in good faith. We wanted to cut deep into nuclear arsenals, and still do. But they're blocking the dramatic reductions the world wants. In our good-faith effort to move the negotiations forward, we have offered new initiatives, provided for substantial reductions to equal levels, and the lower the level the better. But we shall wait. We still wait for the first positive response.

Despite this bleak picture, I will not be deterred in my search for a breakthrough. The United States will never walk away from the negotiating tables. Peace is too important. Common sense demands that we persevere, and we will persevere.

²See Document 169.

We live in uncertain times. There are trials and tests for freedom wherever freedom stands. It is as stark as the tragedy over the Sea of Japan, when 269 innocent people were killed for the so-called cause of sacred airspace. It is as real as the terrorist attacks last month on the Republic of Korea's leadership in Rangoon³ and against American and French members of the international peacekeeping force in Beirut.⁴ And yes, it is as telling as the stonewalling of our adversaries at the negotiating table, and as their crude attempts to intimate freedom-loving people everywhere.

These threats to peace and freedom underscore the importance of closer cooperation among all nations. You have an old proverb that says, "A single arrow is easily broken, but not three in a bunch." The stronger the dedication of Japan, the United States, and our allies to peace through strength, the greater our contributions to building a more secure future will be. The U.S.-Japan Treaty of Mutual Cooperation and Security must continue to serve us as the bedrock of our security relationship.⁵ Japan will not have to bear the burden of defending freedom alone. America is your partner. We will bear that burden together.

The defense of freedom should be a shared burden. We can afford to defend freedom; we cannot afford to lose it. The blessings of your economic miracle, created with the genius of a talented, determined, and dynamic people, can only be protected in the safe harbor of freedom.

In his book, "In Quest of Peace and Freedom," former Prime Minister Sato wrote: "In the hundred years since the Meiji Restoration, Japan has constantly endeavored to catch up and eventually overtake the more advanced countries of the world."⁶ Well, I don't think I'll be making headlines when I say, you've not only caught up; in some cases, you've pulled ahead. [*Laughter*] Here again, our partnership is crucial. But this time, you can be teachers.

To all those who lack faith in the human spirit, I have just three words of advice: Come to Japan. Come to a country whose economic production will soon surpass the Soviet Union's making Japan's economy the second largest in the entire world. Come to learn from a culture that instills in its people a strong spirit of cooperation, discipline, and striving for excellence; and yes, learn from government policies which helped create this economic miracle—not so much by central planning,

³ On October 9, a bomb exploded at the Martyrs' Mausoleum in Rangoon, where South Korean and Burmese officials were taking part in a wreath-laying ceremony. Twenty people were killed, including four South Korean cabinet ministers and two advisers to Chun. (Chit Tun, "Burma: 1 Korean Held, 1 Killed After Attack," *Washington Post*, October 12, 1983, p. A16)

⁴ See footnote 2, Document 170.

⁵ See footnote 3, Document 9.

⁶ Published in 1973. Sato served as Prime Minister of Japan from 1964 until 1972.

as by stimulating competition, encouraging initiative, and rewarding savings and risk-taking.

Our country has made great strides in this direction during the last 3 years. We're correcting past mistakes. Hope is being reborn. Confidence is returning. America's future looks bright again. We have turned the corner from overtaxing, overspending, record interest rates, high inflation, and low growth. The United States is beginning the first stage of a new industrial renaissance, and we're helping pull other nations forward to worldwide recovery.

But some in my country still flinch from the need to restrain spending. Under the guise of lowering deficits, they would turn back to policies of higher taxes. They would ignore the lesson of Japan. A look at Japan's postwar history yields two stunning conclusions. Among the major industrialized countries, your tax burden has remained the lowest and your growth and saving rates the highest. Savers in Japan can exempt very large amounts of interest income from taxation. Your taxes on so-called unearned income—[laughter]—are low. You have no capital gains tax on securities for investors. And the overwhelming majority of your working people face tax rates dramatically lower than in the other industrial countries, including my own. And incentives for everyone—that's the secret of strong growth for a shining future filled with hope, and opportunities and incentives for growth, not tax increases, is our policy for America. Sometimes I wonder if we shouldn't further our friendship by my sending our Congress here and you coming over and occupying our Capitol Building for a while.

Partnership must be a two-way street grounded in mutual trust. Let us always be willing to learn from each other and cooperate together. We have every reason to do so. Our combined economies account for almost 35 percent of the world's entire economic output. We are the world's two largest overseas trading partners. Last year Japan took about 10 percent of our total exports, and we bought some 25 percent of yours. Our two-way trade will exceed \$60 billion in 1983, more than double the level of just 7 years ago.

At the Williamsburg summit last May, the leaders of our industrial democracies pledged to cooperate in rolling back protectionism. My personal commitment to that goal is based on economic principles, old-fashioned common sense, and experience. I am old enough to remember what eventually happened the last time countries protected their markets from competition: It was a nightmare called the Great Depression. And it was worldwide. World trade fell at that time by 60 percent. And everyone—workers, farmers, and manufacturers were hurt.

Let us have the wisdom never to repeat that policy. We're in the same boat with our trading partners around the globe. And if one partner in the boat shoots a hole in the boat, it doesn't make much sense for the other partner to shoot another hole in the boat. Some say, yes, and call that getting tough. Well, forgive me, but I call it getting wet all over. Rather than shoot holes, let us work together to plug them up so our boat of free markets and free trade and fair trade can lead us all to greater economic growth and international stability.

I have vigorously opposed quick fixes of protectionism in America. Anticompetitive legislation like the local content rule, which would force our domestic manufacturers of cars to use a rising share of U.S. labor and parts—now, this would be a cruel hoax. It would be raising prices without protecting jobs. We would buy less from you. You would buy less from us. The world's economic pie would shrink. Retaliation and recrimination would increase.

It is not easy for elected officials to balance the concerns of constituents with the greater interests of the Nation, but that's what our jobs are all about. And we need your help in demonstrating free trade to address concerns of my own people. Americans believe your markets are less open than ours. We need your support to lower further the barriers that still make it difficult for some American products to enter your markets easily. Your government's recent series of actions to reduce trade barriers are positive steps in this direction. We very much hope this process will continue and accelerate. In turn, I pledge my support to combat protectionist measures in my own country.

If we each give a little, we can all gain a lot. As two great and mature democracies, let us have the faith to believe in each other, to draw on our long and good friendship, and to make our partnership grow. We are leaders in the world economy. We and the other industrialized countries share a responsibility to open up capital and trading markets, promote greater investment in each other's country, assist developing nations, and stop the leakage of military technology to an adversary bent on aggression and domination.

We believe that the currency of the world's second largest free-market economy should reflect the economic strength and political stability that you enjoy. We look forward to the yen playing a greater role in international financial and economic affairs. We welcome the recent trend toward a stronger yen. And we would welcome Japan's increasingly active role in global affairs. Your leadership in aid to refugees and in economic assistance to various countries has been most important in helping to promote greater stability in key regions of the world. Your counsel on arms reduction initiatives is highly valued by us.

We may have periodic disputes, but the real quarrel is not between us. It is with those who would impose regimentation over freedom, drudgery over dynamic initiative, a future of despair over the certainty of betterment, and the forced feeding of a military goliath over a personal stake in the products and progress of tomorrow.

You and your neighbors are shining examples for all who seek rapid development. The Pacific Basin represents the most exciting region of economic growth in the world today. Your people stretch your abilities to the limit, and when an entire nation does this, miracles occur. Being a Californian I have seen many miracles hardworking Japanese have brought to our shores.

In 1865 a young Samurai student, Kanaye Nagasawa, left Japan to learn what made the West economically strong and technologically advanced. Ten years later he founded a small winery at Santa Rosa, California, called the Fountaingrove Round Barn and Winery. Soon he became known as the grape king of California. Nagasawa came to California to learn and stayed to enrich our lives. Both our countries owe much to this Japanese warrior-turned-businessman.

As the years pass, our contacts continue to increase at an astounding rate. Today some 13,000 of your best college and graduate students are studying in America, and increasing numbers of U.S. citizens are coming here to learn everything they can about Japan. Companies like Nissan, Kyocera, Sony, and Toshiba have brought thousands of jobs to America's shores. The State of California is planning to build a rapid speed train that is adapted from your highly successful bullet train. In 1985 the United States will join Japan in a major exhibition of science and technology at Tsukuba, another symbol of our cooperation.⁷

For my part, I welcome this new Pacific tide. Let it roll peacefully on, carrying a two-way flow of people and ideas that can break from barriers of suspicion and mistrust and build up bonds of cooperation and shared optimism.

Our two nations may spring from separate pasts; we may live at opposite sides of the Earth; but we have been brought together by our indomitable spirit of determination, our love of liberty, and devotion to progress. We are like climbers who begin their ascent from opposite ends of the mountain. The harder we try, the higher we climb and the closer we come together—until that moment we reach the peak and we are as one.

It happened just last month. One American and two Japanese groups began climbing Mt. Everest—the Japanese from the side of

⁷Reference is to Science Expo '85, a 6-month international exposition, scheduled to open in Tsukuba in March 1985.

Nepal and the Americans from the side of Tibet. The conditions were so difficult and dangerous that before it ended two Japanese climbers tragically lost their lives. But before that tragedy, those brave climbers all met and shook hands just under the summit. And then, together, they climbed to the top to share that magnificent moment of triumph.

Good and dear friends of Japan, if those mountaineers could join hands at the top of the world, imagine how high our combined 350 million citizens can climb, if all of us work together as powerful partners for the cause of good. Together there is nothing that Japan and America cannot do.

Thank you very much. God bless you.

176. Draft Memorandum From Frederick Wetters and Constantine Menges of the National Security Council Staff to the President's Assistant for National Security Affairs (McFarlane)¹

Washington, November 30, 1983

SUBJECT

Proposed Foreign Policy Grand Strategy: "The Violet Plan"

A frequent criticism of this Administration is that we have no foreign policy; that we react to events rather than have strategic goals. While this is belied by over 100 NSDDs and a number of other policy documents, nonetheless, this accusation is difficult to refute in public without a confusing and lengthy listing of policy documents, many of which cannot be made public. (S)

Frankly, there is some merit in this criticism, which is levied by solid conservatives as well as liberals. We propose the adoption of a strategy, which we whimsically name the "Violet Plan" (violet is the opposite end of the spectrum from red), which we believe can be made public, can garner domestic support from both conservatives and liberals, and which makes sense. The strategy builds upon the momentum which we have developed

¹Source: Reagan Library, Donald Fortier Files, Subject File, Policy Planning (Second Term) I: 01/01/1984-06/12/1984. Secret. Sent for information. Printed from an uninitialed copy. Attached but not printed is an undated paper entitled "Planning Papers and Participants." Wetters sent the memorandum to Fortier under a January 26, 1984, note indicating that it "is a copy of a think piece which I drafted but will probably never see the light of day this year."

as a result of the Grenada initiative,² and incorporates a number of existing *ad hoc* and disconnected initiatives that have been undertaken in recent months and years and provides a conceptual and policy framework for these efforts. Briefly stated, the policy proposal is as follows:

To take advantage of objective conditions in the developing world in order to reverse the spread of Marxist-Leninist form of government and societal organization that has arisen in recent years and the associated expansion of Soviet/surrogate influence by selectively using economic, military, training and other inducements and pressures to induce developing national governments to adopt political, economic and societal measures which lead toward the growth of the private economic sector, political pluralism and political liberties, religious freedom, and disassociation with the Soviet Union, Cuba and other Soviet surrogates. (S)

The very expansion of the number of Marxist-Leninist regimes oriented towards Moscow in recent years has in fact created major vulnerabilities for both the Soviets and for the popularity of the ideology. The world economic crisis, the Soviet inability to provide economic assistance of consequence, the Soviet tendency towards penuriousness and debt-collecting, the patent inefficiencies and political liabilities of Marxism-Leninism, all have created real conditions for advancement of vital US interests. Several of these Marxist-Leninist regimes have made serious approaches to us in recent months, seeking economic assistance and professing willingness to alter and amend basic policies. (S)

(These developments lend validity to a proto-strategy articulated in late 1981 by Henry Nau and Fred Wattering which argued for a two-stage approach to Third World Marxist regimes: rusticate or cut them off completely from US and Western support until they indicate a willingness to change;³ and then openly reward positive changes when they occur. This was never adopted in the NSDD sense as a national policy, however). (S)

To a large degree the inertia of the bureaucracy precludes us from acting and reacting to positive developments without some overriding policy authority. The budget process makes it extremely difficult to find

² Reference is to the U.S. invasion of Grenada on October 25 after the overthrow and murder of Prime Minister Bishop (see footnote 2, Document 173). In an October 27 address to the nation regarding the events in both Lebanon and Grenada, the President explained that six members of the Organization of Eastern Caribbean States, in addition to Jamaica and Barbados, had asked the United States to "join them in a military operation to restore order and democracy to Grenada." He continued, "These small, peaceful nations needed our help. Three of them don't have armies at all, and the others have very limited forces. The legitimacy of their request, plus my own concern for our citizens, dictated my decision. I believe our government has a responsibility to go to the aid of its citizens, if their right to life and liberty is threatened. The nightmare of our hostages in Iran must never be repeated." (*Public Papers: Reagan, 1983*, Book II, p. 1521) Documentation on the invasion is scheduled for publication in *Foreign Relations, 1981–1988*, vol. XVII, Part 2, Eastern Caribbean.

³ Not found.

funds to reward positive steps. There remains a clear lack of consensus on disincentive or pressure measures to be applied to Marxist-Leninist regimes susceptible to such pressures. (S)

To an unfortunately large degree, we have been insensitive to positive developments that have already occurred prior to the Grenada effort (a case in point being Equatorial Guinea, which, in 1979 overthrew the Cuban and Soviet-supported Macias regime,⁴ reoriented toward the West and US, expelled Cubans and Soviets, begged for [*less than 1 line not declassified*] US support, represented a treasure-trove of psychological exploitation (the first Third World Marxist regime to “defect” in recent years), and yet received—and continues to receive—*de minimus* attention and aid). In Africa, we have received serious overtures from Cape Verde, Guinea Bissau and Mozambique, all of which fit the model. Only in the Mozambique case are we moving cautiously ahead, and there we are meeting resistance from Congressional conservatives due to our inability to cite a grand strategy. (S)

Under this proposed policy several other Administration policy initiatives could be directly related—the support for the indigenous private sector and the democracy program, for example. There would seem to be numerous candidate regimes which might qualify under such a strategy where it seems we have some real prospects for advancing our interests at the direct expense of the Soviet Union—Suriname, Cape Verde, Guinea Bissau, Mozambique. Like Grenada, none of them is individually of vital strategic importance, but we would argue that if we could deepen the momentum engendered by the Grenada success it could lead to more important successes. Nicaragua comes to mind, as does South Yemen, Angola, Ethiopia, . . . The Soviets place immense credence and importance in the correlation of forces, and it was Soviet successes in the Third World in the 1970s (Angola, Ethiopia) that led Leonid Brezhnev to proclaim publicly that the correlation of forces had decisively shifted in favor of the Soviet Union and communism. (S)

We would further argue that such a strategy, publicly articulated and with demonstrable results, would be understandable to the American public and Congress. (S)

Bureaucratically, the policy should encompass the creation of a SIG-level group which could examine possibilities world-wide and have the authority to examine existing financial allocations and make recommendations which could result in a quick reallocation of resources (this will of course meet with massive bureaucratic resistance). (S)

⁴ Macias was overthrown on August 3, 1979.

RECOMMENDATION: You may wish to bounce this off Shultz/Eagleburger. If you agree, there should be a restricted, hand-picked group brought together to put this in the form of an NSDD proposal).

177. Memorandum From Donald Fortier of the National Security Council Staff to Robert Kimmitt of the National Security Council Staff¹

Washington, December 5, 1983

SUBJECT

State of the Union Address²

Below are some quick thoughts on the State of the Union outline:

—The current outline advances a number of important and useful themes. The themes of democracy—which I would recast as: “Strengthening and Defending Democracies”—is crucial, since it provides a proper (and relatively invulnerable) context for explaining, and justifying, much of what we are about, e.g., El Salvador. We cannot achieve everything in a moment; and we do not pretend that we alone can make the world safe for democracy. *But we do realize that democracy cannot flourish when people feel unsafe.*

—What the outline lacks is the identification of a few key *organizing themes* or thoughts that will run through the entire presentation. In arriving at these organizing themes, we have to anticipate the two principal lines of attack our critics will follow: i.e., one, that our policy is excessively militaristic and, hence, dangerous; and, two, that we have achieved few, if any, dramatic foreign policy achievements.

—To deal with the latter criticism, we need to stress the theme of: “Restoring the Conditions necessary for the Conduct of a Successful Foreign Policy.” For example: “I hope that when historians look back on this period they will say: ‘This was a time when American power was reconstituted; when years of disinvestment in military strength were reversed; when drift and indecision ended; when bipartisanship was

¹Source: Reagan Library, Executive Secretariat, NSC Subject File, State of the Union (1984). Confidential. Copies were sent to McFarlane and Poindexter.

²The President delivered his State of the Union address on January 25, 1984. For the text of the address, see *Public Papers: Reagan, 1984*, Book I, pp. 87–94.

restored; and when Americans rediscovered a sense of purposefulness and international commitment.”

—People understand that businesses and athletic teams go through periods of rebuilding; so too do nations. Success is not invented out of thin air or arrived at on the basis of magical diplomatic incantations. Rather, success depends on nurturing conditions of strength, on reversing regional power imbalances, and on credibility. All of these conditions were in short supply when this Administration came into office. All have been dramatically enhanced as a result of the President’s stewardship. *This is our fundamental success and it is the one success that can, in the years ahead, make all other successes possible.*

—The rebuilding section also has to stress—more fully than ever before—the need for foreign assistance resources. We are mature enough to realize that we cannot ask others to defend our security interests for us, or to be our surrogates. But there is much that others—with our support—are better able to do than we ourselves, in part because of their geographical position, in part because of their familiarity with regional factions and traditions, and so on.

—The help of our friends is crucial to *minimizing* our own involvement (a theme that should strike a responsive chord). But here again there are no easy answers. If we want others to play a larger role, then we must—as Churchill said—at least give them the tools to do the job. Since the period of the Marshall Plan³ and the formation of NATO, however, *America’s investment in foreign assistance resources has dramatically declined.* We draw optimism from the fact that so many capable states are willing to work with us in the interest of peace. Unlike the Soviets, our partnerships are voluntary, not coerced. But if we are to harness this important potential collective strength, we must ourselves prime the pump.

—Having said all of this, there are still concrete accomplishments we should illustrate—and new ones we may, by January, be able to cite. Hopefully, we will have withdrawn our forces from, and stabilized Grenada; hopefully too, in the wake of Grenada, other countries—possibly, Suriname, Ethiopia, and Mozambique—will have further distanced themselves from Cuba. This is something worth noting. Beyond this, the INF picture should have stabilized and we should have also negotiated a precedent setting nonproliferation agreement with the Chinese. We need to be alert to such specific accomplishments and *we need to construct a framework for the speech that allows us to discuss these accomplishments in a contextual rather than a random fashion.*

³ Secretary Marshall outlined an economic recovery program for post-war Europe in a June 5, 1947, address delivered at Harvard University. For the text, see *Foreign Relations, 1947*, vol. III, The British Commonwealth; Europe, pp. 237–239.

—The speech should have a positive vision and a sense of optimism. We can speak with some sense of self-satisfaction about the successful restoration of strength; and we can speak with justifiable high-mindedness about our work in nurturing and defending democracy. Beyond our efforts at dealing with the *traditional problems* of diplomacy, we also need to remind people of the *systemic new challenge*, which this administration is forced to confront. That challenge, of course, is *international*—terrorism that operates at times with the support of our traditional adversaries, and at times independent of their control; terrorism that profits from cover and ambiguity; terrorism that has become more extreme in the violence it supports and in the political agenda it embraces; and, terrorism that has gained in strength owing to more sophisticated and self-reinforcing cooperation which terrorist groups provide to one another.

—The purpose is not to scare people, or to conjure up unmanageably negative visions. Where problems are raised, we have an obligation to also describe a strategy for solution. But we do need to make others recognize that *this Administration has had the sophistication to recognize, and the courage to confront, a fundamentally new foreign policy challenge*. If we create this context, we can help to make a number of the actions we have taken—against Libyan terrorists and others—more persuasive; and within this context we can better refute the charge that our strength is being directed against those so weak as to be unworthy of our concern.

—Regarding U.S.-Soviet relations, we need to make the public realize that part of what is being interpreted as a “new low” in U.S.-Soviet relations is in fact a sign of success. The Soviets are behaving in the way they are precisely because of the successful reassertion of American power. We also need to help people understand that the Soviets whip up such hysteria—not because a crisis is necessarily imminent—but to put the onus for compromise and movement constantly on our shoulders. We should make it clear that the competition will continue but that it will not lead to nuclear war.

—The Soviet section should sound firm but responsible. We do not seek to threaten the survival of the Soviet regime, even though we violently object to the philosophical principles upon which that regime is based. (We should take credit for our restraint in the aftermath of KAL.) We do intend, however, to force the Soviets to bear the cost of the priorities they have chosen—hence no subsidies, etc. To prove that we are capable of pursuing overriding interests even as we compete, we could begin to give greater visibility to our private and continuing talks with the Soviets on nonproliferation.

178. **Memorandum From Donald Fortier of the National Security Council Staff to the President's Assistant for National Security Affairs (McFarlane)**¹

Washington, December 8, 1983

SUBJECT

A Suggestion for Rebuilding Support for Foreign Assistance

Shortly before leaving State I recommended that a bipartisan commission be established to find ways to reconstitute public support for foreign assistance. I don't know if it was my idea that finally percolated to the top, or whether there were independent suggestions along the same line from multiple sources. In any event, it was only much later that I learned that such a commission had in fact been established. I was not asked by State to comment either on its work program or composition. Perhaps then it is only my personal annoyance that causes me to feel that the project has not been managed in a particularly inspirational fashion. But for whatever reason I do in fact believe this is the case.

One thing is certain. We desperately need to do something about the foreign assistance problem. You know better than anyone how important such assistance is: to affect expectations, to signal support, to minimize our direct involvement, to build cadres oriented toward the West, to reduce opportunities for Soviet exploitation, to show the reversibility of Soviet gains, etc. I acutely remember my own sense of demoralization upon visiting North Yemen in 1980. Even in so small a country the Soviets were self-consciously out-training us by a ratio of about twenty to one. In Turkey, the Soviets have invested more in support for terrorism than we have in recent years on foreign aid. New intelligence out of Somalia suggests that Siad Barre is becoming so frustrated by the limitations of our assistance program that he is reconsidering the value of the broader bilateral relationship. The Somali case may be exaggerated; though it is symptomatic of what we may see in even larger form in the years ahead.

As harried policy makers we agonize constantly over trade-offs at the margin, e.g., ten million dollars, more or less, grant or credit, Somalia or Sudan. The plain fact of the matter is, however, that the foreign assistance program has eroded steadily since the first crucial investments for peace and security were made in the wake of World War II. Those

¹ Source: Reagan Library, Executive Secretariat, NSC Subject File, [Security Assistance] Foreign Aid (December 1983); NLR-753-94-6-20-0. Secret. Sent for information. Also scheduled for publication in *Foreign Relations*, 1981-1988, vol. XXXVIII, International Economic Development; International Debt; Foreign Assistance.

investments have paid handsome dividends over the last three decades, but new investments must be made for the years ahead. Just as a conservative Republican President was needed to reverse our relationship with China, the same may be true now with regard to the need to restructure American public opinion on the subject of foreign assistance.

Perhaps this is an issue for the first year of the second term rather than now. I believe, however, that there is no time like the present. I have recommended that the Speechwriters include a significant passage on foreign assistance in the State of the Union address. We would make the point that support for *foreign assistance is perhaps the foremost remaining requirement for restoring the conditions for a successful U.S. foreign policy.*

Words without examples will only carry us so far. Thus, I suggested some months ago that the President contemplate concrete action to drive home the rhetorical point we so frequently make—namely, that dollar for dollar, foreign assistance is as effective, and in many cases more so, than our own defense programs. *The specific idea was to identify a weapons system (or some specific percentage of the current defense budget) which the President would agree to delete, reduce or defer, but only as part of a Congressional deal to dramatically reconstitute the foreign assistance account.* My thought was that we would probably be obliged to take cuts in any event and that, possibly, by going a little further than was expected, we could get something truly significant for what we would be forced to give up. The gain would be a concrete one in terms of our security interests, and, yet because of the attachment many liberals have to the economic portion of our economic aid program, it would be easier to sustain a bipartisan consensus for the deal. Ikle, Wohlstetter and others were struck by the idea when I first discussed it with them, although Fred of course only unofficially. Implementing the idea would of course be complex.

Maybe this is just pie-in-the-sky, but I think something of this magnitude will be required if we are really serious about facing up to the foreign assistance problem. I think it is frequently safer to fight battles in the large, rather than on regional, specific programs.

I suggest that you attempt to see Carlucci privately to sound him out on this idea. He not only would have the experience of the Commission's work² behind him, but would also have important insights about how to make the idea work given the defense budget progress and associated bureaucratic politics. Bob Lilac and I will also give some thought to how we make better use of the product we do have from the Commission itself.

² On February 22, Shultz announced that was "creating an advisory panel of private citizens and members of Congress to review the Government's foreign aid and military assistance programs." He indicated that Carlucci would head the Commission on Foreign Security and Economic Assistance. ("Panel to Advise on Aid," *New York Times*, February 23, 1983, p. D13) The final report is *The Commission on Security and Economic Assistance: A Report to the Secretary of State* (Washington: The Commission on Security and Economic Assistance, 1983).

179. Editorial Note

On December 16, 1983, President Ronald Reagan offered remarks at a White House ceremony celebrating and launching the National Endowment for Democracy (NED). He spoke at 11:39 a.m. in Room 450 of the Old Executive Office Building. The President had proposed the creation of such an institute within the context of his June 8, 1982, address before the British Parliament (see Document 104). Referencing the address, the President recalled: "Last year in London I spoke of the need and obligation to assist democratic development. My hope then was that America would make clear to those who cherish democracy throughout the world that we mean what we say.

"What had been preying on my mind that prompted me to say that in that speech to the Parliament was that in my lifetime, my adult lifetime, the world has been beset by '-isms'. And we remember one of those -isms that plunged us into a war. And it suddenly dawned on me that we, with this system that so apparently works and is successful, have just assumed that the people would look at it and see that it was the way to go. And then I realized, but all those -isms, they also are missionaries for their cause, and they're out worldwide trying to sell it. And I just decided that this nation, with its heritage of Yankee traders, we ought to do a little selling of the principles of democracy.

"Speaking out for human rights and individual liberty and for the rule of law and the peaceful reconciliation of differences, for democratic values and principles, is good and right. But it's not just good enough. We must work hard for democracy and freedom, and that means putting our resources—organizations, sweat, and dollars—behind a long-term program.

"Well, the hope is now a reality. The National Endowment for Democracy, a private, nonprofit corporation funded by the Congress, will be the centerpiece of this effort. All Americans can be proud of this initiative and the congressional action which made it possible."

The President then outlined the organizational and programmatic aspects of the Endowment. He noted the limitations of democracy promotion, asserting:

"Now, we're not naïve. We're not trying to create imitations of the American system around the world. There's no simple cookbook recipe for political development that is right for all people, and there's no timetable. While democratic principles and basic institutions are universal, democratic development must take into account historic, cultural, and social conditions.

"Each nation, each movement will find its own route. And, in the process, we'll learn much of value for ourselves. Patience and respect for different political and cultural traditions will be the hallmark of our

effort. But the combination of our ideas is healthy. And it's in this spirit that the National Endowment reaches out to people everywhere—and will reach out to those who can make a difference now and to those who will guide the destiny of their people in the future.”

After noting an emerging democratic trend, the President concluded his remarks: “The National Endowment for Democracy can make lasting and important contributions. It's up to all of us to make it happen, to harness the resources, experiences, and wisdom of both the public and the private sectors. It's up to us to broaden our efforts, make them grow. And with the people in this room, I know we can, and I know we will.

“So, again, thank you, good luck, and God bless all of you.” (*Public Papers: Reagan, 1983, Book II, pages 1708–1709*)

Foundations of Foreign Policy, 1984

180. Electronic Message From the President's Assistant for National Security Affairs (McFarlane) to Robert Kimmit of the National Security Council Staff¹

Washington, January 7, 1984, 2:02 p.m.

SUBJECT

A Long Look Ahead

For some time, I have tried unsuccessfully, to orchestrate a long range planning effort. My time frame was the first term; the time for it to happen was in 82 and the first half of 83. Had we had it we could have better focussed our resources (the use of the President's time, his travel, his meeting with Congressmen etc) to accomplish one or two significant gains. We haven't done that. Now, in an election year, launching a new initiative is probably infeasible if not unwise. Still, we need to be ready to move out smartly at the commencement of the new term. In addition we will need to give the President our recommendations for an imaginative vision of the future for his use in appealing to the American people this fall. Consequently I would appreciate your talking to Don Fortier about putting together two separate study outlines; the first should be our planning agenda for the spring of '85. That is, what regional and functional NSSD's should be launched so as to focus our energies toward the accomplishment of one or two significant things in the second term—is it a new orientation of US policy toward the Pacific Basin; what else?

The second outline should be more visionary. It should sketch in broad terms the problems and opportunities before us as we approach the turn of the century.

¹ Source: Reagan Library, Donald Fortier Files, Subject File, Policy Planning (Second Term) I: [01/01/1984-06/12/1984]. Secret. Copied to Poindexter, George Van Eron, Fortier, and Lehman. Poindexter forwarded the message to Van Eron on January 7 at 2:03 p.m., writing: "Please print out a hard copy of this one for me."

What institutional changes are needed for example to assure the peaceful exploitation by all free world countries of the technological revolution that is upon us? What are the unexplored opportunities of space and how can we tackle them? What approach to the developing world might offer greater promise than the approaches we have taken? What institutional changes might hold promise of strengthening the international financial system? There are many other areas for Don's imagination in concert with imaginative people like Norm Bailey, Harry Rowen et al.

There is no urgent deadline for this but I would like to hear Don's thoughts within a month or so. Many thanks.²

² An unknown hand underlined "like to hear Don's thoughts within a month or so. Many thanks."

181. Memorandum From the Special Assistant to the President and White House Chief Speechwriter (Dolan) to Multiple Addressees¹

Washington, January 11, 1984

SUBJECT

Soviet-American Relations Speech

The upcoming Soviet-American relations speech² is a good opportunity to stress the President's moderation in international matters and his record on peace initiatives. The speech, however, will lose its impact

¹ Source: Reagan Library, WHORM: Subject File, Speeches (SP), SP 833 Soviet/U.S. Relations, White House, Washington, DC, 01/16/1984 200000–204999. No classification marking. Sent to McFarlane, Gergen, Darman, Elliot, and Myer. In his memoir, Shultz indicated that during a December 17, 1983, meeting, the President stated that "he wanted to make a major Soviet speech and include in it his readiness to get rid of nuclear weapons." The Department provided Reagan with a draft version by December 19, Shultz wrote, and the President "decided to give it in early January as the first part of a one-two message, with the second part being my speech at the CDE conference in Stockholm." Shultz noted: "Our speeches would lay the groundwork for my meeting with Gromyko," scheduled for January 18, 1984. (Shultz, *Turmoil and Triumph*, pp. 376, 465) Additional documentation regarding the drafting of the address is in *Foreign Relations, 1981–1988*, vol. IV, Soviet Union, January 1983–March 1985, as is documentation regarding Shultz's meeting with Gromyko. For the text of Shultz's January 17, 1984, statement before the CDE in Stockholm, see Department of State *Bulletin*, March 1984, pp. 34–36.

² See Document 182.

if it is seen as a divergence from the President's unequivocal candor about the Soviet Union and its international activities.

If there is even a hint in the press guidance that the President is trying to backtrack on his former position—something I am certain the President would never want said—it will set off a long debate and the President will ultimately be forced to step in. I don't think there is any doubt about where he will come down on the question. But this will only lead to stories about the President's reaffirmation of his view of the Soviet Union as an evil empire and it seems to me that for tactical purposes this is exactly the point he does not want to have to emphasize at the moment.

Second, It should also be borne in mind that the President's defense and national security policies have been successful because they have developed behind them a wide political consensus. This consensus, which was voiced in the 1980 elections and has gathered momentum in the subsequent years, is due in large part to the President's realism about the Soviet Union—something the American people felt was desperately lacking in the national leadership for a couple of decades. The President's policy has been entirely coherent: he has stressed that Western statesmen have a moral obligation to speak candidly about the Soviet Union and its intentions—for our own sake, for the sake of those who suffer under Soviet rule, for the sake of realistic negotiations with the Soviets. If the President is perceived as suddenly backtracking, it will damage the perception of policy coherence the public finds so reassuring.

I make these recommendations:

a) That the press guidance be very clear in this matter. The President adheres to his long-held view of the Soviet Union, indeed that he feels America's foreign policy must have a moral center i.e. speaking out about the nature of Soviet rule and the human suffering it causes. (The President has reaffirmed as recently as the *People Magazine* interview his belief in the "evil empire."³ In *TIME Magazine* as well, he seems to be saying it is not necessary to emphasize a point already made and implicitly understood.)⁴

b) I would suggest the following insert in the speech:

³ On December 6, 1983, Garry Clifford and Patricia Ryan interviewed the President for *People Magazine*. When asked if he had "any second thoughts about calling the Soviet Union an evil empire," the President responded: "No. I think that it was high time that we got some realism and got people thinking that for too long we have kind of viewed them as just a mirror image of ourselves, and that maybe we could appeal to their good nature. And we've gone through the experience in a number of years past of saying, well, if we cancel weapons systems, if we unilaterally disarm, maybe they'll see that we're nice people, too, and they'll disarm. Well, they didn't. They just kept on increasing." (*Public Papers: Reagan, 1983, Book II, p. 1714*)

⁴ Presumable reference to George J. Church, "Men of the Year: Ronald Reagan and Yuri Andropov: They are the focus of evil in the modern world," *TIME*, January 2, 1984.

“Candor about the Soviet Union and its international activities, far from hindering the peace process, actually enhances it. History has shown that when the Soviets realize that their counterparts in negotiations have no illusions about the true nature of their system and its ultimate intentions that they settle down to the hard business of serious negotiations. As I have said before, while the democracies have their own serious injustices to deal with, this should not prevent us from making the crucial moral distinctions between a system which attempts to deal with its problems forthrightly and a system that justifies wrongdoing done in the name of the state. Our willingness to speak out about injustice is at the heart of our foreign policy, indeed forms its moral center. To fail to enunciate the differences between totalitarian and democratic systems of government would be to forsake this moral high ground. Equally as important, it would persuade the Soviets we are once again in the grip of self-delusion. This would only tempt them to exploit negotiations rather than work towards results beneficial to both sides.

182. Address by President Reagan to the Nation and Other Countries¹

Washington, January 16, 1984

Address to the Nation and Other Countries on United States-Soviet Relations

During these first days of 1984, I would like to share with you and the people of the world my thoughts on a subject of great importance to

¹ Source: *Public Papers: Reagan, 1984*, Book I, pp. 40–44. The President spoke at 10 a.m. in the East Room at the White House. A transcript of the address is printed in the *New York Times*, January 17, 1984, p. A8. Additional documentation concerning the address is in the Reagan Library, WHORM: Subject File, Speeches, SP 833, Soviet/U.S. Relations, White House, Washington, DC 01/16/1984 200000–204999, and Reagan Library, Executive Secretariat, NSC Subject File, Public Affairs (January 1984–March 1984). In his personal diary entry for January 16, the President wrote: “Staff & N.S.C. meetings but the day really began in the East room at 10:00 A.M. when I went live on T.V. worldwide with address on Soviet-U.S. relations. The press, especially T.V. is now trying to explain the speech as pol. etc. The speech was carefully crafted by all of us to counter Soviet propaganda that we are not sincere in wanting arms reductions or peace. It [therefore] was low key and held the door open to the Soviets if they mean what they say about loving peace to walk in.” (Brinkley, ed., *The Reagan Diaries*, vol. I, January 1981–October 1985, p. 308; braces are in the original)

the cause of peace—relations between the United States and the Soviet Union.

Tomorrow the United States will join the Soviet Union and 33 other nations at a European disarmament conference in Stockholm. The conference will search for practical and meaningful ways to increase European security and preserve peace. We will be in Stockholm with the heartfelt wishes of our people for genuine progress.

We live in a time of challenges to peace, but also of opportunities to peace. Through times of difficulty and frustration, America's highest aspiration has never wavered. We have and will continue to struggle for lasting peace that enhances dignity for men and women everywhere.

I believe that 1984 finds the United States in the strongest position in years to establish a constructive and realistic working relationship with the Soviet Union. We've come a long way since the decade of the seventies, years when the United States seemed filled with self-doubt and neglected its defenses, while the Soviet Union increased its military might and sought to expand its influence by armed forces and threat.

Over the last 10 years, the Soviets devoted twice as much of their gross national product to military expenditures as the United States, produced six times as many ICBM's, four times as many tanks, twice as many combat aircraft. And they began deploying the SS-20 intermediate-range missile at a time when the United States had no comparable weapon.

History teaches that wars begin when governments believe the price of aggression is cheap. To keep the peace, we and our allies must be strong enough to convince any potential aggressor that war could bring no benefit, only disaster. So, when we neglected our defenses, the risks of serious confrontation grew.

Three years ago, we embraced a mandate from the American people to change course, and we have. With the support of the American people and the Congress we halted America's decline. Our economy is now in the midst of the best recovery since the sixties. Our defenses are being rebuilt, our alliances are solid, and our commitment to defend our values has never been more clear.

America's recovery may have taken Soviet leaders by surprise. They may have counted on us to keep weakening ourselves. They've been saying for years that our demise was inevitable. They said it so often they probably started believing it. Well, if so, I think they can see now they were wrong.

This may be the reason that we've been hearing such strident rhetoric from the Kremlin recently. These harsh words have led some to speak of heightened uncertainty and an increased danger of conflict. This is understandable but profoundly mistaken.

Look beyond the words, and one fact stands out: America's deterrence is more credible, and it is making the world a safer place—safer because now there is less danger that the Soviet leadership will underestimate our strength or question our resolve.

Yes, we are safer now, but to say that our restored deterrence has made the world safer is not to say that it's safe enough. We're witnessing tragic conflicts in many parts of the world. Nuclear arsenals are far too high, and our working relationship with the Soviet Union is not what it must be. These are conditions which must be addressed and improved.

Deterrence is essential to preserve peace and protect our way of life, but deterrence is not the beginning and end of our policy toward the Soviet Union. We must and will engage the Soviets in a dialog as serious and constructive as possible—a dialog that will serve to promote peace in the troubled regions of the world, reduce the level of arms, and build a constructive working relationship.

Neither we nor the Soviet Union can wish away the differences between our two societies and our philosophies, but we should always remember that we do have common interests and the foremost among them is to avoid war and reduce the level of arms.

There is no rational alternative but to steer a course which I would call credible deterrence and peaceful competition. And if we do so, we might find areas in which we could engage in constructive cooperation. Our strength and vision of progress provide the basis for demonstrating with equal conviction our commitment to stay secure and to find peaceful solutions to problems through negotiations. That's why 1984 is a year of opportunities for peace.

But if the United States and the Soviet Union are to rise to the challenges facing us and seize the opportunities for peace, we must do more to find areas of mutual interest and then build on them.

I propose that our governments make a major effort to see if we can make progress in three broad problem areas. First, we need to find ways to reduce, and eventually to eliminate, the threat and use of force in solving international disputes.

The world has witnessed more than 100 major conflicts since the end of World War II. Today there are armed conflicts in the Middle East, Afghanistan, Southeast Asia, Central America, and Africa. In other regions, independent nations are confronted by heavily armed neighbors seeking to dominate by threatening attack or subversion. Most of these conflicts have their origins in local problems, but many have been exploited by the Soviet Union and its surrogates. And, of course, Afghanistan has suffered an outright Soviet invasion.

Fueling regional conflicts and exporting violence only exacerbate local tensions, increase suffering, and make solutions to real social and

economic problems more difficult. Further, such activity carries with it the risk of larger confrontations. Would it not be better and safer if we could work together to assist people in areas of conflict in finding peaceful solutions to their problems? That should be our mutual goal.

But we must recognize that the gap in American and Soviet perceptions and policy is so great that our immediate objective must be more modest. As a first step, our governments should jointly examine concrete actions that we both can take to reduce the risk of U.S.-Soviet confrontation in these areas. And if we succeed, we should be able to move beyond this immediate objective.

Our second task should be to find ways to reduce the vast stockpiles of armaments in the world. It's tragic to see the world's developing nations spending more than \$150 billion a year on armed forces—some 20 percent of their national budgets. We must find ways to reverse the vicious cycle of threat and response which drives arms races everywhere it occurs.

With regard to nuclear weapons, the simple truth is America's total nuclear stockpile has declined. Today we have far fewer nuclear weapons than we had 20 years ago, and in terms of its total destructive power, our nuclear stockpile is at the lowest level in 25 years.

Just 3 months ago, we and our allies agreed to withdraw 1,400 nuclear weapons from Western Europe.² This comes after the withdrawal of 1,000 nuclear weapons from Europe 3 years ago. Even if all our planned intermediate-range missiles have to be deployed in Europe over the next 5 years—and we hope this will not be necessary—we will have eliminated five existing nuclear weapons for each new weapon deployed.

But this is not enough. We must accelerate our efforts to reach agreements that will greatly reduce nuclear arsenals, provide greater stability, and build confidence.

Our third task is to establish a better working relationship with each other, one marked by greater cooperation and understanding. Cooperation and understanding are built on deeds, not words. Complying with agreements helps; violating them hurts. Respecting the rights of individual citizens bolsters the relationship; denying these rights harms it. Expanding contacts across borders and permitting a free exchange or

²On October 27, 1983, the NATO Nuclear Planning Group, meeting at Montebello, Canada, called for the removal of 1,400 nuclear warheads in Western Europe, while affirming the imminent deployment of 572 Pershing II and cruise missiles, if no agreement was reached at the INF talks. ("NATO Plans to Scrap 1,400 Warheads," *New York Times*, October 28, 1983, p. A3) In telegram 8056 from Ottawa, October 28, the Embassy transmitted the text of the "Montebello Decision." (Department of State, Central Foreign Policy File, Electronic Telegrams, D830633-0319)

interchange of information and ideas increase confidence; sealing off one's people from the rest of the world reduces it. Peaceful trade helps, while organized theft of industrial secrets certainly hurts.

Cooperation and understanding are especially important to arms control. In recent years we've had serious concerns about Soviet compliance with agreements and treaties. Compliance is important because we seek truly effective arms control. However, there's been mounting evidence that provisions of agreements have been violated and that advantage has been taken of ambiguities in our agreements.

In response to a congressional request, a report on this will be submitted in the next few days.³ It is clear that we cannot simply assume that agreements negotiated will be fulfilled. We must take the Soviet compliance record into account, both in the development of our defense program and in our approach to arms control.

In our discussions with the Soviet Union, we will work to remove the obstacles which threaten to undermine existing agreements and a broader arms control process. Examples I've cited illustrate why our relationship with the Soviet Union is not what it should be. We have a long way to go, but we're determined to try and try again. We may have to start in small ways, but start we must.

In working on these tasks, our approach is based on three guiding principles—realism, strength, and dialog. Realism means we must start with a clear-eyed understanding of the world we live in. We must recognize that we are in a long-term competition with a government that does not share our notions of individual liberties at home and peaceful change abroad. We must be frank in acknowledging our differences and unafraid to promote our values.

Strength is essential to negotiate successfully and protect our interests. If we're weak, we can do neither. Strength is more than military power. Economic strength is crucial, and America's economy is leading the world into recovery. Equally important is our strength of spirit and unity among our people at home and with our allies abroad. We're stronger in all these areas than we were 3 years ago. Our strength is necessary to deter war and to facilitate negotiated solutions. Soviet leaders know it makes sense to compromise only if they can get something in return. Well, America can now offer something in return.

³ On January 23, the President submitted a message to Congress, transmitting a report and a fact sheet on Soviet noncompliance with arms control agreements. For the text of the message and the fact sheet, see *Public Papers: Reagan, 1984*, Book I, pp. 72–76. See also "Reagan Issues Report On Soviet Compliance," *New York Times*, January 24, 1984, p. A2.

Strength and dialog go hand in hand, and we're determined to deal with our differences peacefully through negotiations. We're prepared to discuss the problems that divide us and to work for practical, fair solutions on the basis of mutual compromise. We will never retreat from negotiations.

I have openly expressed my view of the Soviet system. I don't know why this should come as a surprise to Soviet leaders who've never shied from expressing their view of our system. But this doesn't mean that we can't deal with each other. We don't refuse to talk when the Soviets call us imperialist aggressors and worse, or because they cling to the fantasy of a Communist triumph over democracy. The fact that neither of us likes the other system is no reason to refuse to talk. Living in this nuclear age makes it imperative that we do talk. Our commitment to dialog is firm and unshakeable, but we insist that our negotiations deal with real problems, not atmospheric.

In our approach to negotiations, reducing the risk of war, and especially nuclear war, is priority number one. A nuclear conflict could well be mankind's last. And that is why I proposed over 2 years ago the zero option for intermediate-range missiles. Our aim was and continues to be to eliminate an entire class of nuclear arms. Indeed, I support a zero option for all nuclear arms. As I've said before, my dream is to see the day when nuclear weapons will be banished from the face of the Earth.

Last month the Soviet Defense Minister stated that his country would do everything to avert the threat of war. Well, these are encouraging words, but now is the time to move from words to deed. The opportunity for progress in arms control exists. The Soviet leaders should take advantage of it.

We have proposed a set of initiatives that would reduce substantially nuclear arsenals and reduce the risk of nuclear confrontation.

The world regrets—certainly we do—that the Soviet Union broke off negotiations on intermediate-range nuclear forces and has not set a date for the resumption of the talks on strategic arms and on conventional forces in Europe.⁴ Our negotiators are ready to return to the negotiating table to work toward agreements in INF, START, and MBFR. We will negotiate in good faith. Whenever the Soviet Union is ready to do likewise, we'll meet them halfway.

⁴ The Soviet delegation discontinued participation in the INF talks in Geneva on November 23, 1983, after INF deployments began on November 22. They also walked out of that day's session. For the President's November 23 statement on the withdrawal, in which he stated that "their decision did not come as a surprise," but was "a terrible disappointment," see *Public Papers: Reagan, 1983*, Book II, pp. 1624–1625.

We seek to reduce nuclear arsenals and to reduce the chances for dangerous misunderstanding and miscalculations, so we have put forward proposals for what we call confidence-building measures. They cover a wide range of activities. In the Geneva negotiations, we proposed to exchange advance notification of missile tests and major military exercises. Following up on congressional suggestions, we also proposed a number of ways to improve direct channels of communications. Last week, we had productive discussions with the Soviets here in Washington on improving communications, including the hotline.⁵

Now these bilateral proposals will be broadened at the conference in Stockholm. We're working with our allies to develop practical, meaningful ways to reduce the uncertainty and potential for misinterpretation surrounding military activities and to diminish the risk of surprise attack.

Arms control has long been the most visible area of U.S.-Soviet dialog. But a durable peace also requires ways for both of us to diffuse tensions and regional conflicts.

Take the Middle East as an example. Everyone's interest would be served by stability in the region, and our efforts are directed toward that goal. The Soviets could help reduce tensions there instead of introducing sophisticated weapons into the area. This would certainly help us to deal more positively with other aspects of our relationship.

Another major problem in our relationship with the Soviet Union is human rights. Soviet practices in this area, as much as any other issue, have created the mistrust and ill will that hangs over our relationship. Moral considerations alone compel us to express our deep concern over prisoners of conscience in the Soviet Union and over the virtual halt in the emigration of Jews, Armenians, and others who wish to join their families abroad.

Our request is simple and straightforward: that the Soviet Union live up to its obligations. It has freely assumed those obligations under international covenants, in particular its commitments under the Helsinki accords.

Experience has shown that greater respect for human rights can contribute to progress in other areas of the Soviet-American relationship.

⁵The talks took place January 11–13. In telegram 16483 to the Mission to the North Atlantic Treaty Organization, Canberra, Seoul, Tokyo, and Wellington, January 19, the Department indicated: "This meeting resulted in substantial agreement on technical aspects of the proposed upgrade of the U.S.-Soviet Direct Communications Link, or 'hotline,'" (Department of State, Central Foreign Policy File, Electronic Telegrams, D840037–0264)

Conflicts of interest between the United States and the Soviet Union are real, but we can and must keep the peace between our two nations and make it a better and more peaceful world for all mankind.

Our policy toward the Soviet Union—a policy of credible deterrence, peaceful competition, and constructive cooperation—will serve our two nations and people everywhere. It is a policy not just for this year, but for the long term. It's a challenge for Americans; it is also a challenge for the Soviets. If they cannot meet us halfway, we will be prepared to protect our interests and those of our friends and allies.

But we want more than deterrence. We seek genuine cooperation. We seek progress for peace. Cooperation begins with communication. And, as I've said, we'll stay at the negotiating tables in Geneva and Vienna. Furthermore, Secretary Shultz will be meeting this week with Soviet Foreign Minister Gromyko in Stockholm.⁶ This meeting should be followed by others, so that high-level consultations become a regular and normal component of U.S.-Soviet relations.

Our challenge is peaceful. It will bring out the best in us. It also calls for the best in the Soviet Union. We do not threaten the Soviet Union. Freedom poses no threat. It is the language of progress. We proved this 35 years ago when we had a monopoly on nuclear weapons and could have tried to dominate the world, but we didn't. Instead, we used our power to write a new chapter in the history of mankind. We helped rebuild war-ravaged economies in Europe and the Far East, including those of nations who had been our enemies. Indeed, those former enemies are now among our staunchest friends.

We can't predict how the Soviet leaders will respond to our challenge. But the people of our two countries share with all mankind the dream of eliminating the risk of nuclear war. It's not an impossible dream, because eliminating these risks are so clearly a vital interest for all of us. Our two countries have never fought each other. There's no reason why we ever should. Indeed, we fought common enemies in World War II. Today our common enemies are poverty, disease, and above all, war.

More than 20 years ago, President Kennedy defined an approach that is as valid today as when he announced it. "So let us not be blind to our differences," he said, "but let us also direct attention to our common interests and to the means by which those differences can be resolved."⁷

⁶ See footnote 1, Document 181.

⁷ Reference is to President Kennedy's June 10, 1963, address delivered at American University. For the text of the address, see *Public Papers: Kennedy*, 1963, pp. 459–464.

Well, those differences are differences in governmental structure and philosophy. The common interests have to do with the things of everyday life for people everywhere. Just suppose with me for a moment that an Ivan and an Anya could find themselves, oh, say, in a waiting room, or sharing a shelter from the rain or a storm with a Jim and Sally, and there was no language barrier to keep them from getting acquainted. Would they then debate the differences between their respective governments? Or would they find themselves comparing notes about their children and what each other did for a living?

Before they parted company, they would probably have touched on ambitions and hobbies and what they wanted for their children and problems of making ends meet. And as they went their separate ways, maybe Anya would be saying to Ivan, "Wasn't she nice? She also teaches music." Or Jim would be telling Sally what Ivan did or didn't like about his boss. They might even have decided they were all going to get together for dinner some evening soon. Above all, they would have proven that people don't make wars.

People want to raise their children in a world without fear and without war. They want to have some of the good things over and above bare subsistence that make life worth living. They want to work at some craft, trade, or profession that gives them satisfaction and a sense of worth. Their common interests cross all borders.

If the Soviet Government wants peace, then there will be peace. Together we can strengthen peace, reduce the level of arms, and know in doing so that we have helped fulfill the hopes and dreams of those we represent and, indeed, of people everywhere. Let us begin now.

Thank you.

183. Editorial Note

On the afternoon of January 16, 1984, President Ronald Reagan took part in an interview with *Washington Post* reporters Lou Cannon, David Hoffman, and Juan Williams. The interview took place in the Oval Office, beginning at 2:37 p.m. Cannon began the interview by explaining that the *Post* planned to run a story in its January 22 edition examining the accomplishments and future goals of the Reagan administration. After the President noted several accomplishments and answered questions about the conduct of foreign policy, Cannon then referenced the President's earlier characterizations of the Soviet Union

and the language the President used in his address that day on U.S.-Soviet relations (see Document 182), asking: "You said in a recent interview that you would not use the phrase now 'focus of evil' to apply to the Soviet Union. Your language today in this speech was obviously very careful. Do you think that some of your own rhetoric, phrases like 'evil empire' and so forth have—whether or not those are accurate descriptions, do you think those phrases have contributed to the difficulty of negotiating, dealing with the Soviets?"

The President replied: "No. And really, I think they have been overplayed and overexaggerated in much of the talk about the present international situation. We are not in greater danger. We are not closer to a war than we were a few years ago. The rhetoric—and all you have to do is look back at the pattern of Soviet rhetoric, no matter who is in the White House, and what has been going on for years, that we're 'imperialists,' we're 'aggressors,' we're all of these things that they've been saying about us. No, I'm not repeating some of those things simply because I said them, and what I felt was necessary was for the Soviet Union to know that we were facing reality and that there was some realism on our part with regard to them and their style.

"Lou, let me take advantage of this to straighten something out, that ever since the first press conference, there has been a distortion of an answer of mine to a question there that has become just accepted, and that is that I called the Soviets a lot of names, gave an answer to a question about dealing with the Soviets. And everyone seems to have forgotten that I was quoting them with regard to lying, cheating, and so forth. I didn't say that, that that was my opinion of them. I made it very plain that they themselves, in their writing and speaking over the years, have said that anything of this kind that furthers socialism is moral. They do not view it as immoral if it furthers their cause. Lenin's famous line that 'Treaties are like pie crusts. They're made to be broken.' So—"

Cannon asked: "Well, even if they said it, do you think it was wise of you to bring it up?"

Reagan answered: "Yes. I thought that it was necessary that they know. Now, I did not volunteer that as a statement. It was an answer to a question. But I think it was necessary for them to know that we were looking at them realistically from here. There was an end to what, I think, maybe has been prevalent in some dealings for several years, and that is the idea that, well, they were just a mirror image of ourselves, and you could shake hands on someone's word and walk away confident that a deal had been made. That, no, we were aware of the differences between our two societies in our approach to things, and we intended to deal with that realism."

Cannon stated: “You said—you touched on this today in your speech—and you said today that we’re safer than we were when, I think, when you took office,” to which Reagan replied: “Yes.”

Cannon replied: “With the negotiations broken off and a pretty good stream of rhetoric from the other side, what’s the evidence that we’re safer and that this defense buildup which you advocated and achieved has made this country safer than it was?”

Reagan retorted: “Because—with realism on their part—we have a deterrent capacity we didn’t have 3 years ago. Now, you are in danger if a possible adversary thinks that an action of his would not lead to unacceptable punishment. And I think the very fact that we have proceeded on this path would require them, with their realism, to say, this, it would be unacceptable, the damage to ourselves.”

Williams then said: “Excuse me, can I just interject here to ask you if you think that the American people haven’t heard that message from you, and do you really think that they feel safer today than they did when you were elected?”

Reagan responded: “I have to say that, from all the reports that I’m getting, and from all the contact that I, myself, have—whether it’s through mail or personal meetings or meeting new people, as well as old friends—that, yes, there is a new feeling on the part of the American people. They have a confidence that they didn’t have just a short time ago when they knew that the Soviet Union had engaged in this massive arms buildup and they saw evidences that we hadn’t.

“Not only the decline in quality, as well as in quantity, the restiveness of our NATO allies about whether we were dependable as an ally—I think there’s a great change in the feeling of our people now. I think a little evidence of that—granted, this wasn’t any great military operation, but I think the reaction of our people to the success of our rescue mission in Grenada was an indication.” (*Public Papers: Reagan, 1984*, Book I, pages 61–64)

The full interview is printed *ibid.*, pages 61–69. The resulting *Washington Post* story is Lou Cannon, “Reagan’s Presidency: Past and Prospect,” January 22, 1984, pages A1, A8.

184. Memorandum From Donald Fortier of the National Security Council Staff to the President's Assistant for National Security Affairs (McFarlane)¹

Washington, January 24, 1984

SUBJECT

State of the Union Message²

I reread the State of the Union draft late last night after the JPMG talks ended. I was a little disappointed the speechwriters had not taken more of what we suggested at the outset. I wish I had had the presence of mind to have had successive drafts cabled to me on my trip. Perhaps these comments come too late to have any use. The speech is important enough, however, that I will make them anyway.

My basic reaction is that we sell ourselves a little too short in the foreign policy section. A few additions would give the section much greater concreteness and—hence—persuasiveness:

1. We ought to make more of the theme of counter-terrorism. We almost need the equivalent of a Reagan doctrine. We should note that State-supported terrorism is a fundamentally new phenomenon that goes far beyond Lebanon. If we don't reiterate this point strongly, our position on the Long Commission report³ will appear to be more of a momentary invention than a durable goal. We also need a sentence that links the theme of counter-terrorism to the defense of democracy: nothing is more corrosive of existing and aspiring democracies than terrorism. Third, yet another sentence could show how terrorism is, in effect, a kind of confirmation of the success of our other policies: our restored strength has driven adversaries into the back alleys in a last ditch effort to maintain their momentum. I know this clashes to some extent with the theme of the world becoming a safer place, but I think this can be handled by projecting a sense of optimism about our ability to curb terrorism by making sponsors accountable.⁴

¹ Source: Reagan Library, Executive Secretariat, NSC Subject File, Speech File, Presidential—Presidential Speeches (January 1984). Confidential. Sent for information. Fawn Hall initialed for Fortier. A stamped notation in the top right-hand corner of the memorandum reads: "RCM has seen."

² See footnote 2, Document 177.

³ Reference is to *Report of the DOD Commission on Beirut International Airport Terrorist Act, October 23, 1983* (Washington: Government Printing Office, 1984). The Commission was chaired by Admiral Robert L.J. Long, USN (ret.).

⁴ In the left-hand margin next to this paragraph, McFarlane wrote: "Maybe a separate speech."

2. A few additional sentences should also be devoted to the theme of the successful rebuilding of American strength. We have “planted the seeds” for increasing success in the years ahead. We have brought continuity and purpose back to foreign policy. This is not mere rhetoric. It is our fundamental achievement and the condition for all others.

3. Our approach to arms control is too limp and abstract. Why not say that this Administration has gone to the core of the arms control problem. “Rather than trying to achieve trivial reductions in numbers, we have forced both parties to face up to the issues of vulnerability and stability. This approach will, because of its boldness, take more effort to effect; but once it is adopted its impact will be dramatic.”

4. Why not say, too, that Premier Zhao’s speech in the U.S. on non-proliferation⁵ was “a major example of what our quiet but results oriented non-proliferation policy can achieve.” In addition to strategic arms control, “This Administration has done more than any other to reawaken the nuclear supplier states to the need for comprehensive safeguards.” (In March or April, we can follow up on this with our surprise announcement of the first meeting in years of the nuclear suppliers group, convened at our initiative.)

5. Finally, we need two sentences in the resources problem—identifying it as “the single greatest remaining obstacle to a more robust diplomacy.” “Dollar for dollar, American foreign and security assistance buys us more protection than any other program.”

⁵ Zhao visited the United States January 7–16, and met with U.S. officials, January 10–12. Documentation is scheduled for publication in *Foreign Relations, 1981–1988*, vol. XXIX, China, 1984–1988. While in New York on January 16, Zhao addressed a luncheon at the Hilton Hotel in Manhattan, sponsored by the Foreign Policy Association and the National Committee on U.S.-China Relations. (Richard Bernstein, “Zhao Emphasizes Taiwan’s Role as Main Block to U.S.-China Ties,” *New York Times*, January 17, 1984, p. A1)

185. Editorial Note

On February 15, 1984, Secretary of State George Shultz spoke before the Boston World Affairs Council. He began his remarks by stating: “Many Americans have images of Africa that are anachronistic, partial, and often inaccurate. The perception of Africa that most of us grew up with—unknown lands somehow exotic and divorced from the rest of the world—has unfortunately persisted in some quarters despite the last 25 years of Africa’s independence and increasing

presence on the world stage. It is a misperception that ignores compelling realities. One out of every eight people in the world now lives in Africa, and this proportion is growing. Africa, south of the Sahara—which is my principal concern this evening—is taking on increasing importance in several respects.

“First, we have a significant geopolitical stake in the security of the continent and the seas surrounding it. Off its shores lie important trade routes, including those carrying most of the energy resources needed by our European allies. We are affected when Soviets, Cubans, and Libyans seek to expand their influence on the continent by force, to the detriment of both African independence and Western interests.

“Second, Africa is part of the global economic system. If Africa’s economies are in trouble, the reverberations are felt here. Our exports to Africa have dropped by 50% in the last 3 years; American financial institutions have felt the pinch of African inability to repay loans. And Africa is a major source of raw materials crucial to the world economy.

“Third, Africa is important to us politically because the nations of Africa are now major players in world diplomacy. They comprise nearly one-third of the membership of the United Nations, where they form the most cohesive voting bloc in the General Assembly.

“Finally, Africa is important to us, most of all, in human terms. Eleven percent of America’s population traces its roots to Africa; all of us live in a society profoundly influenced by this human and cultural heritage. The revolution of Africa’s independence coincided with the civil rights revolution in this country. Perhaps it was not a coincidence. Both were among the great moral events of this century: a rebirth of freedom, summoning all of us to a recognition of our common humanity. Just as the continued progress of civil rights is important to the moral well-being of this country, so too the human drama of Africa—its political and economic future—is important to the kind of world we want our children and grandchildren to inherit.”

Shultz then outlined the economic crisis facing African nations and the U.S. response to the crisis before discussing regional security issues: “Tonight, I have focused on the role we have to play in confronting Africa’s economic crisis. But I cannot ignore the other concerns. Africa needs stability and an end to conflict to get on with the important tasks of national development. Many African nations face real security threats. New and fragile political institutions are particularly vulnerable. Where economies falter and fail to provide the basics of existence and hopes for a better future, political instability can result. It is difficult for democracy to flourish; authoritarian solutions may appear more attractive but often only serve to make problems worse while circumscribing human and political rights.

“In this environment, outside powers are tempted to exploit instability. There is no excuse for some 35,000 Cuban troops in Africa—trained, equipped, financed, and transported by the Soviet Union—inserting themselves into local conflicts, and thereby internationalizing local problems. This Soviet/Cuban meddling has no precedent; it distorts Africa’s nonalignment; it injects an East-West dimension where none should be, making fair solutions harder to achieve.

“We do not view Africa through the prism of East-West rivalry. On the other hand, Africa does not exist on some other planet. It is very much part of today’s world. Africa helps to shape the global structure—through its economic expansion or decline, by its weight in international forums, through its expanding web of bilateral and multilateral links with the major powers, and through its conflicts. At the same time, it is shaped by the global structure—by the shifts in the global balance of power, by the broader marketplace of ideas and technologies, and by the readiness of predators and partners to contribute to or detract from its development. We, and Africa, ignore these facts at our peril.

“We are not the gendarmes of Africa. But to stand by and do nothing when friendly states are threatened by our own adversaries would only erode our credibility as a bulwark against aggression not only in Africa but elsewhere. Therefore, we have been ready, together with others, to provide training and arms to help our friends defend themselves.

“And we act rapidly when the situation demands. Last summer, when Chad was again invaded by Libyan troops, we rushed military supplies to the legitimate government there and helped halt the Libyan advance. Libya’s destabilization efforts have come to be an unfortunate fact of African existence. It is an unacceptable fact. We will continue to work with others to help African states resist Qadhafi’s overt aggression and covert subversion.

“In West and Central Africa as well as in the Horn—that critically important area which sits on Africa’s right shoulder along the Red Sea—we help our friends, and we protect our own strategic interests. We encourage the regional parties to seek their own peaceful solutions to local conflicts.

“We continue to emphasize, as we should, economic and humanitarian assistance over military aid. This year the ratio will continue at five to one. The Soviets, of course, provide minimal economic assistance to sub-Saharan Africa and rarely participate in humanitarian relief. They seek to buy their influence in Africa through the provision of arms. In the past decade, Moscow has contributed less than 1% of Africa’s foreign economic assistance but has sold or provided 75% of its weapons.”

Shultz devoted the remainder of his address to a discussion of Southern Africa before concluding his remarks: “If I may leave you

with one message, it would be that America takes Africa and its problems seriously. We see a direct relationship between Africa's political and economic stability and the health of the Western world. We are committed to working with our African friends, and with the international community, to help Africa overcome its problems."

"It is in our self-interest that we do so. And it is morally right. It is in the best tradition of America." (Department of State *Bulletin*, April 1984, pages 9–12)

186. Address by Secretary of State Shultz¹

Peoria, Illinois, February 22, 1984

Human Rights and the Moral Dimension of U.S. Foreign Policy

I would like to speak to you today about human rights and the moral dimension of U.S. foreign policy.

Americans have always been an introspective people. Most other nations do not go through the endless exercise of trying to analyze themselves as we do. We are always asking what kind of people we are. This is probably a result of our history. Unlike most other nations, we are not defined by an ancient common tradition or heritage or by ethnic homogeneity. Unlike most other countries, America is a nation consciously created and made up of men and women from many different cultures and origins. What unifies us is not a common origin but a common set of ideals: freedom, constitutional democracy, racial and religious tolerance. We Americans thus define ourselves not by where we come from but by where we are headed: our goals, our values, our principles, which mark the kind of society we strive to create.

This accounts in good part, I believe, for the extraordinary vitality of this country. Democracy is a great liberator of the human spirit, giving free rein to the talents and aspirations of individuals, offering every man and woman the opportunity to realize his or her fullest potential. This ideal of freedom has been a beacon to immigrants from many lands.

¹ Source: Department of State *Bulletin*, April 1984, pp. 15–19. All brackets are in the original. Shultz addressed the 86th annual Washington Day banquet of the Creve Coeur Club of Illinois.

We are a people that never felt bound by the past but always had confidence that we could shape our future. We also set high standards for ourselves. In our own society, from Jefferson to Lincoln to the modern day, there have always been keepers of our conscience who measured our performance against our ideals and insisted that we do better. The revolution in civil rights is perhaps the most dramatic recent example, and it has given impetus to other revolutions, such as in women's rights. We are blessed with a society that is constantly renewing and improving itself by virtue of the standards it has set.

In foreign affairs, we do the same. In the 19th century, when we had the luxury of not being actively involved in world politics, we, nevertheless, saw ourselves as a moral example to others. We were proud when liberators like Simon Bolivar in Latin America or Polish patriots in Europe invoked the ideals of the American Revolution. In the 20th century, since Woodrow Wilson, we have defined our role in the world in terms of moral principles that we were determined to uphold and advance. We have never been comfortable with the bare concept of maintaining the balance of power, even though this is clearly part of our responsibility.

Americans can be proud of the good we have accomplished in foreign affairs.

- We have fought and sacrificed for the freedom of others.
- We helped Europe and Japan rebuild after World War II.
- We have given generously to promote economic development.
- We have been a haven for refugees.

Thus, moral values and a commitment to human dignity have been not an appendage to our foreign policy but an essential part of it, and a powerful impulse driving it. These values are the very bonds that unite us with our closest allies, and they are the very issues that divide us from our adversaries. The fundamental difference between East and West is not in economic or social policy, though those policies differ radically, but in the moral principles on which they are based. It is the difference between tyranny and freedom—an age-old struggle in which the United States never could, and cannot today, remain neutral.

But there has always been tension between our ideals and the messy realities of the world. Any foreign policy must weave together diverse strands of national interest: political objectives, military security, economic management. All these other goals are important to people's lives and well-being. They all have moral validity, and they often confront us with real choices to make. As the strongest free nation, the United States has a complex responsibility to help maintain international peace and security and the global economic system.

At the same time, as one nation among many, we do not have the power to remake the planet. An awareness of our limits is said to be one of the lessons we learned from Vietnam. In any case, Americans are also a practical people and are interested in producing results. Foreign policy thus often presents us with moral issues that are not easy to resolve. Moral questions are more difficult to answer than other kinds of questions, not easier. How we respond to these dilemmas is a real test of our maturity and also of our commitment.

Approaches to Human Rights Policy

There are several different ways of approaching human rights issues, and some are better than others. One thing should be clear. Human rights policy should not be a formula for escapism or a set of excuses for evading problems. Human rights policy cannot mean simply dissociating or distancing ourselves from regimes whose practices we find deficient. Too much of what passes for human rights policy has taken the form of shunning those we find do not live up to internationally accepted standards. But this to me is a “cop-out”; it seems more concerned with making us feel better than with having an impact on the situation we deplore. It is really a form of isolationism. If some liberals advocate cutting off relationships with right-wing regimes—and some conservatives seek to cut off dealings with left-wing regimes—we could be left with practically no foreign policy at all. This is not my idea of how to advance the cause of human rights.

One unattractive example of this approach derives from theories of American guilt, originating in our domestic debate over Vietnam. There are those eager to limit or restrain American power because they concluded from Vietnam that any exercise of American power overseas was bound to end in disaster or that America was itself a supporter or purveyor of evil in the world. Human rights policy was seen by some as a way of restricting American engagement abroad. Perversely, in this way of thinking, a government friendly to us is subjected to more exacting scrutiny than others; our security ties with it are attacked; once such a government faces an internal or external threat, its moral defects are spotlighted as an excuse to desert it. This is not my view of human rights policy either.

At issue here is not so much a tactical disagreement over human rights policy but fundamentally different conceptions of America and its impact on the world. What gives passion to this human rights debate is that it is a surrogate for a more significant underlying contest over the future of American foreign policy.

There should be no doubt of President Reagan’s approach—not isolationism or guilt or paralysis but, on the contrary, a commitment to active engagement, confidently working for our values as well as our

interests in the real world, acting proudly as the champion of freedom. The President has said that “human rights means working at problems, not walking away from them.”² If we truly care about our values, we must be engaged in their defense—whether in Afghanistan and Poland, the Philippines and El Salvador, or Grenada. This is the President’s philosophy: We are proud of our country and of what it stands for. We have confidence in our ability to do good. We draw our inspiration from the fundamental decency of the American people. We find in our ideals a star to steer by, as we try to move our ship of state through the troubled waters of a complex world.

So we consider ourselves activists in the struggle for human rights. As the President declared to the British Parliament on June 8, 1982: “We must be staunch in our conviction that freedom is not the sole prerogative of a lucky few but the inalienable and universal right of all human beings.”

Goals and Techniques of Human Rights Policy

That was philosophy. But on a daily basis, we face practical issues and problems of human rights policy. On one level, human rights policy aims at specific goals. We try, for example, to use our influence to improve judicial or police practices in many countries—to stop murders, to eliminate torture or brutality, to obtain the release of dissidents or political prisoners, to end persecution on racial or other grounds, to permit free emigration, and so forth. Many American officials, including Vice President Bush and myself, have gone to El Salvador and denounced the death squads not only privately but publicly—all of which is having a positive effect.³ We have sought to promote an

² The President employed this statement in four addresses delivered in 1983: on March 10 at the annual meeting of the National Association of Manufacturers in Washington; on July 18 at the quadrennial convention of the International Longshoremen’s Association in Hollywood, Florida; in an August 13 radio address to the nation on the situation in Central America; and on August 23, at the annual convention of the American Legion in Seattle.

³ Bush visited San Salvador on December 11, 1983, and met with Magana and other Salvadoran leaders. At a press conference held at the conclusion of the visit, Bush stated: “One of the most urgent problems, of course, is that of the terrorist death squads. We all agree that the death squad murders must stop. They are threatening democratic government in El Salvador by undermining the rule of law and eroding support for the Salvadoran Government in my own country.” (Telegram 11503 from San Salvador, December 12, 1983; Department of State, Central Foreign Policy File, Electronic Telegrams, D830732–0485) Shultz traveled to San Salvador on January 31, 1984, the first stop on an eight-nation visit. After he arrived “at the San Salvador civilian airport, which was cleared of commercial aircraft and heavily guarded by army troops, Mr. Shultz said: ‘The tactics of terror, whether totalitarian terror or whether it is death squad terror, have no place in a democracy. We oppose terror in all its forms.’” (Philip Taubman, “Shultz Indicates Salvadoran Gains on Human Rights: Starting Latin Trip, He Finds ‘Considerable’ Progress in Curbing Death Squads,” *New York Times*, February 1, 1984, pp. A1, A10)

honest and thorough investigation of the murder of Philippine opposition leader Benigno Aquino.⁴

President Reagan, during his visit to the Republic of Korea last November, publicly stated his belief in the importance of political liberalization.⁵ But we have also made our thoughts on specific cases known privately, and several of these approaches have been successful. In our contacts with the Soviets, we have pressed for the release of human rights activists and for freedom of emigration. There are literally hundreds of such examples of American action. Sometimes we make progress; sometimes we do not—proving only that we still have much to do. In this context, I must pay tribute to your distinguished Senator, Chuck Percy [Sen. Charles H. Percy, R.–Ill.]. No one in the Senate has played a more important role than Chuck Percy in the struggle for the right of emigration for Soviet Jewry and other oppressed peoples, for religious freedoms, and for the release of prisoners of conscience.

The techniques of exerting our influence are well known. We try, without letup, to sensitize other governments to human rights concerns. Every year we put on the public record a large volume of country reports examining the practices of other countries in thorough and candid detail—the rights of citizens to be free from violations of the integrity of the person and the rights of citizens to enjoy basic civil and political liberties. The 1984 report has just been published—nearly 1,500 pages of facts about human rights around the world, something no other country undertakes.⁶ Twice each year, we also send the congressional Helsinki commission a public report thoroughly reviewing the record of Soviet and East European compliance with the human rights provisions of the Helsinki Final Act.

⁴ Aquino was assassinated at Manila International Airport on August 21, 1983.

⁵ See footnote 2, Document 171. In an address before the Korean National Assembly in Seoul on November 12, 1983, the President said: “The United States realizes how difficult political development is when, even as we speak, a shell from the North could destroy this Assembly. My nation realizes the complexities of keeping a peace so that the economic miracle can continue to increase the standard of living of your people. The United States welcomes the goals that you have set for political development and increased respect for human rights for democratic practices. We welcome President Chun’s farsighted plans for a constitutional transfer of power in 1988. Other measures for further development of Korean political life will be equally important and will have our warm support.” (*Public Papers: Reagan, 1983*, Book II, p. 1589)

⁶ *Country Reports on Human Rights Practices for 1983: Report Submitted to the Committee on Foreign Affairs, U.S. House of Representatives, and the Committee on Foreign Relations, U.S. Senate, by the Department of State in Accordance With Sections 116(d) and 502B(b) of the Foreign Assistance Act of 1961, as Amended*, 96th Congress, 2d session, Joint Committee Print, February 1984 (Washington: Government Printing Office, 1984).

Wherever feasible, we try to ameliorate abuses through the kind of frank diplomatic exchanges often referred to as “quiet diplomacy.” But where our positive influence is minimal, or where other approaches are unavailing, we may have no choice but to use other, more concrete kinds of leverage with regimes whose practices we cannot accept.

We may deny economic and military assistance, withhold diplomatic support, vote against multilateral loans, refuse licenses for crime control equipment, or take other punitive steps. Where appropriate, we resort to public pressures and public statements denouncing such actions as we have done in the case of the Salvadoran death squads, Iranian persecution of the Bahais, South African apartheid, and Soviet repression in Afghanistan.

Multilateral organizations are another instrument of our human rights policy. In the UN Commission on Human Rights, we supported a resolution criticizing martial law in Poland—the first resolution there against a Communist country. The United States has been active and vigorous in regional conferences and organizations, such as the Helsinki process and the Inter-American Commission on Human Rights. We regret that some multilateral organizations have distorted the purposes they were designed to serve—such as UNESCO [UN Educational, Scientific, and Cultural Organization], which has not been living up to its responsibility to defend freedom of speech, intellectual freedom, and human rights in general.

Friendly governments are often more amenable to traditional diplomacy than to open challenge, and we therefore prefer persuasion over public denunciations. But if we were never seriously concerned about human rights abuses in friendly countries, our policy would be one-sided and cynical.

Thus, while the Soviet Union and its proxies present the most profound and far-reaching danger to human rights, we cannot let it appear—falsely—that this is our only human rights concern. It is not.

Dilemmas of Human Rights Policy

Clearly, there are limits to our ability to remake the world. In the end, sovereign governments will make their own decisions, despite external pressure. Where a system of government is built on repression, human rights will inevitably be subordinated to the perceived requirements of political survival. The sheer diversity and complexity of other nations’ internal situations, and the problem of coping with them in a dangerous world, are additional limits. How we use our influence and how we reconcile political and moral interests are questions that call not for dogmatic conclusions but for painstaking, sober analysis—and no little humility.

The dilemmas we face are many. What, for instance, is the relationship between human rights concerns and the considerations of regional or international security on which the independence and freedom of so many nations directly depend? This issue recurs in a variety of forms.

There are countries whose internal practices we sometimes question but which face genuine security threats from outside—like South Korea—or whose cooperation with us helps protect the security of scores of other nations—like the Philippines. But it is also true that in many cases a concern for human rights on our part may be the best guarantee of a long-term friendly relationship with that country. There are countries whose long-term security will probably be enhanced if they have a more solid base of popular support and domestic unity. Yet there are also cases where regional insecurity weakens the chances for liberalization and where American assurance of security support provides a better climate for an evolution to democracy. Human rights issues occur in a context, and there is no simple answer.

In the Middle East, to take a very different example, we have no doubt of Israel's commitment to human rights and democratic values. It is those very values we appeal to when we express our concern for the human rights and quality of life of the Palestinian people in the West Bank and Gaza—a concern that exists side by side with our understanding of Israel's security needs and our conviction that the basic problem can only be resolved through negotiation.

Another question that arises is: Do we know enough about the culture and internal dynamics of other societies to be sure of the consequence of pressures we might bring? If we distance ourselves from a friendly but repressive government, in a fluid situation, will this help strengthen forces of moderation, or might it make things worse? Pressures on human rights grounds against the Shah, Somoza, or South Vietnam had justification but may also have accelerated a powerful trend of events over which we had little influence, ending up with regimes that pose a far greater menace not only to human rights in their own country but also to the safety and freedom of all their neighbors.

In some countries, harsh measures of repression have been caused—indeed, deliberately provoked—by terrorists, who waged deliberate warfare not only against the institutions of society—political leaders, judges, administrators, newspaper editors, as well as against police and military officials—but against ordinary citizens. Terrorism itself is a threat to human rights and to the basic right to civil peace and security which a society owes its citizens. We deplore all governmental abuses of rights, whatever the excuse. But we cannot be blind to the extremist forces that pose such a monumental and

increasing threat to free government precisely because democracies are not well equipped to meet this threat. We must find lawful and legitimate means to protect civilized life itself from the growing problem of terrorism.

The role of Congress is another question. There is no doubt that congressional concerns and pressures have played a very positive role in giving impetus and backing to our efforts to influence other governments' behavior. This congressional pressure can strengthen the hand of the executive branch in its efforts of diplomacy. At the same time, there can be complications if the legislative instrument is too inflexible or heavy-handed, or, even more, if Congress attempts to take on the administrative responsibility for executing policy. Legislation requires that we withhold aid in extreme circumstances. If narrowly interpreted, this can lead us rapidly to a "stop-go" policy of fits and starts, all or nothing—making it very difficult to structure incentives in a way that will really fulfill the law's own wider mandate: to "promote and encourage increased respect for human rights and fundamental freedoms. . . ."

In the case of El Salvador, the positive impact the Administration has had in its recent pressures against death squads should be a reminder that certification in its previous form is not the only, or even the most effective, procedure for giving expression to our objectives. Sometimes a change in approach is the most worthwhile course. We are ready to work cooperatively with the Congress on this issue, but it should be clear that the answers are not simple.

Finally, the phenomenon of totalitarianism poses special problems. Sociologists and political theorists have recognized for decades that there is a difference between traditional, indigenous dictatorships and the more pervasively repressive totalitarian states, fortified by modern technology, mass parties, and messianic ideology. Certainly, both are alien to our democratic ideals. But in this year of George Orwell, 1984, we cannot be oblivious to the new 20th century phenomenon.

Suppression of religion because it represents an autonomous force in a society; abuse of psychiatric institutions as instruments of repression; the use of prison labor on a mass scale for industrial construction—these and other practices are typical of the modern Marxist-Leninist state. Totalitarian regimes pose special problems not only because of their more systematic and thorough repression but also because of their permanence and their global ambitions. In the last decade we have seen several military regimes and dictatorships of the right evolve into democracies—from Portugal, Spain, and Greece to Turkey and Argentina. No Communist state has evolved in such a manner—though Poland attempted to.

And the Soviet Union, most importantly and uniquely, is driven not only by Russian history and Soviet state interest but also by what remains of its revolutionary ideology to spread its system by force, backed up by the greatest military power of any tyranny in history.

I raise these issues not to assert answers but to pose questions. These are complexities that a truly moral nation must face up to if its goal is to help make the world a better place.

Human Rights and Democracy

The Reagan Administration approaches the human rights question on a deeper level. Responding to specific juridical abuses and individual cases, as they happen, is important, but they are really the surface of the problem we are dealing with. The essence of the problem is the kind of political structure that makes human rights abuses possible. We have a duty not only to react to specific cases but also to understand, and seek to shape, the basic structural conditions in which human rights are more likely to flourish.

This is why President Reagan has placed so much emphasis on democracy: on encouraging the building of pluralistic institutions that will lead a society to evolve toward free and democratic forms of government. This is long-term, positive, active strategy for human rights policy.

It is not a utopian idea at all. For decades, the American labor movement has worked hard in many countries assisting the growth and strengthening of free labor unions—giving support and advice, teaching the skills of organizing and operating. In Western Europe after World War II, it was the free labor unions, helped in many cases by free unions here, that prevented Communist parties from taking over in several countries. Today, free political parties in Western Europe give similar fraternal assistance to budding parties and political groups in developing countries, helping these institutions survive or grow in societies where democratic procedures are not as firmly entrenched as in our own.

The new National Endowment for Democracy, proposed by President Reagan and now funded with the bipartisan support of the Congress, represents an imaginative and practical American effort to help develop the tools of democracy.⁷ Just as our traditional aid programs try to teach economic and agricultural skills, so our new programs will try to transfer skills in organizing elections, in campaigning, in legal reform, and other skills which we take for granted but which are basic to free, pluralistic societies.

⁷ See footnote 8, Document 161 and Document 179.

Through the endowment, our two major political parties, along with labor, business, and other private groups, will assist countries and groups that seek to develop democratic institutions and practices in their own societies. The President is also directing AID [Agency for International Development], USIA [U.S. Information Agency], and other agencies to strengthen their programs for democracy, such as support for free labor movements, training of journalists, and strengthening judicial institutions and procedures. Sen. Percy also deserves particular credit here for his cosponsorship of the Kassembaum-Percy Human Rights Fund for South Africa, which will channel \$1.5 million to private and community organizations in South Africa working for human rights.⁸

It may not seem romantic or heroic to train African magistrates in Zimbabwe, provide technical help to the Liberian Constitution Commission, help publish a revised penal code in Zaire, help finance the education and research program of the Inter-American Institute of Human Rights in Costa Rica, or help provide international observers for free elections in El Salvador—but these programs help create the institutional preconditions for democracy. Democracy and the rule of law are the only enduring guarantee of human rights.

We should never lose faith in the power of the democratic idea. Democracies may be a minority in the world at large, but it is not true that they must always be so. Freedom is not a culture-bound Western invention but an aspiration of peoples everywhere—from Barbados to Botswana, from India to Japan.

In Latin America, for example, where the news is so much dominated by conflict, there is, in fact, an extraordinary trend toward democracy. Twenty-seven nations of Latin America and the Caribbean are either democratic or are formally embarked on a transition to democracy—representing almost 90% of the region's population, as compared with some 50% less than 10 years ago. And the trend has been accelerating.

Between 1976 and 1980, two Latin American nations, Ecuador and Peru, elected civilian presidents who successfully replaced military presidents. Since 1981, however, El Salvador, Honduras, Bolivia and most recently Argentina have moved from military rule to popularly elected civilian governments.

Brazil is far along the same path. The people of Grenada have had restored to them the right to be the arbiters of their own political future.

⁸ The Kassembaum-Percy amendment was included in the Department of State Authorization Act, Fiscal Years 1984 and 1985 (H.R. 2915; P.L. 98–164; 97 Stat. 1017), which the President signed into law on November 22, 1983.

Uruguay has a timetable for a transition to democracy, and its parties have returned to independent activity. Pressure for return to civilian rule is being felt in Chile and Guatemala. This leaves only Cuba, a Marxist-Leninist state; Nicaragua, which has been steadily moving in that direction; and a handful of dictatorships outside this pattern.

This trend toward democracy, which reflects the most profound aspirations of the people of Latin America, has received wholehearted and effective encouragement from the Reagan Administration. Dictatorship in any form, leftist or rightist, is anathema in this hemisphere, and all states within the region have a responsibility to see that dictatorship gives way to genuine pluralist democracy.

Nor is the trend toward democracy confined to Latin America. In the Philippines, for example, the democratic tradition of that republic is evident in the strong popular pressure for free elections and a revitalized Congress. The government has begun to respond to these aspirations, and we are encouraging it to continue this hopeful process so important to the long-term stability of the Philippines. Likewise in the Republic of Korea, we are encouraged by President Chun's [Doo Hwan] commitment to undertake in the next few years the first peaceful, constitutional transfer of power in Korea's modern history.

The Moral Commitment of the United States

A policy dedicated to human rights will always face hard choices. In El Salvador, we are supporting the moderates of the center, who are under pressure from extremists of both right and left; if we withdrew our support, the moderates would be the victims, as would be the cause of human rights in that beleaguered country. The road will be long and hard, but we cannot walk away from our principles.

The cause of human rights is at the core of American foreign policy because it is central to America's conception of itself. These values are hardly an American invention, but America has perhaps been unique in its commitment to base its foreign policy on the pursuit of such ideals. It should be an everlasting source of pride to Americans that we have used our vast power to such noble ends. If we have sometimes fallen short, that is not a reason to flagellate ourselves but to remind ourselves of how much there remains to do.

This is what America has always represented to other nations and other peoples. But if we abandoned the effort, we would not only be letting others down, we would be letting ourselves down.

Our human rights policy is a pragmatic policy which aims not at striking poses but as having a practical effect on the well-being of real people. It is a tough-minded policy, which faces the world as it is, not as we might wish or imagine it to be. At the same time, it is

an idealistic policy, which expresses the continuing commitment of the United States to the cause of liberty and the alleviation of suffering. It is precisely this combination of practicality and idealism that has marked American statesmanship at its best. It is the particular genius of the American people.

**187. Memorandum From the Executive Secretary of the
Department of State (Hill) to the President's Assistant for
National Security Affairs (McFarlane)¹**

Washington, March 6, 1984

SUBJECT

Recommendation for a Presidential Speech on Our Relations with the
East Asian and Pacific Region

We recommend that the President authorize the preparation of a speech, without commitment to give it, on our policy toward the East Asian and Pacific region. Such a speech, given in conjunction with his trip to China, would help to put the trip in proper perspective while illustrating in a positive manner the foreign policy goals of this administration.² East Asia represents an unheralded success for U.S. policy

¹ Source: Reagan Library, Executive Secretariat, NSC Subject File, Speech File, Presidential—Presidential Speeches (March–May 1984). Confidential. An attached NSC Correspondence Profile indicates that the memorandum was sent to Sigur for action, Laux for concurrence, and Childress for information. Sigur sent the memorandum to McFarlane under a March 9 memorandum, writing: “I agree with the State memorandum to you recommending a Presidential address on our relations with East Asia and the Pacific.” McFarlane approved the recommendation. (Ibid.) In a March 12 memorandum to Hill, Kimmitt indicated that the NSC staff agreed that such a speech “would be better delivered after the President’s trip to China.” (Ibid.) In an April 12 memorandum to Shultz, Wolfowitz and Rodman proposed that the President deliver the speech in either May or June, preceding or following the London G–7 Economic Summit meeting. Shultz did not indicate his preference for either option. (Ibid.) McFarlane, in an April 17 memorandum to Darman, discussed the timing of the speech, adding: “I don’t feel strongly about this. The trip itself is probably sufficient to establish on the public record that the President has an Asia policy. So doing speech is marginal.” (Ibid.)

² The President was scheduled to travel to Beijing, Xian, and Shanghai, April 26–May 1. Documentation on the visit is scheduled for publication in *Foreign Relations, 1981–1988*, vol. XXIX, China, 1984–1988.

and free market principles. A Presidential address on the region would serve, in particular:

—to focus the American people on the successes that we and our East Asian and Pacific friends have together built and must together protect;

—to demonstrate to the region itself our commitment and understanding of its problems;

—to emphasize the importance of the region, of sound cooperation within the region, and of our ties to those nations that share our ideals, such as Japan, Australia and New Zealand;

—to reassure the rest of Asia that our China relationship is part of a much larger whole;

—to comment on our attachment to democratic ideals at a crucial point in the political development of the Philippines;

—to lay the framework for closer cooperation within the Pacific Basin.

This would be the first presidential address on Asia since the Vietnam war and would be certain to attract wide attention. The most advantageous setting would probably be on the eve of the China trip, but the speech might also be given shortly after the President's return.

Charles Hill

**188. Address by the Under Secretary of State for Political Affairs
(Eagleburger)¹**

Washington, March 7, 1984

The Transatlantic Relationship:
A Long-Term Perspective

A few weeks ago I made what some would describe as the mistake of thinking aloud before an audience about some of the challenges the transatlantic relationship will face through the rest of the

¹Source: Department of State *Bulletin*, April 1984, pp. 39–42. All brackets are in the original. Eagleburger spoke before the National Newspaper Association.

20th century.² Press reports then characterized my extemporaneous remarks as critical of our West European allies, which in turn led to a host of adverse comments on my intelligence, judgment, and paternity by any number of high-ranking European officials and even an opposition leader or two. In one of the kinder comments, *Le Monde* remarked that I didn't "even have the excuse of being one of the Californians. . . ."

So I am here today to try again. My purpose is to examine the challenges—and I believe there are some—to the continuance of a strong transatlantic relationship over the course of the remainder of the 20th century. It is not my thesis that the North Atlantic alliance is now in crisis. It is my contention that the final 15 years of the 20th century will be years of substantial—perhaps profound—change, and that it is time, *now*, for those who believe as I do that a strong transatlantic partnership will remain essential to the maintenance of peace and stability, to begin to examine together what is likely to change and how best to adjust to those changes.

The problem as I see it is this: the Atlantic alliance is and will remain our most important political and security interest. Yet in the course of the next decades, our global foreign policy imperatives will increasingly demand our attention, our time, and our imagination. We can, I believe, assume the continuance of an unwavering American commitment to the defense of Europe. We can, as well, assume a continuation of a European commitment to our alliance partnership. But what we cannot—or at least should not—assume is that governments on either side of the Atlantic will always readily adjust to changing circumstances. An adjustment will be made, but its adequacy and the ease of the transition will depend heavily on how soon the West understands—collectively—that we face new times.

Major Changes

Let me start by describing a few of the major changes I see taking place in the coming years. Some are simply and readily apparent, others neither so simple nor so clearly perceived. Demographic changes in the United States, for example, are easily understood. We have had a Pacific coast since 1819, and since our first census our demographic center has been shifting westward—a process that will continue and carry with it a continuing shift in our political center of gravity as well. Yet even this fact does not fully illustrate the importance of our west coast. California, for example, would have one of the world's largest gross

² Reference is to Eagleburger's remarks before the John Davis Lodge Conference of the National Center for Legislative Research on January 31. Eagleburger stated in his on-the-record, impromptu remarks that "Western Europe 'is more and more concerned with its own problems' and 'less and less in tune with the United States as we talk about our international security interests.'" (Walter Pincus, "Europeans' Self-Centered Concerns To Alter U.S. Policy, Eagleburger Says," *Washington Post*, February 1, 1984, p. A16)

national products were it an independent nation. Growing, dynamic cities such as Los Angeles and San Diego, the San Francisco Bay area, Seattle, and Portland challenge or surpass the east coast cities of New York, Boston, Philadelphia, and Baltimore as commercial centers.

Equally clearly, it is logical that our west coast's economic and commercial growth would increase the importance to us of a part of the world that, with today's communications, lies virtually at our doorstep. Yet the recent history of Pacific economic dynamism is by no means simply an American phenomenon. Asia's economies are today among the world's most prosperous. Japan's automobiles, steel, and electronic goods are sold throughout the world. Dynamic market economies in the ASEAN [Association of South East Asian Nations] countries, in South Korea, Taiwan, and Hong Kong produce quality products at prices that assure their ability to compete in world markets. China offers a vast potential as it opens its economy to the world.

It is little remarked, but nonetheless a remarkable fact, that since 1978 we have traded more with the Pacific Basin than with Europe; in 1982 the difference amounted to about \$13 billion. The American and Japanese economies account for about one-third of the world's total gross national product. Last year, Japan was the second largest buyer of American products (after Canada)—and yet only one of several increasingly important Asian trading partners.

Moreover, the United States and Japan are emerging—for the immediate future, at least—as the two most significant players in the field of high-technology development—a field that is likely to define fast-paced economic development and prosperity in the years ahead. As we enter the 21st century, the United States and Japan are likely to be either the world's major economic competitors or important economic partners.

We will face in the coming years the challenge of creating and maintaining institutional links with Asian friends appropriate to their needs and to ours. Those links will not be identical to those we forged with our European friends, as they will reflect the differences in the relationships. Closer ties with Asia, for example, cannot duplicate our broad, historical relationship with Europe. But our increasingly shared economic, political, and security concerns in Asia will almost certainly bring with them the creation of new institutional arrangements for dealing more effectively with those concerns.

I remarked earlier that some changes, such as the demography of the United States, are easily seen and their consequences readily understood. Others are not so readily apparent. The nature of the transatlantic relationship over the next 15 years, for example, can, at this point, be only dimly perceived.

The NATO alliance, which next month celebrates its 35th birthday, has assured more than a generation of peace in Europe—itsself a rare

occurrence in Europe's 20th century history—by reminding friends and adversaries alike that we will consider an attack on them as an attack on ourselves. President Reagan has recently reaffirmed our commitment by deploying—in concert with our allies—a new generation of intermediate nuclear missiles that will complete the chain of deterrence and ensure that Western Europe's security will remain coupled to our own.

I need, here, to underline that American recognition that defending Western Europe is also the defense of our own country marked a revolutionary change in our foreign policy. It was not, at first, a premise with which Americans were entirely comfortable. For many, like myself, growing up in the Middle West,³ it irrevocably extended our destinies and our sense of personal and national security far beyond our natural frontiers. This premise has proved to be the fundamental link between the United States and Europe.

There have been periodic crises in the history of the alliance over how to enhance our mutual security; there will assuredly be more in the future. We may disagree with some of our European allies on precisely how to couple or reinforce this bond—but the essential premise that peace in the Western world is indivisible has never come into question. And no installation of any weapons system can be a substitute for that fundamental assumption.

Yet Europe's importance to us goes beyond our security needs alone. We also share a culture, a history, and several of their languages. Ideas cross the Atlantic so quickly in both directions that it is difficult to fathom from which side they originated.

Finally, there is the political aspect of our transatlantic culture. Our systems of government may vary, but we join the nations of Western Europe in dedication to liberal democratic principles that ensure the freedom and dignity of the individual and government on the basis of popular consent. We inherited these values from Western Europe, and we have contributed heavily to their survival and viability in an often hostile world.

Europe and Europeans have had, and still have, a major impact on our political thinking. Here we return to the importance of the transatlantic dialogue. Although our diplomacy will never completely satisfy our European friends any more than it will ever satisfy ourselves, European influence on our foreign policy has been far more important than is commonly perceived. It has, on the whole, led over the years to a far more nuanced, far more sophisticated approach on our part than would have been the case were we left strictly to our own devices. It is an influence that has been most effectively exercised behind closed

³ Eagleburger grew up in Milwaukee, Wisconsin, and earned degrees from the University of Wisconsin.

doors—in the NATO Council, at the annual seven-nation summits, in the constant meetings between American presidents and European leaders, and in the host of meetings between American and European officials that take place on almost a daily basis. It is a process that has worked because we have operated from a basis of shared values and objectives, common interests and hopes, and mutual danger and sacrifice.

This is precious capital—an unprecedented resource of the transatlantic partnership which Americans and Europeans alike must seek to preserve for the generations yet to come. And since I believe we may run the risk, in the decades of the 1980s and 1990s, of losing some of that intimacy, now is the time to look to preserving it. I say “now,” since the alliance, as I indicated earlier, is not today in a state of crisis. Indeed, the contrary is true; we have survived, overcome, and resolved most of the difficult issues between us during the past year, and the climate of relations today is warm and workmanlike.

Need To Address Problems

So let me take this time of relative calm in the alliance to tell you of the problems I see ahead: problems which if left to evolve, unperceived and untended, may grow in complexity and consequence.

Thirty years ago Atlanticists foresaw a united Europe overcoming its age-old divisions to play a global role near if not equal to that of the superpowers. Western Europe’s combined population exceeded ours and that of the Soviet Union. Its rebuilt industrial base would underwrite its prosperity; its politicians and intellectuals approached their problems with confidence and in a spirit of building a new and different Europe. Americans, although a bit wary perhaps of this emerging giant, welcomed renewed West European prosperity and the prospect of its larger involvement in world affairs, because we knew we held no monopoly on wisdom and because we shared with West Europeans common values and objectives. Much more joined than divided us.

Today, however, we see a Europe that has become less certain of its future, more uncertain about the wisdom of postwar policies, more focused on its own problems and, therefore, less prepared to look at the world whole. In addition, a goodly portion of Europe’s younger generation apparently increasingly questions the utility of many of the institutions and instrumentalities that have been so fundamental to the Atlantic alliance.

The United States has been, for more than a generation of Europeans, the land of dreams, of achieving the impossible. It remains so today, for many. But it is probably also true that there is a level of disillusionment and bitterness—most clearly evident amongst the young—because neither America, in particular, nor Western institutions in general, have been able to fulfill all those hopes and dreams. And perhaps most unfortunate,

this disillusionment sometimes goes beyond the young—to not so young leaders with enough experience to know better.

This bitterness and disillusion is, to some degree, true on both sides of the Atlantic. Too often political parties out of office tend to take political stances on foreign policy that throw into the perennial debate the question of consistency on one side of the Atlantic or the other. It is, however, some consolation to realize that when political “outs” become the political “ins,” they have tended to come to grips with reality and reaffirm the overriding imperatives of the Atlantic alliance.

While it can, therefore, be argued that my concerns about the attitudes of European youth and the vagaries of opposition political leaders can be overdone—since the process of aging and the responsibilities of power tend to change perspectives—it is less easy to put aside concerns about what I see as changing transatlantic perceptions of the world scene.

I have often discussed with European friends the different requirements for a nation with global responsibilities to those with more regional concerns. And the use of the word global is not meant in any arrogant fashion. Nor is it to deny the interests that several European nations retain in areas of the world beyond their continent. But the sheer scope of American interests engages us in a different set of perspectives and imperatives. I am persuaded that despite periodic inconsistencies (mainly on our part) and even more frequent crises of policy disagreement (emanating frequently from the European side), members of the alliance can still forge a strong consensus on most issues of importance. As the Warsaw Pact so clearly demonstrates, partnership without visible differences is not a partnership of equals; nor is it a partnership that possesses the dynamic qualities so necessary to making the required adjustments to changing circumstances. But an alliance in which there is an erosion of understanding of the reasons for those differences—including most particularly a tolerance of the necessities of geography and responsibility—cannot be counted upon to retain today’s vigor in the face of tomorrow’s challenges.

U.S. Policy Framework

Europeans often argue—and their point is well taken—that detente has been largely successful in its European context. And it is certainly clear to Americans that tensions in the heart of Europe—with Berlin as but one example—have lessened significantly. Nor can we lightly ignore European efforts to bridge the economic, political, and cultural division of Europe—and how crucial they believe these efforts to be to their long-term vision of the security of Western Europe.

But these considerations are, and must be, only some of the elements in the American policy framework. We see East-West rivalry in a broader context. Even a cursory study of recent events in Afghanistan,

the Middle East, southern Africa, or Latin America persuades us that detente has not been a success in areas outside of Europe. From our perspective, the Soviet role in these areas has not, to put it mildly, contributed to stability.

From the many conversations I have had with Europeans discussing our respective views of, and relations with, the Soviet Union, I have not found them to be ignorant of, or prepared to ignore, the nature of the Soviet system. There is often, however, a broad gap in our evaluation of the Soviet threat. There is basic agreement within the alliance on the avoidance of war; there are different and differing voices in and within the European members of the alliance, on precisely how to reduce the level of tensions. These disagreements can serve either to polarize our positions or as an example of how alliance differences can be contained within a unified policy. If they are to serve the latter purpose it will be necessary for both Europeans and Americans to recognize that there are legitimate reasons of geography and responsibility that will often require nuanced differences of approach toward the same general goals.

Other kinds of transatlantic difference, unfortunately, leave more bruised feelings—and perhaps demonstrate the degree to which we and our European allies have begun to diverge on basic issues. Two years ago the British effort to regain the Falkland Islands posed for the United States a more difficult choice than most Europeans yet recognize.⁴ Yet we made our choice. A few months ago I had reason to remember that decision when we learned, with profound regret, that as our Marines landed in Grenada, our European friends moved swiftly and publicly to condemn the action.⁵ That Europeans view the liberation of Grenada with less enthusiasm than Americans or Grenadians do, is, I admit, fully within the normal and acceptable range of alliance differences. But where, at that moment, was the alliance solidarity that had meant so much to us a year earlier? Where was the recognition that the United States might be justified in moving to protect what it believed to be its national interests? At the very least, could not our friends have suspended judgment until the emerging situation became clearer?

In the case of Grenada we moved in concert with Caribbean nations who recognized the threat to their own security that the regime in Grenada posed. The United States has, since the close of World War II, grown increasingly conscious of that curse of all great powers—unilateralism—and has sought to resist its temptations. We long ago discovered that there is a very fine line between unilateralism on the one hand and leadership on the other and have tried very hard to avoid

⁴ See footnote 7, Document 104.

⁵ See footnote 2, Document 176.

the one and embrace the other. But the distinction becomes increasingly hard to maintain when our principal friends and allies do not recognize that the breadth of our interests sometimes leads us to a different evaluation of threats to those interests than is held by others.

The Prime Minister of the youngest democracy in Europe, Felipe Gonzalez of Spain, recently touched upon another, related, problem that has come to concern some Americans of late. "Sometimes," he said, "we, the Spanish, have the feeling that we trust more in the destiny of Europe than other countries already integrated into the group of European institutions." "The fact is," he added, "that to a large extent Europe today remains obsessed with its own problems. This is something that needs to be overcome."

The danger with this growing tendency to look inward is that it may reinforce the potential negative consequences that can result from the changing transatlantic perceptions of the world that I have earlier described. Either tendency, by itself, can be difficult enough to counter; both, moving together, each exacerbating the other, could prove to be a wicked brew indeed.

This absorption with its internal concerns is in great measure a consequence of current economic conditions in Europe and therefore hopefully will diminish as prosperity returns. But the tendency to lay the blame for recession largely at the door of the United States and our high interest rates presents another kind of problem. What must be avoided in this transatlantic dialogue over economic issues is a too facile resort to the "blame America first" syndrome. For to do so is to obscure more fundamental failings that stand in the way of economic recovery. In the end, Europeans, possessing collectively a gross national product larger than that of the United States, need to ask themselves whether it can really be true that their economic recovery depends, in the main, on the prime rate in the United States.

I have cited these problems because I deeply believe they need to be discussed between friends while they are still manageable issues. I do not believe they demonstrate a fundamental rift between the two sides of the Atlantic. Nor do I believe they are insurmountable. In fact, the manner in which we were able, together, to put our disagreement over pipeline sanctions behind us demonstrates the contrary. Rather, I cite them because I fear that left unchecked, these trends, plus our own increasing concern with our affairs in other parts of the world—Central America, the Pacific, the Middle East, to name but a few—can, over time, diminish the character of the transatlantic relationship. And that would be a tragedy, for a strong alliance is now, and will continue to be for decades to come, the keystone of our own—and the West's—security and stability.

Thus, now may well be the appropriate moment for all of us, Europeans and Americans, to take a new look at where we should be going together and how we should get there. Perhaps, as was recently indicated in the *Wall Street Journal*, we might forego the traditional choices between less and more involvement and direct ourselves instead to a “smarter” involvement.⁶ The two pillars of a “smarter” relationship, in my opinion, are: increasing respect for the differences in our alliance, and a more coordinated approach—across the board—to all political, economic, and security issues with our European allies.

Alliance Agenda

I will be the first to admit that I have no magic formula for resolving the strains that will surely bear down on all of us in the coming decades. But I do believe that beginning the dialogue is the key to the eventual discovery of answers. The agenda must be broad: the fora in which that agenda could be discussed are many. And if I were asked to suggest some of the subjects that might be considered I would propose:

First. How can we enhance transatlantic cooperation in the development of high technology? Painful and costly as it may be, we must recognize that if any part of our alliance lags seriously behind another in this field for any period of time, it will seriously diminish our overall effectiveness.

Second. The importance of moving now to the broadening of alliance defense procurement policies. The United States—particularly the Congress—has, for too long, asked its allies to share more of the burden of the common defense without, at the same time, recognizing that European industry must, if this is to be the case, participate fully in the manufacture of defense items.

Third. How can the developed world cope more effectively with the large, urgent, and as yet unmanageable questions of development in the less developed countries?

Fourth. How can we overcome the increasing pressures toward protectionism on both sides of the Atlantic and in Japan? More constructively, how can the world’s major trading nations reduce the barriers to a freer trade between us?

⁶ Reference is to a February 29 editorial entitled “NATO’s Future,” which read, in part: “What’s needed is not ‘more’ or ‘less’ American involvement in Western Europe, but smarter involvement, perhaps similar to Britain’s classic role as a naval balancer. A transition of the sort described here will involve problems, because great nations have to run their own foreign policy. But the goal of a healthier NATO structure is very much worth the effort. A genuine superpower doesn’t need hegemonic influence with a weak set of client states, but a true alliance with other great nations.” (“NATO’s Future,” *Wall Street Journal*, February 29, 1984, p. 28)

These are but a few of the many questions that we should be working on jointly. But whatever our agenda, its purpose ought to be to bring the two sides of the partnership together to resolve problems, reverse trends that left unchecked will pull us apart, and—in the last analysis—move both sides of the Atlantic toward greater equality of effort, outlook, and strength. To quote again from the *Wall Street Journal*: “A genuine superpower doesn’t need hegemonic influence with a weak set of client states, but a true alliance with other great nations.”

The greatness is there, on both sides of the Atlantic. It is our job to find the means, together, to let it flourish.

189. Action Memorandum From the Assistant Secretary of State for European and Canadian Affairs (Burt) to Secretary of State Shultz¹

Washington, March 9, 1984

SUBJECT

A Strategy for the Summit Season

Issue for Decision

Whether to approve the strategy for the period leading up to the Summit² that is described below.

¹ Source: Reagan Library, Executive Secretariat, NSC Trip File, Summit File, London Summit—March 1984 (1); NLR-755-18-61-1-6. Confidential. Sent through Eagleburger and Wallis. Drafted by Holmes. Shultz’s stamped initials appear on the memorandum. A stamped notation indicates that it was received at 7:25 p.m. on March 9. Hill initialed the memorandum twice and wrote “3/10” and “3/14.”

² Reference is to the G-7 Economic Summit meeting scheduled to take place in London, June 7–9. In a March 15 memorandum to Burt, Wolfowitz, McCormack, Newell, Malone, and Hughes, Wallis noted that the U.S. summit strategy was based upon two goals: “To reinforce that the economic policies followed by the United States in the past three years have resulted in a strong domestic economic recovery that is now bringing the Free World into recovery and greater security; and building on recovery and our achievements at the past three economic summits, to advance and consolidate international prosperity and security in the years ahead.” (Reagan Library, Executive Secretariat, NSC Trip File, Summit File, London Economic Summit—Background June 7–9 1984—Wallis (Binder) (2); NLR-755-19-26-5-0)

Discussion

A. Context

At a time when the Alliance is arguably in very good condition, having met the challenge of INF deployment, there is, paradoxically, a rash of discussion of the difficulties of preserving it—at least in its present form. Americans are criticizing Europe for being weak, or not doing its share, and Europeans express fear that the United States is abandoning interest in Europe. If we allow this backbiting to set the tone for transatlantic relations over the next months, what could and should be occasions for celebration of successes—not just meeting the missiles test, but achieving economic recovery and convergence on economic policy, and an increasingly agreed and coherent East-West policy—will be severely tarnished.

This paper aims to elucidate the positive themes we should stress in the hope that in this case good money will drive out bad. They are not precisely new—they derive from the basic and lasting truths that the West needs a strong defense, and to have a strong defense it needs strong economies.

B. Themes

The transatlantic security relationship is alive and well. The INF crisis is past. Our allies are convinced that lack of progress in arms control is the responsibility of the Soviets. They have come around to a similar view of the East-West relationship to ours, and are prepared to wait—and expect—that the new Soviet leadership will have to resume doing business with us.³

Arguments about burdensharing and on the relative role of conventional defense are Alliance perennials. The fact is, however, that NATO's conventional defense is in better shape in 1984 than it was in 1974 or 1964. The NATO countries do, of course, need to make improvements and to find ways to do this at the least cost possible.

It is vital to keep the international trading system open, and to prepare for further liberalization in the not-too-distant future. 1984 will be the first year since 1979 in which the free world as a whole achieves substantial growth in trade and output. The time is ripe to begin talking of a renewed effort to liberalize trade, as a contribution to sustained economic growth. At the same time, it is necessary to lean against the protectionist winds, and avoid actions that would make talk of a future trade round sound hollow.

³ Andropov died on February 9 and was succeeded by Chernenko.

The countries of the West are finding new areas for cooperation. The Space Station, and other activities in space, are good opportunities for involvement by Europe and Japan in an exciting and popular branch of technology. We can also learn from each other how, more broadly, to put technology to the service of economic growth. In addition to such future-oriented cooperation, collective action to cope with the economic crisis in Africa would show that the West can act together not just in pursuit of security or economic interests, but for humanitarian motives.

C. Events

Mitterrand's visit is a good starting point for our efforts to drive these themes home.⁴ We should concentrate on the security and cooperation themes. While Mitterrand, if one can judge by the line taken by Attali at the last Sherpa meeting, may not be as intent as in the past to stake out a different position from us on economic policy, the fact that France is the most depressed economy among the Summit nations means he is not the man to play our tune on trade liberalization. On the other hand, his view of the strategic relationship is as close to ours as we'll find, and he has a track record of interest in future-oriented subjects like technology.

The OECD Ministerial already is shaping up as mainly devoted to trade.⁵ The recent Mini-Ministerial showed that most of the OECD countries are agreed that increased flexibility is the great need of Western economies—and trade is the great inducer of flexibility.⁶

The NATO Ministerial is the obvious occasion for positive statements about the Alliance, and for the display of a shared attitude toward the East.⁷

The President's Summit Trip obviously is the capstone of these efforts.⁸ His remarks in Normandy can evoke the historical and

⁴Mitterrand was scheduled to visit the United States, including the cities of Atlanta; San Francisco; Chicago; Peoria, Illinois; Pittsburgh; and New York, March 21–24.

⁵Scheduled to take place in Paris, May 17–18.

⁶Reference to a meeting of finance ministers or deputy finance ministers of OECD member nations in Paris, February 13–14. (Paul Lewis, "Nations Seek Key To Growth: Officials Stress Spending Cuts," *New York Times*, February 15, 1984, p. D13) In telegram 6985 from Paris, February 17, the Embassy summarized the concluding session and the results of the "mini-ministerial." (Department of State, Central Foreign Policy File, Electronic Telegrams, D840111–0102)

⁷Scheduled to take place in Washington, May 29–31.

⁸In addition to visiting London, June 4–10, to meet with Queen Elizabeth and attend the G–7 Economic Summit meeting, the President was scheduled to visit Ireland, June 1–4, and France on June 6 to commemorate the 40th anniversary of the Allied landing at Normandy (D-Day).

emotional origins of the Alliance.⁹ The speech we have proposed he give in London could touch on all of our themes—a strong Alliance, growth through trade, and cooperation.¹⁰ Finally, while it would be premature and inappropriate to launch a new trade round at the Summit, the Summit can be used to give that idea impetus as well as to gather and display agreement among the participants on cooperative efforts. It can also be an occasion to discuss Alliance concerns, particularly East-West relations; while there is opposition, at least from the French, to a political *statement*, we would not want to abandon the idea. The Summit is the one occasion when the Japanese discuss political matters with a group of Alliance countries, and we may again wish to take advantage, as we did last year, of the unique opportunity it thus provides.

D. Possible Pitfalls

The Mitterrand visit poses risks as well as opportunities. A worst case scenario would see him lambasting the U.S. for protectionism while arguing that the U.S., for the good of Europe, should accept new limits on our farm exports. We are trying by every channel to find out what he may intend to say; and to enlighten him about U.S. attitudes, about which he seems rather oblivious.

More generally, protectionist actions by the United States—or by Europe—could poison the atmosphere. Fortunately, the probability is that if such steps are to be taken, it will be after the Summit, not before. Repetition by Henry Kissinger and others of a critical view of the state of the Alliance could also counteract the efforts we shall be making.

I suggest that a speech by you which touches on both sides of the coin of transatlantic relations, security and economics (especially trade), is not just a useful but almost an essential counter to these dangers. Earlier you agreed in principle to give a speech on the economic issues; I will be sending separately, for your consideration, a draft which combines the two sides in one statement.¹¹

⁹ During his remarks at the Omaha Beach Memorial on June 6, the President said: "From a terrible war we learned that unity made us invincible; now, in peace, that same unity makes us secure. We sought to bring all freedom-loving nations together in a community dedicated to the defense and preservation of our sacred values. Our alliance, forged in the crucible of war, tempered and shaped by the realities of the postwar world, has succeeded. In Europe, the threat has been contained, the peace has been kept." (*Public Papers: Reagan, 1984*, Book I, p. 822)

¹⁰ The President did not deliver a formal speech while in London, but offered remarks and took part in a question and answer session on June 10. For the text, see *Public Papers: Reagan, 1984*, Book I, pp. 836–839.

¹¹ Not found.

Recommendation

If you agree with this statement of basic themes and how to give them currency, we shall use this strategy in organizing the program of the next several months.¹²

¹²Shultz initialed the “Agree” line. A stamped date next to it reads: “MAR 14 1984.”

190. Letter From Richard Nixon to the President’s Assistant for National Security Affairs (McFarlane)¹

New York, March 29, 1984

Dear Bud,²

I greatly appreciated your letter of March 26th³ and find myself in substantial agreement with your observations about the direction of the Administration’s foreign policy.

On the political front, I must say that I never thought the day would come when we would see a candidate more dovish than Walter Mondale. But the new wunderkind, scary Gary, has finally topped him. Hart is an isolationist pure and simple as far as the most crucial area, the Third World, is concerned. His suggestion that Japan, because it gets 65% of its oil from the Persian Gulf, should send ground troops to the Gulf if hostilities arise is beyond belief. And he apparently is not aware of the fact that the Germans are prohibited from playing a role militarily outside of Europe.

But on a subject where I have first-hand knowledge, Hart has made an even more ludicrous proposal. He said in the debate at Columbia last night that he would as President initiate a six-month moratorium on testing with the hope that that might entice the Soviets into agreeing to a Comprehensive Test Ban.⁴ He fails to take into account what

¹ Source: Reagan Library, Robert McFarlane Files, Subject File, Soviet Union—Sensitive File—1984 (03/09/1984–06/20/1984). No classification marking. The letter is printed on Nixon’s personal letterhead. In the top right-hand corner of the letter, the President wrote: “I marked a note on p. 2. RR.”

²Nixon added “Dear Bud” by hand.

³Not found.

⁴Mondale, Hart, and the Reverend Jesse Jackson took part in a televised debate at Columbia University on March 28. (Howell Raines, “Hart and Mondale Clash Repeatedly in Sixth Debate,” *New York Times*, March 29, 1984, pp. A1, B8)

I described at considerable length in my *Memoirs*: the fact that in 1974 Brezhnev pressed me to agree to a Comprehensive Test Ban.⁵ I refused and we settled on the Threshold Test Ban. Then and now the problem was not their willingness to agree to a Test Ban but their unwillingness to agree to verification. I am rather surprised that Mondale doesn't take him on on this particular point. But here, of course, Mondale is trying to get to the left of Hart by demonstrating that he came out for a nuclear freeze long before Hart did.

In any event, despite Hart's win in Connecticut, I still predict that Mondale will be nominated and that the convention will come up with a Mondale/Hart ticket.⁶ Because of the hard words they have had between them, most of the pundits rule that out completely. We have to remember, however, as Johnson and Kennedy demonstrated in 1960, Democrats who appear to be fighting each other during a primary have a love feast at a convention. It is like hearing a couple of cats screeching on the back fence in the middle of the night. You think that they are fighting. But in a few weeks you have a dozen more kittens.

It would be presumptuous for me to suggest what initiatives the President might offer in his upcoming speech. I think he might make some mileage by giving active support to Senate approval of the Threshold Test Ban Treaty and expressing his willingness to have a Comprehensive Test Ban provided adequate verification can be assured.⁷

Another pet idea of mine which he has already alluded to but not set forth as Administration policy is that in the field of defensive weapons in space, the United States would offer to share whatever technology we develop in that area with the Soviet Union or any other nation that agrees to participate in constructive arms control negotiations. I believe the President would be well-advised to formally make this offer to the Soviet Union. Like Eisenhower's Open Skies proposal in 1955,⁸ they would probably turn it down. But the President would have completely knocked the props out of the argument that we want defensive missile defense as a shield so that we could use the sword of offensive missiles. By offering to share our defensive technology with the Soviets, we would completely demolish this argument.

⁵Richard M. Nixon, *RN: The Memoirs of Richard Nixon* (New York: Grosset & Dunlap, 1978).

⁶On March 27, Hart "scored a decisive victory" over Mondale and Jackson "in Connecticut's Democratic Presidential primary, completing a sweep of primaries and caucuses in the six New England states." (Richard L. Madden, "Hart Easily Wins Connecticut Vote; His Tally is 54.9%," *New York Times*, March 28, 1984, pp. A1, B6)

⁷Reagan drew an arrow to this and the subsequent sentence and wrote "Why not?" in the right-hand margin.

⁸See footnote 4, Document 95.

I am not surprised that the Soviets refuse to see Scowcroft. They study our polls more religiously than even the candidates do. The Gallup Poll showing Hart leading Reagan (which was only a blip in my opinion) probably convinced them that Hart had a chance to win.⁹ The situation is totally different from that in 1972 when we not only had had three years of intensive private preparatory talks looking toward a summit,¹⁰ but the Berlin Agreement.¹¹ And, even more importantly, the political reality that no one gave McGovern any chance whatever to win. Despite their ideology, one thing I have observed about the Soviets is that they never back losers.

However, I am not concerned that if the polls continue to show a close race the Soviets might try to stir up some trouble someplace in the world hoping that it would lead to the President's defeat. We can be sure that after what happened when they heavy-handedly tried to prevent Kohl's election Germany, they won't try any ploy like that in the U.S. If they did try to create a crisis someplace in the world, there is no doubt in my mind that it would help the President rather than hurt him, provided he handled it in a very strong and responsible way.

This letter is already much too long but I did want to share some of these thoughts with you. Don't bother the President with the full text but if you see a morsel or two that he might enjoy munching on, serve it to him in the morning as an hors d'oeuvre!

With warm regards,
Sincerely,

RN

⁹ On March 9, *New York Times* reporter John Herbers wrote that a new Gallup Poll, "taken by telephone among 719 registered voters from March 2 to March 6," placed Hart ahead of Reagan: "The poll found that in a trial heat for the Presidency, 52 percent said they favored the Colorado Senator to 43 percent for Mr. Reagan. When matched against Mr. Hart's two leading rivals in the poll, Mr. Reagan led former Vice President Walter F. Mondale, 50 percent to 45 percent, and Senator John Glenn of Ohio 52 percent to 41 percent." (John Herbers, "Gallup's Survey Gives Hart 9-Point Lead Over Reagan," *New York Times*, p. A12)

¹⁰ Reference is to the May 1972 Moscow summit meeting.

¹¹ Reference is to the 1971 Quadripartite Agreement.

191. Address by Secretary of State Shultz¹

Washington, April 3, 1984

Power and Diplomacy in the 1980s

Over 20 years ago, President John Kennedy pledged that the United States would “pay any price, bear any burden, meet any hardship, support any friend, oppose any foe, in order to assure the survival and the success of liberty.”² We know now that the scope of that commitment is too broad—though the self-confidence and courage in those words were typically American and most admirable. More recently, another Administration took the view that our fear of communism was “inordinate” and that there were very complicated social, economic, religious, and other factors at work in the world that we had little ability to affect. This, in my view, is a counsel of helplessness that substantially underestimates the United States and its ability to influence events.

Somewhere between these two poles lies the natural and sensible scope of American foreign policy. We know that we are not omnipotent and that we must set priorities. We cannot pay *any* price or bear *any* burden. We must discriminate; we must be prudent and careful; we must respond in ways appropriate to the challenge and engage our power only when very important strategic stakes are involved. Not every situation can be salvaged by American exertion even when important values or interests are at stake.

At the same time, we know from history that courage and vision and determination can change reality. We can affect events, and we all know it. The American people expect this of their leaders. And the future of the free world depends on it.

¹ Source: Department of State *Bulletin*, May 1984, pp. 12–15. All brackets are in the original. Shultz spoke before the Trilateral Commission. In a note dictated on April 2, Dam commented: “I stayed late this evening for a meeting with Secretary Shultz on an important speech he plans to make tomorrow before the Trilateral group. What he has put in one speech is what he has been saying for some time, especially since the collapse of our effort in Lebanon; namely, that we had to recognize that power and diplomacy went together and that there could be no effective diplomacy without the willingness to apply force, particularly on a graduated level and particularly in the Third World, where the growth of instability and state terrorism threatens to undermine the existing balance of power and the assumptions on which diplomatic relationships had heretofore been based.” (Department of State, D Files, Deputy Secretary Dam’s Official Files: Lot 85D308, Personal Notes of Deputy Secretary—Kenneth W. Dam—Oct. 1983–Sept. 1984) In his memoir, Shultz recalled the address: “I started to speak out on the subject [terrorism]. Public debate, I felt, could be a way to sharpen our thinking and strengthen our policy. On April 3, 1984, at a meeting of the Trilateral Commission, I said we had to take on the challenge of terrorism boldly and to be willing to use force under the right circumstances.” (Shultz, *Turmoil and Triumph*, p. 646)

² Reference is to President Kennedy’s January 20, 1961, inaugural address. For the text of the address, see *Public Papers: Kennedy, 1961*, pp. 1–3.

Americans, being a moral people, want their foreign policy to reflect the values we espouse as a nation. But Americans, being a practical people, also want their foreign policy to be effective. If we truly care about our values, we must be prepared to defend them and advance them. Thus we as a nation are perpetually asking ourselves how to reconcile our morality and our practical sense, how to pursue noble goals in a complex and imperfect world, how to relate our strength to our purposes—in sum, how to relate power and diplomacy.

We meet this evening amid the excitement of America's quadrennial exercise of self-renewal, in which we as a country reexamine ourselves and our international objectives. It is an unending process—almost as unending as the presidential campaign season. But there are some constants in our policy, such as our alliance with the industrial democracies, as embodied in the distinguished gathering. This partnership—the cornerstone of our foreign policy for 35 years—itself reflects our ability to combine our moral commitment to democracy and our practical awareness of the crucial importance of maintaining the global balance of power. So I consider this an appropriate forum at which to share some thoughts on the relationship between power and diplomacy in the last two decades of the 20th century.

The World We Face

By the accident of history, the role of world leadership fell to the United States just at the moment when the old international order had been destroyed by two world wars but no new stable system had developed to replace it. A century ago, the international system was centered on Europe and consisted of only a few major players. Today, in terms of military strength, the dominant countries are two major powers that had been, in one sense or another, on the edge or outside European diplomacy. But economic power is now widely dispersed. Asia is taking on increasing significance. The former colonial empires have been dismantled, and there are now more than 160 independent nations on the world scene. Much of the developing world itself is torn by a continuing struggle between the forces of moderation and forces of radicalism. Most of the major international conflicts since 1945 have taken place there—from Korea to Vietnam to the Middle East to Central America. Moreover, the Soviet Union continues to exploit nuclear fear as a political weapon and to exploit instabilities wherever they have the opportunity to do so.

On a planet grown smaller because of global communications, grown more turbulent because of the diffusion of power—all the while overshadowed by nuclear weapons—the task of achieving stability, security, and progress is a profound challenge for mankind. In an age menaced by nuclear proliferation and state-sponsored terrorism, tendencies toward anarchy are bound to be a source of real dangers.

It is absurd to think that America can walk away from these problems. This is a world of great potential danger. There is no safety in isolationism. We have a major, direct stake in the health of the world economy; our prosperity, our security, and our alliances can be affected by threats to security in many parts of the world; and the fate of our fellow human beings will always impinge on our moral consciousness. Certainly the United States is not the world's policeman. But we are the world's strongest free nation, and, therefore, the preservation of our values, our principles, and our hopes for a better world rests in great measure, inevitably, on our shoulders.

Power and Diplomacy

In this environment, our principal goal is what President Reagan has called "the most basic duty that any President and any people share—the duty to protect and strengthen the peace." History teaches, however, that peace is not achieved merely by wishing for it. Noble aspirations are not self-fulfilling. Our aim must always be to shape events and not be the victim of events. In this fast-moving and turbulent world, to sit in a reactive posture is to risk being overwhelmed or to allow others, who may not wish us well, to decide the world's future.

The Great Seal of the United States, as you know, shows the American eagle clutching arrows in one claw and olive branches in the other. Some of you may have seen the Great Seal on some of the china and other antique objects in the White House or in the ceremonial rooms on the eighth floor of the State Department. On some of older items, the eagle looks toward the arrows; on others, toward the olive branches. It was President Truman who set it straight: he saw to it that the eagle always looked toward the olive branches—showing that America sought peace. But the eagle still holds onto those arrows.

This is a way of saying that our forefathers understood quite well that power and diplomacy always go together. It is even clearer today that a world of peace and security will not come about without exertion or without facing up to some tough choices. Certainly power must always be guided by purpose, but the hard reality is that diplomacy not backed by strength is ineffectual. That is why, for example, the United States has succeeded many times in its mediation when many other well-intentional mediators have failed. Leverage, as well as good will, is required.

Americans have sometimes tended to think that power and diplomacy are two distinct alternatives. To take a very recent example, the Long commission report³ on the bombing of our Marine barracks

³ See footnote 3, Document 184.

in Beirut urged that we work harder to pursue what it spoke of as “diplomatic alternatives,” as opposed to “military options.” This reflects a fundamental misunderstanding—not only of our intensive diplomatic efforts throughout the period but of the relationship between power and diplomacy. Sometimes, regrettable as it may be, political conflict degenerates into a test of strength. It was precisely our military role in Lebanon that was problematical, not our diplomatic exertion. Our military role was hamstrung by legislative and other inhibitions; the Syrians were not interested in diplomatic compromise so long as the prospect of hegemony was not foreclosed. They could judge from our domestic debate that our staying power was limited.

In arms control, also, successful negotiation depends on the perception of a military balance. Only if the Soviet leaders see the West as determined to modernize its own forces will they see an incentive to negotiate agreements establishing equal, verifiable, and lower levels of armaments.

The lesson is that power and diplomacy are not alternatives. They must go together, or we will accomplish very little in this world.

The relationship between them is a complex one, and it presents us with both practical and moral issues. Let me address a few of those issues. One is the variety of the challenges we face. A second is the moral complexity of our response. A third is the problem of managing the process in a democracy.

The Range of Challenges

Perhaps because of our long isolation from the turmoil of world politics, Americans have tended to believe that war and peace, too, were two totally distinct phenomena: we were either in a blissful state of peace, or else (as in World Wars I and II) we embarked on an all-out quest for total victory, after which we wanted to retreat back into inward-looking innocence, avoiding “power politics” and all it represented. During World War II, while single-mindedly seeking the unconditional surrender of our enemies, we paid too little heed to the emerging postwar balance of power.

Similarly, since 1945 we have experienced what we saw as a period of clearcut cold war, relieved by a period of seeming detente which raised exaggerated expectations in some quarters. Today we must see the East-West relationship as more complex, with the two sides engaging in trade and pursuing arms control even as they pursue incompatible aims. It is not as crisis prone or starkly confrontational as the old cold war; but neither is it a normal relationship of peace or comfortable coexistence.

Thus, in the 1980s and beyond, most likely we will never see a state of total war or a state of total peace. We face instead a spectrum of often ambiguous challenges to our interests.

We are relatively well prepared to deter an all-out war or a Soviet attack on our West European and Japanese allies; that's why these are the least likely contingencies. But, day in and day out, we will continue to see a wide range of conflicts that fall in a gray area between major war and millennial peace. The coming years can be counted upon to generate their share of crises and local outbreaks of violence. Some of them—not all of them—will affect our interests. Terrorism—particularly state-sponsored terrorism—is already a contemporary weapon directed at America's interests, America's values, and America's allies. We must be sure we are as well prepared and organized for this intermediate range of challenges.

If we are to protect our interests, values, and allies, we must be engaged. And our power must be engaged.

It is often said that the lesson of Vietnam is that the United States should not engage in military conflict without a clear and precise military mission, solid public backing, and enough resources to finish the job. This is undeniably true. But does it mean there are no situations where a discrete assertion of power is needed or appropriate for limited purposes? Unlikely. Whether it is crisis management or power projection or a show of force or peacekeeping or a localized military action, there will always be instances that fall short of an all-out national commitment on the scale of World War II. The need to avoid no-win situations cannot mean that we turn automatically away from hard-to-win situations that call for prudent involvement. These will always involve risks; we will not always have the luxury of being able to choose the most advantageous circumstances. And our adversaries can be expected to play rough.

The Soviets are students of Clausewitz, who taught that war is a continuation of politics by other means. It is highly unlikely that we can respond to gray-area challenges without adapting power to political circumstances or on a psychologically satisfying, all-or-nothing basis. This is just not the kind of reality we are likely to be facing in the 1980s, or 1990s, or beyond. Few cases will be as clear or as quick as Grenada. On the contrary, most other cases will be a lot tougher.

We have no choice, moreover, but to address ourselves boldly to the challenge of terrorism. State-sponsored terrorism is really a form of warfare. Motivated by ideology and political hostility, it is a weapon of unconventional war against democratic societies, taking advantage of the openness of these societies. How do we combat this challenge? Certainly we must take security precautions to protect our people and our facilities; certainly we must strengthen our intelligence capabilities to alert ourselves to the threats. But it is increasingly doubtful that a purely passive strategy can even begin to cope with the problem. This raises a host of questions for a free society: in what circumstances—and

how—should we respond? When—and how—should we take preventive or preemptive action against known terrorist groups? What evidence do we insist upon before taking such steps?

As the threat mounts—and as the involvement of such countries as Iran, Syria, Libya, and North Korea has become more and more evident—then it is more and more appropriate that the nations of the West face up to the need for active defense against terrorism. Once it becomes established that terrorism works—that it achieves its political objectives—its practitioners will be bolder, and the threat to us will be all the greater.

The Moral Issues

Of course, any use of force involves moral issues. American military power should be resorted to only if the stakes justify it, if other means are not available, and then only in a manner appropriate to the objective. But we cannot opt out of every contest. If we do, the world's future will be determined by others—most likely by those who are the most brutal, the most unscrupulous, and the most hostile to our deeply held principles. *The New Republic* stated it well a few weeks ago:

[T]he American people know that force and the threat of force are central to the foreign policy of our adversaries, and they expect their President to be able to deter and defeat such tactics.⁴

As we hear now in the debate over military aid to Central America, those who shrink from engagement can always find an alibi for inaction. Often it takes the form of close scrutiny of any moral defects in the friend or ally whom we are proposing to assist. Or it is argued that the conflict has deep social and economic origins which we really have to address first before we have a right to do anything else.

But rather than remain engaged in order to tackle these problems—as we are trying to do—some people turn these concerns into formulas for abdication, formulas that would allow the enemies of freedom to decide the outcome. To me, it is highly immoral to let friends who depend on us be subjugated by brute force if we have the capacity to prevent it.

There is, in addition, another ugly residue of our Vietnam debate: the notion, in some quarters, that America is the guilty party, that the use of our power is a source of evil and, therefore, the main task in foreign policy is to restrain America's freedom to act. It is inconceivable to me that the American people believe any of this. It is certainly not President Reagan's philosophy.

Without being boastful or arrogant, the American people know that their country has been a powerful force for good in the world. We

⁴"The Democrats And Force," *New Republic*, March 19, 1984, pp. 7–9.

helped Europe and Asia—including defeated enemies—rebuild after the war, and we helped provide a security shield behind which they could build democracy and freedom as well as prosperity. Americans have often died and sacrificed for the freedom of others. We have provided around \$165 billion in economic assistance for the developing world. We have played a vital facilitating role in the Middle East peace process, in the unfolding diplomacy of southern Africa, as well as in many other diplomatic efforts around the globe.

We have used our power for good and worthy ends. In Grenada, we helped restore self-determination to the people of Grenada, so that they could choose their own future. Some have tried to compare what we did in Grenada to the Soviet invasion of Afghanistan. We welcome such comparison. Contrast, for example, the prospects for free elections in the two countries. In Grenada, they will be held this year; in Afghanistan, when? Contrast the number of American combat troops now in Grenada 5 months after the operation with the number of Soviet troops in Afghanistan 55 months after their invasion. The number in Grenada is 0; the number in Afghanistan is over 100,000.

More often, the issue is not the direct use of American military power but military assistance to friends to help them defend themselves. Around the world, security support for friends is a way to prevent crises; it bolsters our friends so they can deter challenges. And it is a way of avoiding the involvement of American forces, because it is only when our friends' efforts in their own defense are being overwhelmed that we are faced with the agonizing decision whether to involve ourselves more directly. Security assistance is thus an essential tool of foreign policy. It is an instrument for deterring those who would impose their will by force and for making political solutions possible. It gets far less support in this country than it deserves.

Central America is a good example. The real moral question in Central America is not do we believe in military solutions, but do we believe in ourselves? Do we believe that our security and the security of our neighbors has moral validity? Do we have faith in our own democratic values? Do we believe that Marxist-Leninist solutions are antidemocratic and that we have a moral right to try to stop those who are trying to impose them by force? Sure, economic and social problems underlie many of these conflicts. But in El Salvador, the communist guerrillas are waging war directly against the economy, blowing up bridges and power stations, deliberately trying to wreck the country's economy.

The conflict in Central America is not a debate between social theorists; it is one of those situations I mentioned where the outcome of political competition will depend in large measure on the balance of military strength. In El Salvador, the United States is supporting moderates who believe in democracy and who are resisting the enemies of democracy on

both the extreme right and the extreme left. If we withdrew our support, the moderates, caught in the crossfire, would be the first victims—as would be the cause of human rights and the prospects for economic development. And anyone who believes that military support for our friends isn't crucial to a just outcome is living in a dream world. And anyone who believes that military support can be effective when it's given on an uncertain installment plan is not facing reality.

Accountability Without Paralysis

The third issue I want to mention is the question of how this country, as a democracy, conducts itself in the face of such challenges.

Over the last 35 years, the evolution of the international system was bound to erode the predominant position the United States enjoyed immediately after World War II. But it seems to me that in this disorderly and dangerous new world, the loss of American predominance puts an even greater premium on consistency, determination, and coherence in the conduct of our foreign policy. We have less margin for error than we used to have.

This change in our external circumstances, however, coincided historically with a kind of cultural revolution at home that has made it harder for us to achieve the consistency, determination, and coherence that we need. The last 15 years left a legacy of contention between the executive and legislative branches and a web of restrictions on executive action embedded permanently in our laws. At the same time, the diffusion of power within the Congress means that a president has a hard time when he wants to negotiate with the Congress, because congressional leaders have lost their dominance of the process and often cannot produce a consensus or sometimes even a decision.

The net result, as you well know, is an enormous problem for American foreign policy—a loss of coherence and recurring uncertainty in the minds of friend and foe about the aims and constancy of the United States.

Particularly in the war powers field, where direct use of our power is at issue, the stakes are high. Yet the war powers resolution sets arbitrary 60-day deadlines that practically invite an adversary to wait us out.⁵ Our Commander in Chief is locked in battle at home at the same time he is trying to act effectively abroad. Under the resolution, even inaction by the Congress can force the President to remove American

⁵ The War Powers Resolution (H.J. Res. 542; P.L. 93-148; 87 Stat. 555), approved on November 7, 1973, over Nixon's veto, mandated consultation between the executive and legislative branches prior to the commitment of U.S. forces into hostilities, prohibited the extension of troop commitments beyond 60 days without specific congressional authorization, and permitted Congress, via concurrent resolution, to direct the President to disengage U.S. troops in the absence of either a declaration of war or congressional authorization.

forces from an area of challenge, which, as former President Ford has put it, undermines the President even when the Congress can't get up the courage to take a position. Such constraints on timely action may only invite greater challenges down the road. In Lebanon our adversaries' perception that we lacked staying power undercut the prospects for successful negotiation. As the distinguished Majority Leader, Senator Howard Baker, said on the floor of the Senate 4 weeks ago:

We cannot continue to begin each military involvement abroad with a prolonged, tedious and divisive negotiation between the executive and the legislative branches of government. The world and its many challenges to our interests simply do not allow us that luxury.⁶

I do not propose changes in our constitutional system. But some legislative changes may be called for. And I propose, at a minimum, that all of us, in both Congress and the executive branch, exercise our prerogatives with a due regard to the national need for an effective foreign policy. Congress has the right, indeed the duty, to debate and criticize, to authorize and appropriate funds and share in setting the broad lines of policy. But micromanagement by a committee of 535 independent-minded individuals is a grossly inefficient and ineffective way to run any important enterprise. The fact is that depriving the President of flexibility weakens our country. Yet a host of restrictions on the President's ability to act are now built into our laws and our procedures. Surely there is a better way for the President and the Congress to exercise their prerogatives without hobbling this country in the face of assaults on free-world interests abroad. Surely there can be accountability without paralysis. The sad truth is that many of our difficulties over the last 15 years have been self-imposed.

The issue is fundamental. If the purpose of our power is to prevent war, or injustice, then ideally we want to discourage such occurrences rather than have to use our power in a physical sense. But this can happen only if there is assurance that our power would be used if necessary.

A reputation for reliability becomes, then, a major asset—giving friends a sense of security and adversaries a sense of caution. A reputation for living up to our commitments can, in fact, make it less likely that pledges of support will have to be carried out. Crisis management is most successful when a favorable outcome is attained without firing a shot. Credibility is an intangible, but it is no less real. The same is true of a loss of credibility. A failure to support a friend always involves a price. Credibility, once lost, has to be reearned.

⁶ Baker made these remarks on the floor of the Senate on March 6, 1984; see *Congressional Record*, vol. 130, part 4 (March 5–15, 1984), p. 4570.

Facing the Future

The dilemmas and hard choices will not go away, no matter who is president. They are not partisan problems. Anyone who claims to have simple answers is talking nonsense.

The United States faces a time of challenge ahead as great as any in recent memory. We have a diplomacy that has moved toward peace through negotiation. We have rebuilt our strength so that we can defend our interests and dissuade others from violence. We have allies whom we value and respect. Our need is to recognize both our challenge and our potential.

Americans are not a timid people. A foreign policy worthy of America must not be a policy of isolationism or guilt but a commitment to active engagement. We can be proud of this country, of what it stands for, and what it has accomplished. Our morality should be a source of courage when we make hard decisions, not a set of excuses for self-paralysis.

President Reagan declared to the British Parliament nearly 2 years ago: "We must be staunch in our conviction that freedom is not the sole prerogative of a lucky few but the inalienable and universal right of all human beings." As long as Americans hold to this belief, we will be actively engaged in the world. We will use our power and our diplomatic skill in the service of peace and of our ideals. We have our work cut out for us. But we will not shrink from our responsibility.

192. Remarks by President Reagan¹

Washington, April 6, 1984

Remarks at the National Leadership Forum
of the Center for Strategic and International Studies
of Georgetown University

Thank you very much, Ann Armstrong. Thank you, Cochairman Sam Nunn. I am honored to have this opportunity to take part in your National Leadership Forum. The CSIS reputation for distinguished scholarly research is well deserved, and your organization rightly enjoys that great respect.

¹Source: *Public Papers: Reagan, 1984*, Book I, pp. 477–485. All brackets are in the original. The President addressed the National Leadership Forum of the Center for Strategic and International Studies of Georgetown University at the International Club at 9:57 a.m.

I'd like to address your theme of bipartisanship with a view toward America's foreign policy—the challenges for the eighties.

All Americans share two great goals for foreign policy: a safer world, and a world in which individual rights can be respected and precious values may flourish. These goals are at the heart of America's traditional idealism and our aspirations for world peace. Yet, while cherished by us, they do not belong exclusively to us. They're not made in America. They're shared by people everywhere.

Tragically, the world in which these fundamental goals are so widely shared is a very troubled world. While we and our allies may enjoy peace and prosperity, many citizens of the industrial world continue to live in fear of conflict and the threat of nuclear war. And all around the globe terrorists threaten innocent people and civilized values. And in developing countries, the dreams of human progress have too often been lost to violent revolution and dictatorship.

Quite obviously the widespread desire for a safer and more humane world is, by itself, not enough to create such a world. In pursuing our worthy goals, we must go beyond honorable intentions and good will to practical means.

We must be guided by these key principles:

Realism—the world is not as we wish it would be. Reality is often harsh. We will not make it less so, if we do not first see it for what it is.

Strength—we know that strength alone is not enough, but without it there can be no effective diplomacy and negotiations, no secure democracy and peace. Conversely, weakness or hopeful passivity are only self-defeating. They invite the very aggression and instability that they would seek to avoid.

Now, economic growth—this is the underlying base that ensures our strength and permits human potential to flourish. Neither strength nor creativity can be achieved or sustained without economic growth, both at home and abroad.

Intelligence—our policies cannot be effective unless the information on which they're based is accurate, timely, and complete.

Shared responsibility with allies—our friends and allies share the heavy responsibility for the protection of freedom. We seek and need their partnership, sharing burdens in pursuit of our common goals.

Nonaggression—we have no territorial ambitions. We occupy no foreign lands. We build our strength only to assure deterrence and to secure our interests if deterrence fails.

Dialog with adversaries—though we must be honest in recognizing fundamental differences with our adversaries, we must always be willing to resolve these differences by peaceful means.

Bipartisanship at home—in our two-party democracy, an effective foreign policy must begin with bipartisanship, and the sharing

of responsibility for a safer and more humane world must begin at home.

During the past 3 years, we've been steadily rebuilding America's capacity to advance our foreign policy goals through renewed attention to these vital principles. Many threats remain, and peace may still seem precarious. But America is safer and more secure today because the people of this great nation have restored the foundation of its strength.

We began with renewed realism, a clear-eyed understanding of the world we live in and of our inescapable global responsibilities. Our industries depend on the importation of energy and minerals from distant lands. Our prosperity requires a sound international financial system and free and open trading markets. And our security is inseparable from the security of our friends and neighbors.

I believe Americans today see the world with realism and maturity. The great majority of our people do not believe the stark differences between democracy and totalitarianism can be wished away. They understand that keeping America secure begins with keeping America strong and free.

When we took office in 1981, the Soviet Union had been engaged for 20 years in the most massive military buildup in history. Clearly, their goal was not to catch us, but to surpass us. Yet the United States remained a virtual spectator in the 1970's, a decade of neglect that took a severe toll on our defense capabilities.

With bipartisan support, we embarked immediately on a major defense rebuilding program. We've made good progress in restoring the morale of our men and women in uniform, restocking spare parts and ammunition, replacing obsolescent equipment and facilities, improving basic training and readiness, and pushing forward with long overdue weapons programs.

The simple fact is that in the last half of the 1970's, we were not deterring, as events from Angola to Afghanistan made clear. Today we are. And that fact has fundamentally altered the future for millions of human beings. Gone are the days when the United States was perceived as a rudderless superpower, a helpless hostage to world events. American leadership is back. Peace through strength is not a slogan. It's a fact of life. And we will not return to the days of handwringing, defeatism, decline, and despair.

We have also upgraded significantly our intelligence capabilities, restoring morale in the intelligence agencies and increasing our capability to detect, analyze, and counter hostile intelligence threats.

Economic strength, the underlying base of support for our defense buildup, has received a dramatic new boost. We've transformed a no-growth economy, crippled by disincentives, double-digit inflation, 12½-percent interest rates, plunging productivity, and a weak dollar,

into a dynamic growth economy bolstered by new incentives, stable prices, lower interest rates, a rebirth of productivity, and restored our confidence in our currency.

Renewed strength at home has been accompanied by closer partnerships with America's friends and allies. Far from buckling under Soviet intimidation, the unity of the NATO alliance has held firm, and we're moving forward to modernize our strategic deterrent. The leader of America's oldest ally, French President Francois Mitterrand, recently reminded us that peace, like liberty, is never given. The pursuit of both is a continual one. In the turbulent times we live in, solidarity among friends is essential.

Our principles don't involve just rebuilding our strength; they also tell us how to use it. We remain true to the principle of nonaggression. On an occasion when the United States, at the request of its neighbors, did use force in Grenada, we acted decisively, but only after it was clear a bloodthirsty regime had put American and Grenadian lives in danger, and the security of neighboring islands in danger. As soon as stability and freedom were restored in the island, we left. The Soviet Union had no such legitimate justification for its massive invasion of Afghanistan 4 years ago. And today, over a hundred thousand occupation troops remain there. The United States, by stark contrast, occupies no foreign nation, nor do we seek to.

Though we and the Soviet Union differ markedly, living in this nuclear age makes it imperative that we talk with each other. If the new Soviet leadership truly is devoted to building a safer and more humane world, rather than expanding armed conquests, it will find a sympathetic partner in the West.

In pursuing these practical principles, we have throughout sought to revive the spirit that was once the hallmark of our postwar foreign policy: bipartisan cooperation between the executive and legislative branches of our government.

Much has been accomplished, but much remains to be done. If Republicans and Democrats will join together to confront four great challenges to American foreign policy in the eighties, then we can and will make great strides toward a safer and more humane world.

Challenge number one is to reduce the risk of nuclear war and to reduce the levels of nuclear armaments in a way that also reduces the risk they will ever be used. We have no higher challenge, for a nuclear war cannot be won and must never be fought. But merely to be against nuclear war is not enough to prevent it.

For 35 years the defense policy of the United States and her NATO allies has been based on one simple premise: We do not start wars; we maintain our conventional and strategic strength to deter aggression by convincing any potential aggressor that war could bring no benefit,

only disaster. Deterrence has been and will remain the cornerstone of our national security policy to defend freedom and preserve peace.

But as I mentioned, the 1970's were marked by neglect of our defenses, and nuclear safety was no exception. Too many forgot John Kennedy's warning that only when our arms are certain beyond doubt can we be certain beyond doubt they will never be used. By the beginning of this decade, we face three growing problems: the Soviet SS-20 monopoly in Europe and Asia; the vulnerability of our land-based ICBM, the entire force; and the failure of arms control agreements to slow the overall growth in strategic weapons. The Carter administration acknowledged these problems. In fact, almost everyone did.

There is a widespread, but mistaken, impression that arms agreements automatically produce arms control. In 1969, when SALT I negotiations began, the Soviet Union had about 1,500 strategic nuclear weapons. Today the Soviet nuclear arsenal can grow to over 15,000 nuclear weapons and still stay within all past arms control agreements, including the SALT I and SALT II guidelines.

The practical means for reducing the risks of nuclear war must, therefore, follow two parallel paths—credible deterrence and real arms reductions with effective verification. It is on this basis that we've responded to the problems I just described. This is why we've moved forward to implement NATO's dual-track decision of 1979. While actually reducing the number of nuclear weapons in Europe, it is also why we have sought bipartisan support for the recommendations of the Scowcroft commission² and the build-down concept³ and why we've proposed deep reductions in strategic forces at the strategic arms reduction talks.

Without exception, every arms control proposal that we have offered would reverse the arms buildup and help bring a more stable balance at lower force levels. At the START talks, we seek to reduce substantially the number of ballistic missile warheads, reduce the destructive capacity of nuclear missiles, and establish limits on bombers and cruise missiles, below the levels of SALT II. At the talks on intermediate-range nuclear forces, our negotiators have tabled four initiatives to address Soviet concerns and improve prospects for a fair and equitable agreement that would reduce or eliminate an

² See footnote 3, Document 166. The final report of the Scowcroft Commission is dated March 21 and is printed in *Documents on Disarmament, 1984*, pp. 171–180. On April 9, the President released a statement concerning the report, noting: "The final report reiterates the original recommendations, that is, an integrated strategic program consisting of an arms control structure with incentives to enhance stability at reduced levels of strategic arsenals; deployment of 100 MX missiles; and development of a small, single warhead ICBM; as well as other elements. The Commission again emphasizes that each element is essential to the overall program it outlined." (*Public Papers: Reagan, 1984*, Book I, p. 495)

³ See footnote 16, Document 174.

entire class of such nuclear weapons. Our flexibility in the START and INF negotiations has been demonstrated by numerous modifications to our positions. But they have been met only by the silence of Soviet walkouts.

At the mutual and balanced force reduction talks in Vienna, we and our NATO partners presented a treaty that would reduce conventional forces to parity at lower levels.⁴ To reduce the risks of war in time of crisis, we have proposed to the Soviet Union important measures to improve direct communications and increase mutual confidence.⁵ And just recently, I directed Vice President Bush to go to the Conference [Committee] on Disarmament in Geneva to present a new American initiative, a worldwide ban on the production, possession, and use of chemical weapons.⁶

Our strategic policy represents a careful response to a nuclear agenda upon which even our critics agreed. Many who would break the bonds of partisanship, claiming they know how to bring greater security, seem to ignore the likely consequences of their own proposals.

Those who wanted a last-minute moratorium on INF deployment would have betrayed our allies and reduced the chances for a safer Europe. Those who would try to implement a unilateral freeze would find it unverifiable and destabilizing, because it would prevent restoration of a stable balance that keeps the peace. And those who would advocate unilateral cancellation of the Peacekeeper missile would ignore a central recommendation of the bipartisan Scowcroft report and leave the Soviets with little incentive to negotiate meaningful reductions. Indeed, the Soviets would be rewarded for leaving the bargaining table.

These simplistic solutions and others put forward by our critics would take meaningful agreements and increased security much further from our grasp. Our critics can best help us move closer to the goals that we share by accepting practical means to achieve them. Granted, it's easy to support a strong defense. It's much harder to support a strong defense budget. And granted, it's easy to call for arms agreements. It's more difficult to support patient, firm, fair negotiations with those who want to see how much we will compromise with ourselves

⁴ Reference is to the draft treaty tabled at the MBFR talks in the summer of 1982; see footnote 6, Document 120. The MBFR talks resumed in Geneva on March 16, 1984.

⁵ See footnote 17, Document 146; footnote 6, Document 159; and footnote 5, Document 182.

⁶ Bush addressed the Conference on Disarmament in Geneva on April 18 and presented a draft text of a comprehensive treaty banning chemical weapons, entitled "Convention on the Prohibition of Chemical Weapons." Bush's address, in addition to a summary of the U.S. draft, is printed in Department of State *Bulletin*, June 1984, pp. 40-43. The draft text, CD/500, is printed in *Documents on Disarmament: 1984*, pp. 269-281.

first. Bipartisanship can only work if both forces, both sides, face up to real world problems and meet them with real world solutions.

Our safety and security depend on more than credible deterrence and nuclear arms reductions. Constructive regional development is also essential. Therefore, one—or our second great challenge is strengthening the basis for stability in troubled and strategically sensitive regions.

Regional tensions often begin in longstanding social, political, and economic inequities and in ethnic and religious disputes. But throughout the 1970's, increased Soviet support for terrorism, insurgency, and aggression coupled with the perception of weakening U.S. power and resolve greatly exacerbated these tensions.

The results were not surprising: the massacres of Kampuchea followed by the Vietnamese invasion, the Soviet invasion of Afghanistan, the rise of Iranian extremism and the holding of Americans hostage, Libyan coercion in Africa, Soviet and Cuban military involvement in Angola and Ethiopia, their subversion in Central America, and the rise of state-supported terrorism.

Taken together, these events defined a pattern of mounting instability and violence that the U.S. could not ignore. And we have not. As with defense, by the beginning of the eighties, there was an emerging consensus in this country that we had to go do better in dealing with problems that affect our vital interests.

Obviously, no single abstract policy could deal successfully with all problems or all regions. But as a general matter, effective, regional stabilization requires a balanced approach—a mix of economic aid, security assistance, and diplomatic mediation—tailored to the needs of each region.

It's also obvious that we alone cannot save embattled governments or control terrorism. But doing nothing only ensures far greater problems down the road. So, we strive to expand cooperation with states who support our common interests, to help friendly nations in danger, and to seize major opportunities for peacekeeping.

Perhaps the best example of this comprehensive approach is the report and recommendations of the National Bipartisan Commission on Central America.⁷ It is from this report that we drew our proposals

⁷ See Document 166 and footnote 2 thereto. The President received the Kissinger Commission's report on January 11. On January 10, Kissinger briefed members of Congress on the report recommendations, noting that "the attitude he found among the members was that 'this is a problem we have to solve as a united people.' He said the panel's 132-page report 'should be looked at as an attempt to achieve a coherent approach' that tackles all of the region's problems simultaneously." (Joanne Omang, "Political Lines Form as Reagan Gets Report on Central America," *Washington Post*, January 11, 1984, p. A12) For the text of the report, see *Report of the National Bipartisan Commission on Central America* (Washington: Government Printing Office, 1984).

for bringing peaceful development to Central America. They are now before the Congress and will be debated at length.

I welcome a debate, but if it's to be productive, we must put aside mythology and uninformed rhetoric. Some, for example, insist that the root of regional violence is poverty, but not communism. Well, three-fourths of our requests and of our current program is economic and humanitarian assistance. America is a good and generous nation, but economic aid alone cannot stop Cuban- and Soviet-inspired guerrillas determined to terrorize, burn, bomb, and destroy everything from bridges and industries to electric power and transportation. And neither individual rights nor economic health can be advanced if stability is not secured.

Other critics say that we shouldn't see the problems of this or any other region as an East-West struggle. Our policies in Central America and elsewhere are in fact designed precisely to keep East-West tensions from spreading, from intruding into the lives of nations that are struggling with great problems of their own.

Events in southern Africa are showing what persistent mediation and ability to talk to all sides can accomplish. The states of this region have been poised for war for decades, but there is new hope for peace. South Africa, Angola, and Mozambique are implementing agreements to break the cycle of violence. Our administration has been active in this process, and we'll stay involved, trying to bring an independent Namibia into being, end foreign military interference, and keep the region free from East-West conflict. I have hope that peace and democratic reform can be enjoyed by all the peoples of southern Africa.

In Central America we've also seen progress. El Salvador's Presidential election expresses that nation's desire to govern itself in peace.⁸ Yet the future of the region remains open. We have a choice. Either we help America's friends defend themselves and give democracy a chance, or we abandon our responsibilities and let the Soviet Union and Cuba shape the destiny of our hemisphere. If this happens, the East-West conflict will only become broader and much more dangerous.

In dealing with regional instability, we have to understand how it is related to other problems. Insecurity and regional violence are among the driving forces of nuclear proliferation. Peacekeeping in troubled regions and strengthening barriers to nuclear proliferation are two sides of the same coin. Stability and safeguards go together.

⁸ Held on March 25; see Robert J. McCartney, "Politicians, U.S. Officials Defend Results of Salvadoran Election," *Washington Post*, March 27, 1984, p. A12.

Now, no one says this approach is cheap, quick, or easy. But the cost of this commitment is bargain-basement compared to the tremendous sacrifices that we will have to make if we do nothing, or do too little. The Kissinger commission warned that an outbreak of Cuban-type regimes in Central America will bring subversion closer to our own borders, and the specter of millions of uprooted refugees fleeing in desperation to the north.

In the Middle East, which has so rarely known peace, we seek a similar mix of economic aid, diplomatic mediation, and military assistance and cooperation. These will, we believe, make the use of U.S. forces unnecessary and make the risk of East-West conflict less. But, given the importance of the region, we must also be ready to act when the presence of American power and that of our friends can help stop the spread of violence. I have said, for example, that we'll keep open the Strait of Hormuz, the vital lifeline through which so much oil flows to the United States and other industrial democracies. Making this clear beforehand and making it credible makes a crisis much less likely.

We must work with quiet persistence and without illusions. We may suffer setbacks, but we mustn't jump to the conclusion that we can defend our interests without ever committing ourselves. Nor should other nations believe that mere setbacks will turn America inward again. We know our responsibilities, and we must live up to them.

Because effective regional problemsolving requires a balanced and sustained approach, it is essential that the Congress give full, not piecemeal, support. Indeed, where we have foundered in regional stabilization, it has been because the Congress has failed to provide such support. Halfway measures, refusing to take responsibility for means, produce the worst possible results. I'll return to this point when I discuss the fourth challenge in just a few minutes.

Expanding opportunities for economic development and personal freedom is our third great challenge. The American concept of peace is more than absence of war. We favor the flowering of economic growth and individual liberty in a world of peace. And this, too, is a goal to which most Americans subscribe. Our political leaders must be judged by whether the means they offer will help us to reach it.

Our belief in individual freedom and opportunity is rooted in practical experience. Free people build free markets that ignite dynamic development for everyone. And in America, incentives, risk-taking, and entrepreneurship are reawakening the spirit of capitalism and strengthening economic expansion and human progress throughout the world. Our goal has always been to restore and sustain noninflationary worldwide growth, thereby ending for good the stagflation of the 1970's, which saw a drastic weakening of the fabric of the world economy.

We take our leadership responsibilities seriously, but we alone cannot put the world's economic house in order. At Williamsburg, the industrial countries consolidated their views on economic policy.⁹ The proof is not in the communique; it's in the results. France is reducing inflation and seeking greater flexibility in its economy. Japan is slowly, to be sure, but steadily, we will insist, liberalizing its trade and capital markets. Germany and the United Kingdom are moving forward on a steady course of low inflation and moderate, sustained growth.

Just as we believe that incentives are key to greater growth in America and throughout the world, so, too, must we resist the sugar-coated poison of protectionism everywhere it exists. Here at home we're opposing inflationary, self-defeating bills like domestic content. At the London economic summit in June,¹⁰ I hope that we can lay the groundwork for a new round of negotiations that will open markets for our exports of goods and services and stimulate greater growth, efficiency, and jobs for all.

And we're advancing other key initiatives to promote more powerful worldwide growth by expanding trade and investment relationships. The dynamic growth of Pacific Basin nations has made them the fastest growing markets for our goods, services, and capital. Last year I visited Japan and Korea—two of America's most important allies—to forge closer partnerships.¹¹ And this month I will visit the People's Republic of China, another of the increasingly significant relationships that we hold in the Pacific.¹² I see America and our Pacific neighbors as nations of the future going forward together in a mighty enterprise to build dynamic growth economies and a safer world.

We're helping developing countries grow by presenting a fresh view of development—the magic of the marketplace—to spark greater growth and participation in the international economy. Developing nations earn twice as much from exports to the United States as they received in aid from all the other nations combined.

And practical proposals like the Caribbean Basin Initiative will strengthen the private sectors of some 20 sectors—or I should say, 20 Caribbean neighbors, while guaranteeing fairer treatment for U.S. companies and nationals and increasing demand for American exports.

⁹ Reference is to the May 1983 G-7 Economic Summit meeting in Williamsburg; see footnote 3, Document 159. At a May 30 press conference, the President read the text of the Williamsburg Declaration on Economic Recovery. For the text of the President's remarks and the Williamsburg Declaration, see Department of State *Bulletin*, July 1983, pp. 13–15.

¹⁰ See Document 189 and footnote 2 thereto.

¹¹ See footnote 1, Document 175.

¹² See footnote 2, Document 187.

We've recently sent to the Congress a new economic policy initiative for Africa.¹³ And it, too, is designed to support the growth of private enterprise in African countries by encouraging structural economic change in international trade. We've also asked the Congress to increase humanitarian assistance to Africa to combat the devastating effects of extreme drought.¹⁴

In building a strong global recovery, of course, nothing is more important than to keep the wheels of world commerce turning and create jobs without renewing the spiral of inflation. The International Monetary Fund is a linchpin in our efforts to restore a sound world economy, resolve the debt problems of many developing countries. With bipartisan support, we implemented a major increase in IMF resources.¹⁵ In cooperation with the IMF, we're working to prevent the problems of individual debtor nations from disrupting the stability and strength of the entire international financial system. It was this goal that brought nations of north and south together to help resolve the debt difficulties of the new democratic Government of Argentina.¹⁶

¹³ At a January 30 news conference, Shultz announced the Economic Policy Initiative for Africa, a 5-year, \$500 million program designed to support African nations willing to undertake agricultural policy reforms. (Daniel Southerland, "US unveils major plan to help meet Africa food shortage," *Christian Science Monitor*, January 31, 1984, pp. 3, 4) In testimony before the House Foreign Affairs Committee Subcommittee on Africa on February 7, AID Assistant Administrator for Africa Frank Donatelli explained that "the growing complexity and urgency of Africa's economic problems" required "special effort" on the part of the United States: "We are, therefore, proposing an economic policy initiative for Africa which will contain a special fund with an initial 1985 appropriation of \$75 million. Ultimately, we see this as a 5-year, \$500 million effort. These funds would be directed toward countries that are willing to establish a growth oriented and comprehensive economic policy framework. Moneys from the special fund will be used to support implementation of the reform package." (*Economic Policy Initiative for Africa: Hearing Before the Subcommittee on Africa of the Committee on Foreign Affairs, House of Representatives, Ninety-Eighth Congress, Second Session, Tuesday, February 7, 1984*, p. 4)

¹⁴ At the January 30 news conference (see footnote 13, above), Shultz and McPherson also indicated that the administration intended to request an additional \$90 million appropriation for emergency food aid to Africa. (Lexie Verdon, "U.S. Seeking to Triple Emergency Food Aid to Africa," *Washington Post*, January 31, 1984, p. A10) The previous week, the President had directed McPherson to expedite food shipments to Africa; see footnote 2, Document 133.

¹⁵ Reference to P.L. 98–181, which increased the U.S. contribution to the IMF; see footnote 13, Document 161.

¹⁶ On December 10, 1983, Alfonsín was inaugurated as President of Argentina, marking an end to military rule. (Edward Schumacher, "Argentine Leader Sworn Into Office, Ending Army Rule," *New York Times*, December 11, 1983, pp. 1, 23) On March 30, 1984, the U.S. Treasury Department announced that the Governments of Mexico, Brazil, Venezuela, and Colombia would provide the Government of Argentina with short-term financing to resolve its debt crisis. In addition, the United States would furnish \$300 million as a short-term loan to Argentina so that it could repay Brazil, Colombia, Mexico, and Venezuela after Argentina reached agreement with the IMF on an economic adjustment program. Argentina would also need to provide \$100 million from its own cash reserves. (Peter T. Kilborn, "U.S., 4 Latin Nations and Banks Agree on Argentine Debt Package," *New York Times*, March 31, 1984, pp. 1, 33)

Because we know that democratic governments are the best guarantors of human rights, and that economic growth will always flourish when men and women are free, we seek to promote not just material products but the values of faith and human dignity for which America and all democratic nations stand—values which embody the culmination of 5,000 years of Western civilization.

When I addressed the British Parliament in June of 1982, I called for a bold and lasting effort to assist people struggling for human rights. We've established the National Endowment for Democracy, a partnership of people from all walks of life dedicated to spreading the positive message of democracy. To succeed we must oppose the double speak of totalitarian propaganda. And so, we're modernizing the Voice of America and our other broadcasting facilities, and we're working to start up Radio Marti, a voice of truth to the imprisoned people of Cuba.

Americans have always wanted to see the spread of democratic institutions, and that goal is coming closer. In our own hemisphere, 26 countries of Latin America and the Caribbean are either democracies or formally embarked on a democratic transition. This represents 90 percent of the region's population, up from under 50 percent a decade ago.

Trust the people—this is the crucial lesson of history and America's message to the world. We must be staunch in our conviction that freedom is not the sole possession of a chosen few, but the universal right of men and women everywhere.

President Truman said, "If we should pay merely lip service to inspiring ideals, and later do violence to simple justice, we would draw down upon us the bitter wrath of generations yet unborn."¹⁷ Well, let us go forward together, faithful friends of democracy and democratic values, confident in our conviction that the tide of the future is a freedom tide. But let us go forward with practical means.

This brings me to our fourth great challenge. We must restore bipartisan consensus in support of U.S. foreign policy. We must restore America's honorable tradition of partisan politics stopping at the water's edge, Republicans and Democrats standing united in patriotism and speaking with one voice as responsible trustees for peace, democracy, individual liberty, and the rule of law.

In the 1970's we saw a rash of congressional initiatives to limit the President's authority in the areas of trade, human rights, arms sales, foreign assistance, intelligence operations, and the dispatch of troops in time of crisis. Over a hundred separate prohibitions and restrictions on

¹⁷ Truman made these remarks within the context of his April 25, 1945, address before the UN Conference in San Francisco; see *Public Papers: Truman, 1945*, pp. 20–23.

executive branch authority to formulate and implement foreign policy were enacted.

The most far-reaching consequence of the past decade's congressional activism is this: Bipartisan consensus-building has become a central responsibility of congressional leadership as well as of executive leadership. If we're to have a sustainable foreign policy, the Congress must support the practical details of policy, not just the general goals.

We have demonstrated the capacity for such jointly responsible leadership in certain areas, but we've seen setbacks for bipartisanship, too. I believe that once we established bipartisan agreement on our course in Lebanon, the subsequent second-guessing about whether we ought to keep our men there severely undermined our policy. It hindered the ability of our diplomats to negotiate, encouraged more intransigence from the Syrians, and prolonged the violence. Similarly, congressional wavering on support for the Jackson plan,¹⁸ which reflects the recommendations of the National Bipartisan Commission on Central America, can only encourage the enemies of democracy who are determined to wear us down.

To understand and solve this problem—this problem of joint responsibility—we have to go beyond the familiar questions as to who should be stronger, the President or the Congress. The more basic problem is, in this post-Vietnam era, Congress has not yet developed capacities for coherent, responsible action needed to carry out the new foreign policy powers it has taken for itself. To meet the challenges of this decade, we need a strong President and a strong Congress.

Unfortunately, many in the Congress seem to believe they're still in the troubled Vietnam era, with their only task to be vocal critics and not responsible partners in developing positive, practical programs to solve real problems.

Much was learned from Vietnam—lessons ranging from increased appreciation of the need for careful discrimination in the use of U.S. force or military assistance, to increased appreciation of the need for domestic support for any such military element or policy. Military force, either direct or indirect, must remain an available part of America's foreign policy. But clearly the Congress is less than wholly comfortable

¹⁸ Reference is to the late Senator Henry "Scoop" Jackson (D-Washington). Following his receipt of the Kissinger Commission report (see footnote 7, above), the President addressed the report's content in his January 14 radio address, stating: "This Central American democracy, peace, and recovery initiative, which I call the Jackson plan, will be designed to bring democracy, peace, and prosperity to Central America. It won't be easy, but it can be done. I believe that peace is worth the price." (*Public Papers: Reagan, 1984*, Book I, p. 38)

with both the need for a military element in foreign policy and its own responsibility to deal with that element.

Presidents must recognize Congress as a more significant partner in foreign policymaking and, as we've tried to do, seek new means to reach bipartisan executive-legislative consensus. But legislators must realize that they, too, are partners. They have a responsibility to go beyond mere criticism to consensus-building that will produce positive, practical, and effective action.

Bipartisan consensus is not an end in itself. Sound and experienced U.S. foreign policy leadership must always reflect a deep understanding of fundamental American interests, values, and principles. Consensus on the broad goals of a safer and more humane world is easy to achieve. The harder part is making progress in developing concrete, realistic means to reach these goals. We've made some progress, but there is still a congressional reluctance to assume responsibility for positive bipartisan action to go with their newly claimed powers.

We've set excellent examples with the bipartisan Scowcroft commission, bipartisan support for IMF funding, and the bipartisan work of the Kissinger commission. But it's time to lift our efforts to a higher level of cooperation, time to meet together with realism and idealism, America's great challenges for the eighties.

Distinguished ladies and gentlemen, we have the right to dream great dreams, the opportunity to strive for a world at peace enriched by human dignity, and the responsibility to work as partners so that we might leave these blessed gifts to our children and to our children's children.

We might remember the example of a legislator who lived in a particularly turbulent era, Henry Clay. Abraham Lincoln called him "my beau ideal of a statesman." He knew Clay's loftiness of spirit and vision, never lost sight of his country's interest, and, election year or not, Clay would set love of country above all political considerations.

The stakes for America, for peace, and for freedom demand every bit as much from us in 1984 and beyond. This is our challenge.

I can't leave without a little lighter note that maybe points to some of the intricacies of diplomacy and how seemingly small they can be. I just, in leaving, want to give you a little experience that occurred and could have been a diplomatic crisis at the recent state dinner for President Mitterrand.¹⁹

¹⁹ March 22. For additional information, see Donnie Radcliffe and Elizabeth Kastor, "Fanfare & French Toasts: At the White House, a Stately Salute to Mitterrand," *Washington Post*, March 23, 1984, pp. C1-C2.

Nancy and the President started toward their table in the dining room with everyone standing around their tables waiting for us. Mrs. Mitterrand and I started through the tables, the butler leading us through the people. And suddenly Mrs. Mitterrand stopped and she calmly turned her head and said something to me in French, which, unfortunately, I did not understand. [*Laughter*] And the butler was motioning for us to come on, and I motioned to her that we should go forward, that we were to go to the other side of the room. And, again, very calmly she made her statement to me. And then the interpreter caught up with us. She was telling me that I was standing on her gown. [*Laughter*].

Thank you all, and God bless you.

193. Editorial Note

President Ronald Reagan addressed the nation on May 9, 1984, at 8 p.m. from the Oval Office. His remarks were broadcast live on nationwide radio and television. The President provided a brief overview of his recent international travels before addressing the current situation in Central America: "I asked for this time to tell you of some basic decisions which are yours to make. I believe it's my constitutional responsibility to place these matters before you. They have to do with your national security, and that security is the single most important function of the Federal Government. In that context, it's my duty to anticipate problems, warn of dangers, and act so as to keep harm away from our shores.

"Our diplomatic objectives will not be attained by good will and noble aspirations alone. In the last 15 years, the growth of Soviet military power has meant a radical change in the nature of the world we live in. Now, this does not mean, as some would have us believe, that we're in imminent danger of nuclear war. We're not. As long as we maintain the strategic balance and make it more stable by reducing the level of weapons on both sides, then we can count on the basic prudence of the Soviet leaders to avoid that kind of challenge to us.

"They are presently challenging us with a different kind of weapon: subversion and the use of surrogate forces, Cubans, for example. We've seen it intensifying during the last 10 years, as the Soviet Union and its surrogates move to establish control over Vietnam, Laos, Cambodia, Angola, Ethiopia, South Yemen, Afghanistan, and recently, closer to home, in Nicaragua and now El Salvador. It's the fate of this region, Central America, that I want to talk to you about tonight."

After stressing the importance of Central America, highlighting the general conclusions of the National Bipartisan Commission on Central America, and noting administration initiatives to secure peace in the region, the President continued: "We can and must help Central America. It's in our national interest to do so, and morally, it's the only right thing to do. But helping means doing enough—enough to protect our security and enough to protect the lives of our neighbors so that they may live in peace and democracy without the threat of Communist aggression and subversion. This has been the policy of our administration for more than 3 years.

"But making this choice requires a commitment from all of us—our administration, the American people, and the Congress. So far, we have not yet made that commitment. We've provided just enough aid to avoid outright disaster, but not enough to resolve the crisis, so El Salvador is being left to slowly bleed to death. Part of the problem, I suspect, is not that Central America isn't important, but that some people think our administration may be exaggerating the threat we face. Well, if that's true, let me put that issue to rest."

The President, indicating that he would discuss "the real nature of the Sandinista regime in Nicaragua," provided some historical background before asserting: "The Sandinista rule is a Communist reign of terror. Many of those who fought alongside the Sandinistas saw their revolution betrayed. They were denied power in the new government. Some were imprisoned, others exiled. Thousands who fought with the Sandinistas have taken up arms against them and are now called the *contras*. They are freedom fighters.

"What the Sandinistas have done to Nicaragua is a tragedy. But we Americans must understand and come to grips with the fact that the Sandinistas are not content to brutalize their own land. They seek to export their terror to every other country in the region."

Following further discussion of the Sandinista regime, the President turned to El Salvador and noted its efforts toward reform. Contrasting Nicaragua and El Salvador, he said: "Let me give another example of the difference between the two countries, El Salvador and Nicaragua. The Government of El Salvador has offered amnesty to the guerrillas and asked them to participate in the elections and democratic processes. The guerrillas refused. They want to shoot their way into power and establish totalitarian rule.

"By contrast, the *contras*, the freedom fighters in Nicaragua, have offered to lay down their weapons and take part in democratic elections, but there the Communist Sandinista government has refused. That's why the United States must support both the elected government of El Salvador and the democratic aspirations of the Nicaraguan people.

“If the Communists can start war against the people of El Salvador, then El Salvador and its friends are surely justified in defending themselves by blocking the flow of arms. If the Soviet Union can aid and abet subversion in our hemisphere, then the United States has a legal right and a moral duty to help resist it. This is not only in our strategic interest; it is morally right. It would be profoundly immoral to let peace-loving friends depending on our help be overwhelmed by brute force if we have any capacity to prevent it.

“If our political process pulls together, Soviet and Cuban-supported aggression can be defeated. On this, the centennial anniversary of President Harry Truman’s birth, it’s fitting to recall his words, spoken to a Joint Session of the Congress in a similar situation: ‘The free peoples of the world look to us for support in maintaining their freedoms. If we falter . . . we may endanger the peace of the world and we shall surely endanger the welfare of this nation.’

“The speech was given in 1947. The problem then was 2 years of Soviet-supported indirect aggression against Greece. The Communists were close to victory. President Truman called on the Congress to provide decisive aid to the Greek Government. Both parties rallied behind President Truman’s call. Democratic forces succeeded, and Greece became a parliamentary democracy.

“Communist subversion is not an irreversible tide. We’ve seen it rolled back in Venezuela and, most recently, in Grenada. And where democracy flourishes, human rights and peace are more secure. The tide of the future can be a freedom tide. All it takes is the will and resources to get the job done.”

After discussing the work of the National Bipartisan Commission on Central America and his administration’s submission of proposed legislation to Congress enacting its recommendations, the President concluded his remarks by reiterating the need for U.S. assistance to Central America and underlining the dangers of inaction: “The simple questions are: Will we support freedom in this hemisphere or not? Will we defend our vital interests in this hemisphere or not? Will we stop the spread of communism in this hemisphere or not? Will we act while there is still time?”

“There are those in this country who would yield to the temptation to do nothing. They are the new isolationists, very much like the isolationists of the late 1930’s who knew what was happening in Europe, but chose not to face the terrible challenge history had given them. They preferred a policy of wishful thinking, that if they only gave up one more country, allowed just one more international transgression, and surely sooner or later the aggressor’s appetite would be satisfied. Well, they didn’t stop the aggressors; they emboldened them. They didn’t prevent war; they assured it.

“Legislation is now before the Congress that will carry out the recommendations of the National Bipartisan Commission. Requests for interim appropriations to give the soldiers fighting for their country in El Salvador and the freedom-loving people of Central America the tools they need also—that awaits action by the House of Representatives.

“For the last 4 years, only half of the military aid requested for El Salvador has been provided, even though total aid for El Salvador is only 5 percent of our worldwide assistance. I’m asking the Congress to provide the funds I requested for fiscal year 1984 and, also, to enact the entire National Bipartisan Commission plan for democracy, economic development, and peace in Central America.

“As I talk to you tonight, there are young Salvadoran soldiers in the field facing the terrorists and guerrillas in El Salvador with the clips in their rifles the only ammunition they have. The lack of evacuation helicopters for the wounded and the lack of medical supplies if they’re evacuated has resulted in one out of three of the wounded dying. This is no way to support friends, particularly when supporting them is supporting ourselves.

“Last week, as we returned across the vast Pacific to Alaska, I couldn’t help being struck again by how blessed has been our land. For 200 years the oceans have protected us from much that has troubled the world, but clearly our world is shrinking. We cannot pretend otherwise if we wish to protect our freedom, our economic vitality, and our precious way of life.

“It’s up to all of us—the administration, you as citizens, and your representatives in the Congress. The people of Central America can succeed if we provide the assistance I have proposed. We Americans should be proud of what we are trying to do in Central America, and proud of what, together with our friends, we can do in Central America to support democracy, human rights, and economic growth while preserving peace so close to home. Let us show the world that we want no hostile Communist colonies here in the Americas—South, Central, or North.

“Thank you, God bless you, and good night.” (*Public Papers: Reagan, 1984*, Book I, pages 659–665)

In his personal diary entry for May 9, the President noted: “Went on at 8 P.M. explaining the Central American situation. By 9:30—915 to 151 positive phone calls had come in.” (Brinkley, ed., *The Reagan Diaries*, volume I, January 1981–October 1985, page 346) Documentation regarding the preparation of the address is in the Reagan Library, WHORM: Subject File, Speeches, SP 878 Central American Address, Oval Office, Washington, DC 05/09/1984.

194. Memorandum From Secretary of State Shultz and Secretary of the Treasury Regan to President Reagan¹

Washington, May 11, 1984

SUBJECT

London Summit: Scope Paper

I. YOUR OBJECTIVES

You have *three main objectives* at the London Economic Summit:

—*To send a message to the rest of the world that, under U.S. leadership, world economic recovery has taken hold;*

—*To strengthen the emerging consensus among Summit countries on policies which will assure that non-inflationary recovery endures and spreads to other countries; and*

—*To forge new partnerships and broaden the basis for future cooperation with our Summit partners in such areas as space, East-West relations and combating terrorism.*

II. SETTING OF LONDON SUMMIT

Since the beginning of your Administration, you have consistently argued that the basis for a smoothly functioning international economy rests on policies to reduce inflation and expand the scope for individual initiative. Your policies have been directed toward reducing obstacles caused by government intervention in the marketplace. The thrust of your message has been that the proper role of the government must be to remove domestic economic rigidities (e.g., excessive taxes, government regulation and planning), to facilitate, rather than frustrate, adjustment to changing circumstances as the best way to create new jobs and durable prosperity.

Your message, strongly reinforced by the conspicuous success of your economic policies, is now broadly accepted by our Summit partners. The change of European attitudes since Ottawa (or even Williamsburg) has been

¹Source: Reagan Library, Executive Secretariat, Trip File, Summit File, London Economic Summit 1984; NLR-755-19-26-4-1. Confidential. Drafted by Robert Morris (E) on May 7; cleared in draft by Holmes, Arnold Croddy Jr. (EAP/J), Ruth Gold (EB), Douglas McMinn (NSC), and Sprinkel. Morris initialed for all clearing officials. A typed notation in the top left hand corner of the memorandum reads: "Advance LDX'ed to WH per S/S on 5/11. CB." Wallis sent the memorandum to Shultz under a May 9 covering memorandum, indicating that Regan had signed it. He added, "The paper, fully cleared by the Sherpa team and interested offices in the Department, identifies our main objectives and discusses the general approach we are recommending the President take in addressing the main economic and political issues in London." (Ibid.)

striking. While reduction of market rigidities in Europe will be slow and painful, all now agree that it must begin. Thus, for the first time in the experience of your participation in these Summits, all will be starting from a basis of generally shared analysis and agreement on the facts (recovery has taken hold) and on the objectives of national economic policies (to sustain non-inflationary recovery and to remove obstacles to structural adjustment).

With that fundamental agreement, London offers the opportunity to look beyond current problems and lay the foundations for a forward-looking international economic strategy that will carry our countries and the world toward actions, to be implemented in your second Administration, that will consolidate recovery and advance our objectives of more open world markets. Likewise, in the political area, there now is a broad consensus among Summit leaders supportive of your approach to the crucial East-West issues. *This, for us, is therefore a transition Summit, validating the policies we have implemented over the last three years and defining our broad international economic goals for the next term.*

III. ECONOMIC AND POLITICAL ISSUES FOR LONDON

A. ECONOMIC

Economic Outlook and World Recovery

All Summit countries are agreed that the major theme of this Summit should be to stress our confidence that economic recovery has taken hold and is developing into a sustainable economic expansion. The task is to pursue policies that assure that recovery endures and spreads to the rest of the world. There is broad, but nuanced, agreement that those policies must embrace more openness of trade and capital markets, and that national economic policies (especially in Europe) should be designed to keep (or bring) inflation down.

The Europeans and Canadians in particular are likely to concentrate discussion on the *need to promote structural adjustment*. (In fact, the Canadians introduced a specific proposal² on this into the Summit

²In telegram 2224 from Ottawa, March 28, the Embassy conveyed information concerning the Government of Canada's planning for the London G-7 Economic Summit meeting, noting: "GOC officials indicate that the GOC has suggested particular emphasis on structural adjustment. Sylvia Ostry [Canadian Sherpa] is spearheading work within the GOC on a possible paper for the Sherpa meeting—proposing increased cooperation among the IMF, World Bank and OECD. The Canadians want both developed and developing nations involved in the longer-term process of structural adjustment and they also want the economic costs of government intervention to effect adjustment more clearly understood." (Department of State, Central Foreign Policy File, Electronic Telegrams, D840207-0022)

preparatory process.) This will play directly to your strong suit and give you the opportunity to:

—Underline the need to remove obstacles to change in our individual economies in order to provide opportunities for growth and new job creation;

—Stress our desire to cooperate with others in advancing our collective understanding of the potential of market-oriented adjustment; and

—Emphasize the need to manage better our international economic policies (trade, finance, monetary) in ways that reinforce domestic strategies to enhance flexibility and growth.

Concerns will be expressed about high U.S. budget deficits and the fear that they will produce higher interest rates that could choke off recovery and reignite inflation. We suggest that rather than dwelling on our differences over the effect of budget deficits on interest rates, you should stress our agreement on objectives (i.e., to reduce structural deficits by reducing government spending and bring interest rates down), while emphasizing that progress on the first depends on agreement with Congress, and on the second, on convincing markets that we (and others) are serious in our commitment to keep inflation under control.

Debt, Finance, Monetary

We expect discussion to center on the interrelated issues of debt and finance (with the usual reminder from the French on the need for monetary reform). *Our objective in the discussions on debt is to confirm that our strategy for managing LDC debt problems on the flexible, case-by-case basis is working and requires no fundamental change.*

The strategy has been criticized for lacking a medium-term dimension. This is not true (both adjustment and more open markets are essentially medium-term objectives). However, *this Summit offers an opportunity to expand and clarify these aspects of the strategy by stressing four major elements:*

—*The need for continued adjustment efforts by debtor countries with the support of the IMF and increased lending by commercial banks;*

—*The need to expand trade between developed and developing countries to promote growth in both and to assure that heavy debtors will be able to earn foreign exchange sufficient to service their debts and validate increased commercial bank lending;*

—*The need for developing countries to stimulate increased foreign direct investment to earn foreign exchange to service their debts, without further increasing indebtedness, while enhancing growth potential (and the desirability of strengthened IBRD role in acting as a catalyst for such new investment); and*

—*The need for closer coordination between the IMF and IBRD* in order to make the role of the Bank more consistent with that of the IMF in promoting adjustment in LDCs, and in strengthening the IBRD's contribution to longer-term development.

While these elements have received general support from our Summit partners, *it is likely that France and others will want to put heavier emphasis than we on the need to increase resources available to the World Bank, IDA and other institutions*; perhaps attacking us for our positions on IDA VII funding³ and the World Bank's Selective Capital Increase. We should emphasize that we are supporting appropriate levels of funding for these institutions, that these resources are limited, that the proposed increases are adequate if properly used and distributed among those in most need and willing to follow effective policies. An increase in official flows alone will not solve the long-range problem if we and the LDCs do not take the actions we have stressed to make the market work more effectively.

You can also expect that concerns will be raised in this connection about the adverse effects of high U.S. interest rates on debtor developing countries' ability to service their debts.

Unlike last year, we do not expect Mitterrand to press hard for agreement on the need for an international monetary conference. Progress has been made in following up the Williamsburg commitment to study ways of improving the international monetary system, and the French do not have any basis to criticize us or the other Summit countries on that front. However, *Mitterrand will probably recall his interest in monetary reform* and underline again his analysis of why it is necessary. As with last year, we expect him to be in the minority on this.

Trade

Prime Minister Nakasone has publicly called for a new round of trade-liberalizing negotiations.⁴ We assume he will take the lead on

³ Reference is to the seventh replenishment of the IDA. Negotiations began in November 1982 and continued to the end of May 1984.

⁴ In a joint statement released at the conclusion of the November 10, 1983, meeting between the President and Nakasone in Tokyo, the Prime Minister stated: "I stressed the importance of promoting the preparations of a new round of multilateral trade negotiations in order to consolidate the free trading system and to inject renewed confidence in the world economy. I am very glad that the President has strongly supported my view. We intend to call on other countries to join in our efforts." (Telegram 22074 from Tokyo, November 11, 1983; Department of State, Central Foreign Policy File, Electronic Telegrams, D830662-0635) In telegram 2264 from Tokyo, February 6, 1984, the Embassy reported that it had obtained advance copies of Nakasone's and Abe's speeches to be delivered before the Diet on February 6. Regarding Nakasone's remarks, the Embassy indicated that Nakasone "repeats his call for new trade talks to stem protectionism." (Department of State, Central Foreign Policy File, Electronic Telegrams, D840078-0029) See also Leonard Silk, "London Talks: Getting Ready," *New York Times*, April 25, 1984, p. D2.

this at London, with you in support. *We expect most to be supportive of a Summit conclusion that a new round is needed and that governments should intensify consultations, in GATT and elsewhere, to permit a decision to launch a new round in 1985 (or "by mid-decade").* It is important to gain agreement at London that a new round is an essential stimulus to the future growth which our domestic strategies are designed to achieve.

You should be aware that all participants are concerned by what they perceive to be increased protectionist pressures in the United States in election-year 1984. They point to the Administration's actions last year on specialty steel (quotas on foreign imports) and textiles (a tightening-up on implementation of our current quota system). The extraterritorial aspects of our Export Administration Act proposals may also be in the forefront of our Summit partners' concerns, along with the question of unitary taxation.

Manned Space Station Program

Our overall goal for the London Summit is to build confidence in the current recovery and to lift the sights of Summit countries beyond the present and to prepare our societies to enter the 21st Century. Agreement to participate with us in development of the manned space station will be a concrete symbol of this goal, as well as a practical demonstration of the Summit countries' determination to prepare the technological base for the future. While our invitation is open to all, eventual participation by all is not crucial to success.

Although agreement to commit resources to the program by the time of the Summit is unlikely, a general agreement to study cooperation may be attainable. *You should reiterate your invitation to participate but also confirm your intention to proceed with whichever partners wish to join us.*

Environment

Germany and Canada will argue for a Summit commitment to introduce new technologies immediately to control sulfur dioxide emissions and acid rain. We have doubled our budget for research in this area, but are not prepared to take immediate and costly measures on the basis of as yet inadequate information. Japan will seek Summit endorsement for its initiatives on cooperation in "life sciences" and may urge convening a meeting of Summit-country Science Ministers to consider cooperation in research on projects too large for single countries (both of which we can support, as long as the latter does *not* include the space station, which we wish to keep on a separate track). France will press for continued Summit attention to the technology cooperation projects launched at Versailles.

East-West Economic Relations

While there is little enthusiasm among our Summit partners for a review of East-West economic relations, none will oppose reference to the work underway in various fora and the need to continue our efforts to broaden the consensus which we began to build last year.

B. POLITICAL

Our objectives for the political talks at London can be summarized as follows:

West-West Relations

Bring others to think increasingly in terms of their convergent, global interests and need for increased consultations and coordinated actions; build confidence in European-American-Japanese "trilateralism".

East-West Relations

Strengthen support for realistic approach to East-West relations, including primacy of effective defense/deterrence and vital role of Allied firmness and solidarity.

Reinforce confidence in U.S. commitment to secure more balanced, constructive and stable relationship with Soviets and in ultimate success of our approach.

Arms Control

Broaden agreement on arms control, including new MBFR and chemical weapons initiatives and need for Soviets to resume negotiations on strategic and intermediate-range nuclear forces.

Secure support for placing arms control in proper perspective—i.e., not an end in itself but a means to strengthen security—and for sustaining defense efforts necessary to give Soviets incentive for significant, equitable and verifiable reductions.

Middle East/Iran-Iraq

Stress our continued interest in promoting reconciliation both in Lebanon and as regards the broader Arab-Israeli problem.

Ensure continued efforts to share information on Iran-Iraq war and to prepare for effective response to any widening of the conflict.

Terrorism

Advance Allied thinking, particularly with regard to state-supported terrorism, including need for close consultations and, where appropriate, coordinated action.

Central America

Deepen understanding of our approach to stability and security in the region, focusing on our efforts to strengthen democracy and local economies, and concomitant necessity of military shield if these efforts are to bear fruit.

Push for more active Allied contribution to achieving shared objectives.

195. Memorandum From Frederick Wattering of the National Security Council Staff to Donald Fortier of the National Security Council Staff¹

Washington, June 5, 1984

SUBJECT

Africa: Issues and Opportunities Post 1984

There are five major themes which dominate our policy towards Africa which need to be continued, refined and enhanced in post-1984.

—*Continue the rollback of Soviet gains in Africa of earlier years:* We have made some impressive gains in reducing Soviet influence in Mozambique, Angola, Zambia, Guinea Bissau, Guinea, Cape Verde, Botswana, through an intentional and adroit combination of diplomacy, economic and security assistance, and working with friends and allies. A key factor has been our ability to use not only carrots but sticks in terms of withholding assistance until concessions are made. In addition, we have seen the terrorist/insurgency capabilities of the Soviet-controlled ANC movement targeted against South Africa and the Soviet-influenced SWAPO movement targeted against Namibia, as well as the Libyan surrogate movements in Chad and targeted against Somalia, all badly damaged. In each of these cases, we have made effective use of an intermediary as the action agent. Specifically, in the forthcoming period:

—Angola: Should no proposal on Cuban troop withdrawal be forthcoming from the MPLA regime, we can increase the pressure on

¹ Source: Reagan Library, African Affairs Directorate, NSC Records, Subject File, [Africa—General]. Secret; Eyes Only. Sent for information.

them by inviting Jonas Savimbi to Washington for a visible series of meetings—possibly including a White House contact. We also should hold the line in denying ExIm Bank and other USG favors to the MPLA regime despite pressures to the contrary.

—Mozambique: We should continue to move with deliberate economic assistance in exchange for structural reforms away from Marxism-Leninism and put some resources behind our effort to engage the Portuguese in Mozambique on our behalf (this is in train but needs continuing White House support).

—Ethiopia: We should continue and increase the pressure on our allies to deny economic assistance to this troubled Leninist regime in order to increase domestic problems for Mengistu and put greater pressure on his Soviet backers.

—*Continue to press South Africa into acceptable conduct to move South Africa into a status of acceptable member of the Western Alliance:* South Africa is the most strategically important African state. We have made considerable strides in moderating and moving South African behavior to the point where it ceases to become a pariah state but becomes accepted in the Western community (as exemplified by Prime Minister Botha's current official visit to Western Europe).² We need to continue to use all our resources to moderate South African international behavior into constructive channels and at the same time press for more domestic reforms to move away from apartheid. A possible visit by Prime Minister Botha with the President should be considered to further these points.

—*Increase resistance to Libyan aggression and terrorism and increase the cost to Libya for such activities:* We have some accomplishments here, but this activity needs constant White House backing to overcome bureaucratic timidity. There are some real possibilities in stinging Libya in its partial occupation of Chad. High level talks with the French government on this matter should be in order.

—*Press on with assistance to African states which leads to real reform along free enterprise lines and also provides answers to the hunger problem:* Two White House initiatives need Congressional funding and

² From May 28 to June 14, Botha visited Switzerland, Belgium, France, Austria, Portugal, the United Kingdom, the Federal Republic of Germany, Italy, and the Vatican. In telegram 1392 from Cape Town, June 21, the consulate reported: "Prime Minister P.W. Botha's European visit largely matched the aims which South Africa set itself. Botha's foremost goal was to break out from decades-long diplomatic isolation by holding face-to-face meetings with European leaders. As a corollary, the SAG construes the trip as signifying de facto international acceptance of Pretoria's regional diplomacy and constitutional reforms." (Department of State, Central Foreign Policy File, Electronic Telegrams, D840399-0642) See also James M. Markham, "Europeans Give Botha A Frosty Reception," *New York Times*, June 10, 1984, p. E5.

follow-up—the Economic Policy Initiative for Africa³ and the Keating Group’s recommendations on hunger in Africa.⁴ Both need White House backing in Congress and follow-up in implementation.

—*Continue to prove a loyal ally and reliable partner to our friends in Africa:* Continued White House input is needed to guarantee adequate help to our proven friends in Africa such as Liberia, Kenya, Zaire, Sudan, Somalia, Senegal, to overcome sniping and cheese-paring efforts by Congress and the bureaucracy. A fresh round of working visits to the White House from these friendly leaders would be in order.

³ See footnote 13, Document 192.

⁴ NSSD 1–84, “U.S. Third World Hunger Relief,” issued on February 27, called for a study to review existing U.S. policies and programs regarding third world hunger relief and propose new initiatives. The Directive placed responsibility for the NSSD review with an interagency steering group chaired by the Department of State; Keating was assigned to chair the study. See *Foreign Relations, 1981–1988*, vol. XLI, Global Issues II, Document 218.

196. Note From the President’s Assistant for National Security Affairs (McFarlane) to President Reagan¹

Washington, June 10, 1984

Mr. President:

While I share your superstition of planning for events (re election) that may never happen, we do have a responsibility to be prepared both to deal with existing problems next year and to lead in charting new courses to assure more stable peace and prosperity.

Toward this end, George Shultz and I are setting in motion a discreet but comprehensive review. It is organized to deal with the following framework:

- Identifying ideas “whose time has come.”
- New initiatives to expand the Reagan legacy.
- Identifying better ways to deal with long-term issues.

¹ Source: Department of State, A Files, FAIM/IS Files, Miscellaneous Papers Screened From the Subject Files of Secretary Shultz and his Assistant Charles Hill, upon the Secretary’s Resignation on January 20, 1989: Lot 89D250, Misc File 6/84. Secret. The President initialed the top right-hand corner of the note.

—Examining the effectiveness of our existing management arrangements, e.g. DOD and foreign policy instruments (i.e. declining aid resources).

We would very much welcome your participation in the planning effort. Attached is a paper which describes it. We will keep you advised in the coming weeks and would welcome your thoughts, ideas, priorities and guidance at any time.

You need not read this entire paper. I have highlighted some of its more salient and provocative factors.

Bud McFarlane²

Attachment

Memorandum From the President's Assistant for National Security Affairs (McFarlane) to President Reagan³

Washington, undated

SUBJECT

Planning Second-Term Foreign Policy

We have begun to think about the foreign policy problems and opportunities ahead in your second term.⁴ We need to review first-term accomplishments, assess where we stand now, and have operational strategies ready for January. This paper is by no means a finished plan. It is meant to illustrate the kinds of choices you will face, and to help you think about how you will want to spend your time and effort in the months and years ahead.⁵

² McFarlane signed "Bud" above his typed signature.

³ Secret. Sent for information. Prepared by Fortier, Rosen, and Sestanovich. McFarlane did not initial the memorandum. Fortier sent a copy of the memorandum to McFarlane under a June 8 memorandum, indicating that it had "gone through many revisions, and the more we revised, the longer the paper became. Given the magnitude of the subject, I believe the length is justified; but you may want to see us shorten it." (Reagan Library, Donald Fortier Files, Subject File, Policy Planning (Second Term) I: [01/01/1984-06/12/1984])

⁴ McFarlane crossed out "your second term" and wrote "the years ahead" above it.

⁵ McFarlane added "if reelected" to the end of this sentence.

Global Context

During your first term, *we began regional and global programs to arrest the decline of U.S. power and influence, and to lay the groundwork for actions that stabilize and expand the area of liberty and prosperity in the world. The trends are now more favorable than they were in 1981.*⁶

—The willingness of the U.S. to raise defense spending, coupled with prompt and effective use of force in Grenada, has already done much to erase the image of American decline.

—The Soviet tide of advance in the Third World is being met and now half of the insurgencies in the world are directed against Soviet clients.⁷

—Moscow's control of Eastern Europe requires increasing attention and resources and the burden of sustaining Soviet clients like Cuba and Vietnam is becoming more onerous.

—The dynamism of our leadership and economic growth stands in vivid contrast to a succession-plagued Soviet leadership and a stagnating Soviet economy.

—The growth of Communist insurgency has been slowed in Central America and a free election has taken place in El Salvador.

—Added to all this, the world economy has some major bright spots. Energy prices seem to have begun a long-term decline. The performance of the U.S. and some East Asian economies is good, and could help spur recovery elsewhere.

There are other elements in this picture, of course. Although the Soviet leadership appears to be preoccupied with internal affairs, they still have the ability to probe weak points on the periphery of the Soviet Union that are of vital importance to the U.S. *The Soviets could confront us with simultaneous crises in the Middle East and Southwest Asia, for example, and reveal that there are still large parts of our global strategy that we are not yet strong enough to execute.*⁸ While our increased defense budgets and new programs have improved our ability to deter Soviet moves, there still remain large gaps between U.S. defense commitments and capabilities in critical parts of the world.⁹

⁶ McFarlane highlighted the majority of this paragraph, beginning with the "During" and ending with "favorable."

⁷ McFarlane highlighted the portion of this point, beginning with "half" and ending with "clients."

⁸ McFarlane highlighted the portion of this sentence, beginning with "there" and ending with "execute."

⁹ McFarlane highlighted the portion of this sentence, beginning with "there" and ending with "world."

The vulnerability of one leg of our strategic triad has been kept dangling. And although INF deployment in Europe has shown the Soviet Union that missile rattling and “peace offensives” cannot divide the West, the NATO-Warsaw Pact balance still strongly favors the East and the solidity of the alliance *has* been strained.

The U.S. also suffered a clear but limited defeat in Lebanon.¹⁰ Countries of the region now see the U.S. as less able to influence Mid East politics than before. A sustained, successful defense of the Persian Gulf should help to offset this to an important extent, as will continued development of strategic cooperation with Israel.¹¹ Basic strengths of the U.S. position remain, but building on them will take time, particularly in light of the unresolved debate here at home about the use of force.

More generally, as we look around the world, we are struck by the enormous political, economic, and technological changes that have occurred since the 1950s, and by the fact that many of the key ideas and institutions of American foreign policy have not changed, and may, in fact, have reached dead-ends.¹²

In planning an agenda for you to consider for the second term, we intend to keep the following central ideas in mind.

—We should *capitalize on U.S. strengths* (technological innovation, organizational flexibility, etc.) and Soviet weaknesses (inefficient economic structures, fear of subject peoples, etc.)

—Strategic planning must *reflect the importance of timing*. We must be ready for opportunities as they arise, and act to create opportunities for ourselves down the road.

—We should *seek the maximum leverage for our efforts*. This means identifying areas where, having laid the groundwork, we can reap the largest payoff for investments of time and resources. Where the payoff will be smaller, our effort should also be less.

Looking Ahead

No re-elected President since Eisenhower (and no new President since Kennedy) has had the kind of freedom of action with which you will probably begin your second term.¹³ Nevertheless *early action on*

¹⁰ McFarlane highlighted this sentence.

¹¹ McFarlane highlighted “A sustained, successful defense of the Persian Gulf should help to offset this.”

¹² McFarlane highlighted “enormous political, economic, and technological changes that have occurred since the 1950s,” and “many of the key ideas and institutions of American foreign policy have not changed, and may, in fact, have reached dead-ends.”

¹³ McFarlane highlighted this sentence and at the end drew a line to the margin above and wrote: “if reelected.”

key issues will be essential, to use the leverage created by your first term, to exploit your post-election authority at its peak, and where possible to control the agenda.¹⁴ The lessons of '81 are relevant here.

An early start was the key to obtaining larger defense budgets, one of your prime national security successes. We must similarly begin early in the areas that matter most to us, and not allow our time and political capital to be used up in secondary or tactical fights.

Your second-term agenda must obviously include issues that loomed large in your first term—U.S.-Soviet relations, Central America, the Middle East, China, the state of NATO. All involve essential U.S. interests. On most of them there will also be considerable public and allied anticipation of new initiatives, whether due to the intense controversy they have already generated (e.g., Central America) or because (like U.S.-Soviet and Arab-Israeli talks) they have been on hold for more than a year.

We want to approach all of these issues with care. Decisions on timing and priorities will have effects throughout your term, and it is critical that you not overcommit yourself at the outset to solve problems where openings are extremely limited. *One of the main objectives of this planning exercise will therefore be to assess where forward movement is truly possible.*¹⁵ Where it seems remote, we will have to devise more incremental policies, while continuing to search for ways to increase our leverage and build future opportunities.

Our initial (and very tentative) judgment is that most of the big issues identified above will be just as knotty and intractable next year. For this reason, the following discussion begins instead by identifying issues where we see special opportunities. If these are successfully addressed, they will increase our leverage across the board and help us to deal with other openings as they arise.¹⁶ At the same time, the legacy you could leave to the world community in these large, knotty problem areas is a vital consideration. Therefore, in certain areas, it may be crucial to use the special period of a second term to at least begin to define and tackle problems whose solution may not be quickly achieved.

Decisions for 1985

1. Resources Issues

Our leverage in all of the international issues we face will depend on how well we use the resources available to us for national security action. In a painfully tight fiscal process our military and security assistance budgets will be the target of budget cutters. We are most likely to

¹⁴ McFarlane highlighted “early action on key issues will be essential.”

¹⁵ McFarlane highlighted this sentence.

¹⁶ McFarlane highlighted the first three sentences of this paragraph.

get support for adequate budgets if we can show how they help us take the initiative and force the Soviets into activities less threatening to peace. There are several ways to do this. We will need to convince a skeptical Congress that we are not simply throwing money at defense problems but we have a thoughtful plan for handling the threats facing us, and that we are building forces in accord with that plan.

In thinking about the structure of our defense program in a resource-constrained second term, our effort should be on forcing the Soviets to behave in ways that are less threatening to peace. Our strategic cruise missiles, for example, have already forced the Soviets to spend large sums of money on air defenses, at relatively low cost to us. The money they spend on air defenses is not available for other, more threatening programs. Capitalizing more on existing Soviet vulnerabilities is also important and a very good way to rectify the gap between U.S. defense commitments and capabilities that we mentioned in the global context. However, some of these weapons and strategies could be in tension with the desire for arms control. Non-nuclear cruise missiles, for example, will be critical in dealing with Southwest Asian contingencies, but they will also make it more difficult to count and control nuclear cruise missiles. We must be careful that we do not deny ourselves valuable instruments that help us meet our commitments within our budget limits. *Our planning activities will examine ways of reducing this tension.*

The pressures on our defense budget will mount during the campaign, as well as in 1985, and we will hear calls for more simple, cheap weapons. We will examine this issue, though it is important to understand that a production battle to see who can make the most simple weapons would play to Soviet strengths in mass production. We have discovered from recent and highly sensitive sources that Soviet military calculations give great importance to our high-tech weapons. While we understand the limitations of F-15s and other sophisticated systems, the Soviets apparently give very great weight to weapons whose high-tech features they cannot match.

Making effective use of our resources is most important in crises. In particular, the effective use of power requires better crisis management techniques and organization. We will devote particular attention to this issue in the months ahead.

If cuts are made in the U.S. military budget, we should work hard to obtain correspondingly large increases in foreign and security assistance budgets. To do so, we need to increase awareness of how much our ability to act abroad depends on strengthening states that will act as partners. We have made this point repeatedly but *our ability to make the foreign assistance budget a truly potent diplomatic instrument probably depends on a first-year initiative tied to some offsetting reductions in defense*

spending.¹⁷ This could be structured in a way that makes it appear a very dramatic initiative—appealing to liberals and conservatives alike, while keeping money that we would otherwise lose altogether in the national security account.

Finally, we should focus on the ways in which Japanese economic strength can be used to relieve some of the demands on U.S. resources. Japan should not be used to finance U.S. security projects, but we will be looking to identify areas where additional Japanese activity would be in the interest of both countries. Premier Nakasone has discussed some innovative defense measures for Japan, and we should pursue them with him more vigorously.

If our discussions with the Japanese go well, we might decide to devote considerably more time and effort to this issue. It could, in fact, develop into what we call special opportunities in the next section. This illustrates that our categories are not rigid. Depending on the decisions you make, the timing and priority of our work on various issues will be adjusted.

2. *Special Opportunities*¹⁸

*Our chances for success in the central areas of U.S. national security policy will improve if we can shape circumstances and create opportunities for ourselves by winning some smaller victories first.*¹⁹ It now appears that in 1985 we may be able to reverse some of the gains made by the Soviet Union in the Third World.²⁰ The position of their clients in Angola and Ethiopia is not firm.²¹ Libya has become more isolated diplomatically.²² With increased U.S. assistance, the *mujahadeen* in Afghanistan could impose serious costs on the Soviet Union; without it, they may face defeat.

Defeating Soviet clients in some of these countries will provide important benefits.²³ First, it will help build the consensus in the U.S. on the use of force.²⁴ Successful use of limited force without direct confrontation with the Soviet Union can only help rebuild the consensus

¹⁷ McFarlane highlighted the portion of this sentence beginning with “our” and ending with “spending.”

¹⁸ McFarlane highlighted this heading.

¹⁹ McFarlane highlighted “winning some smaller victories first.”

²⁰ McFarlane highlighted “reverse some of the gains made by the Soviet Union in the Third World.”

²¹ McFarlane highlighted “Angola” and “Ethiopia.”

²² McFarlane highlighted “Libya.”

²³ McFarlane highlighted “Defeating Soviet clients” and “will provide important benefits.”

²⁴ McFarlane highlighted “First.”

in favor of U.S. action where it is needed and can be effective.²⁵ At the same time, it should reduce the need for U.S. intervention by showing the Soviets that they can spend a lot of money to prop up a client and still lose. Second it will show countries around the world that the U.S. is a good friend to have, and can impose costs on those who attack us or our friends.²⁶ Finally, it will meet the issue of state-sponsored terrorism and low-level conflict head-on by combatting it in the Third World.²⁷

We will also be looking at possibilities for drawing important countries closer together. On the basis of our outstanding relations with Pakistan, and now our substantive dialogue with India, measures to promote Indo-Pakistani detente are a logical next step; George Bush's recent trip revealed major possibilities here.²⁸ No progress is likely this year (they have elections too) but we want to have a package of ideas ready by early 1985—including military confidence-building measures (border troop withdrawals, military exchanges, a hot line, etc.) as well as economic and cultural projects and cooperation on narcotics problems. The Vice President is in an excellent position to spearhead this after you launch the effort.²⁹

Korea may offer another opening. For now, finding the right modalities looks very hard (the number and identity of other participants is a problem) but the Chinese are plainly interested in lowering tensions on the peninsula (especially as the Soviets court the North) and may be able to help us.

3. Key Choices

Arms control and our strategic nuclear weapons programs may be approaching a turning point. If we can learn anything from the past, it is that it is crucial to have a plan that relates our strategic weapons programs and our arms control strategy *early*: perhaps as early as this summer.

The arms control theories and agreements of the past are, to a very large extent, also based on the technologies of the past. Controls on new

²⁵ McFarlane highlighted the portion of the sentence beginning with "Successful" and ending with "needed."

²⁶ McFarlane highlighted the portion of this sentence beginning with "Second" and ending with "have."

²⁷ McFarlane highlighted this sentence.

²⁸ McFarlane highlighted the portion of the sentence beginning with "measures" and ending with "here." Bush visited India, May 12–15, and Pakistan, May 15–18, in the course of a trip to Japan, Indonesia, India, Pakistan, and Oman, May 8–20. Documentation on Bush's meetings with Gandhi and Zia are scheduled for publication in *Foreign Relations, 1981–1988*, vol. XXXIII, South Asia.

²⁹ McFarlane highlighted this sentence.

weapons simply cannot be verified with the same confidence as in the past.³⁰ At the same time, new technologies could help us reduce our dependence on vulnerable traditional strategic weapons, or even allow us to scrap them in the interest of arms control.

The new technologies that make a truly mobile ICBM possible will deal with the problem of vulnerability even better than the M-X can. At the same time, the current log-jam in the strategic arms control arena and the charge that you are indifferent to arms control might be handled by accelerating our efforts on MIDGETMAN and cancelling the M-X—particularly if the Congress insists on transforming our well-constructed M-X proposal into a tiny absurdity.³¹ If we were to do this, it would have to be done *early*, before our friends on the Hill go to bat for you for the M-X, and before Congressional action makes it look as if you were being forced to cancel.

Although still at the center of our foreign policy, NATO now faces problems that may further reduce that institution's vitality. The Soviet nuclear and non-nuclear build-up has increased the military and political pressures on West Europe at a time when the economies of West Europe are in bad shape, and likely to remain so. The potential for a visible, debilitating clash between the U.S. and West Europe exists.

Solving this problem will require a major effort. We might need programs to strengthen the economies of West Europe—perhaps a technological “Marshall Plan.”³² In our planning activities, we will consider the merits of painfully thrashing out new, more realistic doctrines for the defense of West Europe, or new alliance arrangements. And we will have to consider how to handle domestic critics who ask why we should be doing all this with Europe when we have problems of our own.

Treating NATO on a business as usual basis would involve lower costs. The West Europeans are moving slowly toward solutions for their economic problems, and are talking about joint European defense projects. The Soviets are not likely to invade or provoke a crisis. We could muddle through. But if the Soviets do attack somewhere around the world, NATO could be shown up as an empty shell.

Whichever course we end up following, we will investigate in the coming months the potential value of new non-nuclear weapons for the defense of Europe.³³ Their military value appears to be real, although

³⁰ McFarlane highlighted this sentence.

³¹ McFarlane highlighted “accelerating our efforts on MIDGETMAN and cancelling the M-X.”

³² See footnote 3, Document 177.

³³ McFarlane highlighted “the potential value of new non-nuclear weapons for the defense of Europe.”

their economic costs, and the ability of the Soviets to devise ways of beating the new technologies need to be evaluated. More importantly, better non-nuclear weapons offer a way to reduce our reliance on nuclear weapons that frighten Europeans, very reasonably.³⁴ The desire to avoid nuclear war may allow us to forge a consensus in favor of the new non-nuclear weapons, and in favor of a strong NATO.

Like the new technologies, the flanks of NATO—Norway on the north, Turkey in the south—will receive our close attention whatever our other decisions may be. Those areas are so vital to U.S. strategic concerns—control of the seas in the north, control of Southwest Asia in the south—and their current defenses are so weak, that we simply must devise ways to improve their position.

In the Middle East, a new Labor government in Israel could provide us with some diplomatic opportunities.³⁵ If the leaders of the Labor party do what they now say they will do (a freeze on West Bank settlements, confidence-building measures on the West Bank, negotiate on the basis of the Reagan plan), King Hussein may find it more difficult to explain why he cannot join the negotiations. While Hussein is not likely to find new courage overnight, and run risks for peace, he knows that if the Israelis are flexible, it will be more risky for him to refuse to move forward. If he does not negotiate in those circumstances, his relations with us would suffer, and some of his own people who are linked by family to the West Bank would be angry. There is no guarantee that there would be progress, but the potential is there. Any effort to take advantage of that potential would require your own involvement. If the Labor government were, with our help, to successfully press such an initiative forward this summer, it would have two important effects on our planning process: 1) partially free up resources for initiatives outside the Middle East at the beginning of the second term; and 2) create an environment of success conducive to undertakings more ambitious than those now imagined.

4. Unavoidable Decisions

On some issues, even if real openings seem slight, we will face considerable pressure next year (whether from Congress, public opinion, allies, or action-forcing events) to prepare new initiatives. This will probably be true of U.S.-Soviet relations and Central America. Both will be prominent campaign issues, and a November victory may put our critics on the defensive, but not for long.

³⁴ McFarlane highlighted “better non-nuclear weapons offer a way to reduce our reliance on nuclear weapons.”

³⁵ McFarlane highlighted the portion of the sentence beginning with “a” and ending with “opportunities.”

The Soviets' own focus will probably continue to be inward; if so, we may see less activism and confrontation, but also little basis for major agreement. Despite this, Congress will probably interfere more in our policy, above all by holding nuclear-weapon systems hostage to arms control initiatives; the odds are also increasing that in 1985 Moscow will do more to encourage such efforts here and in Europe, by appearing more responsive (even if only as a tactic).³⁶

Considerable public and Allied anticipation is also likely on the summit issue (particularly as more Allied leaders pick up the line of circumventing Gromyko).³⁷ As we plan a probe of Soviet positions on a number of issues, such a meeting may offer certain advantages.³⁸ Our position on "results" as a precondition may therefore need review: the start of a new term could allow a "clear-the-air" summit (no major results) without loss of credibility—in fact, with extra freedom to hang tough on issues of substance (such as verification).³⁹

Congressional interference will remain a continuing problem for Central America policy as well. Yet if Duarte strengthens himself in El Salvador, and the *contras* escalate in Nicaragua, our position vs. Managua may seem as strong as it's ever likely to be (especially if we can fund the Jackson Plan⁴⁰ next year and use it as a lure for Nicaraguan demobilization). As a result, pressures for—and perhaps a true chance of—accommodation will increase. We'll need to balance two conflicting goals—showing that we can decisively defeat threats in our own hemisphere, and gaining flexibility on other issues by putting this "crisis" behind us.

Steady-state Management

In many issues, where our policy is basically on track, an end-of-term review will do little more than survey some marginal changes of direction. This usually reflects progress already made. Policy toward China is now clearly in this category, along with our efforts in southern Africa and our management of the international debt crisis.

On these and other issues, despite a basically favorable outlook, we have to be alert to new problems and opportunities that may arise. A marked worsening of Sino-Soviet relations may, for example, increase Chinese interest in accelerated cooperation with us. Similarly,

³⁶ McFarlane highlighted "Congress will probably interfere more in our policy, above all by holding nuclear weapon-systems hostage to arms control initiatives."

³⁷ McFarlane highlighted "summit."

³⁸ McFarlane highlighted this sentence.

³⁹ McFarlane highlighted "the start of a new term could allow a 'clear-the-air' summit."

⁴⁰ See footnote 18, Document 192.

in managing debt issues we should probably work harder to gain informal political payoffs from the debt relief we provide.

Adjustments like these will be considered in this planning process, but because they are highly tactical, we do not expect to do more than establish general guidelines. Moreover, the possible benefits of even small policy adjustments have to be carefully weighed against likely costs.

197. Memorandum From Donald Fortier of the National Security Council Staff to the President's Assistant for National Security Affairs (McFarlane)¹

Washington, June 29, 1984

SUBJECT

Second Term Planning

The memorandum we prepared at your direction in May illustrated key policy choices the President will face in a possible second term.² The next step was to identify the national security areas that required hard looks and expert consideration in order to provide a firm basis for the strategic choices the President eventually makes. Steve Sestanovich, Steve Rosen and I—drawing on advice from Harry Rowen, Andy Marshall and others—have now completed our list of topics for planning papers focussed on 14 issues. We have also chosen the people we think are best qualified to write them.

The list of topics and names has gone through numerous evolutions. We need to ensure that the papers provide a fresh, intelligent look at U.S. policies; and the evaluations not only have to be substantively solid, but also well grounded in bureaucratic and Congressional realities. We have in the end settled on different formats for different topics. In rare cases, one person seemed uniquely suited for the task—combining expert knowledge with a capacity and inclination to go well beyond the conventional in posing penetrating questions about future policy choices. Albert Wohlstetter, for example, is one of the best

¹ Source: Reagan Library, Donald Fortier Files, Subject File, Policy Planning (Second Term) I: [06/13/1984–09/13/1984]. Secret. Sent for action.

² Presumably a reference to the undated memorandum from McFarlane to Reagan. See the attachment to Document 196.

informed and most creative thinkers on the subject of strategic weapons and arms control. If Albert has the time, there is no one better able to write the paper in that area, a paper we believe to be crucial.

In other cases, a team of people seemed the best way to bring together the needed mix of expert knowledge and creative, critical thinking. The work on NATO, for example, would be coordinated by Samuel Huntington, who has done outstanding work on new strategies for NATO, in consultation with experts on the military issues (Mike Leonard), the West European political climate (Dennis Kłoske), and the West European economy (Bruce Scott, who has given a great deal of thought to ways of making the European economy more dynamic). In the area of improving security assistance, Frank Carlucci will best be able to tell us how to structure the possible tradeoff between defense and foreign aid that would allow us to reconstitute our resource base. John Wolf can provide technical expertise on the programs, and Alison³ or someone who is equally sensitive to the current legislative aid environment, can advise about Congressional realities.

In most cases, we sought writers who were not in the government working on the subject in question—in order to get papers with some distance from the immediate political struggle. In one case, that of Japan, there was simply no substitute for Paul Wolfowitz. We are more than confident of his ability to think objectively about his own area of East Asia and Japan.

A separable problem we had to consider is the possible reluctance of some people to involve themselves in what may seem like a partisan effort. In general, we think this can be handled by expressing the President's interest in keeping a true planning process alive at a time when campaign politics ordinarily takes over. We would, for example, simply ask James Billington and Adam Ulam to write papers describing what they believe to be the fruitful and fruitless ways to work with the Soviet Union over the next two years, given their understanding of the Soviet leadership and of their foreign policy. This is a question that might legitimately be asked of an outsider by our Administration at *any* time. Even here, however, you should be prepared to assure them that they and their work will not be drawn into the campaign process. The straighter we are with them, the more serious their contribution will be.

In other cases, we can handle the problem a bit differently. Our requests for papers, for example, need not reveal the ultimate purpose of the project—the practice that, for reasons of security, we will follow with regard to some of the more junior members of certain groups.

³Reference is to Alison Fortier.

Finally, where specialized knowledge and capabilities could only be provided by people who conceivably might be the source of dispute, we decided to work through trusted individuals who already were sponsoring their research. Shahrahm Chubin's knowledge of Iranian internal politics and the strategic position of Iran in Soviet and Western thinking is excellent, and we will deal with him through Andrew Marshall.

Less crucial but still very important is the need to ensure that we receive completed, useful, papers on time. As a result, in some cases, we propose commissioning parallel efforts to hedge against the possibility that a single expert who was called upon to write a paper might run into difficulties that would preclude finishing the first cut on time. On the arms control and strategic modernization paper, we commissioned a parallel effort designed to generate more specific data on congressional sensitivities and current programs, with the thought that this data could serve as grist for Albert's second cut.

In several cases, we will need you to contact our nominee yourself. Albert Wholstetter should be approached by you, as should Frank Carlucci and others to ensure that the process continues to go forward.

We are preparing terms of reference to send to the paper writers if you approve them. In both the strategic and NATO papers we need to ask how can we move from essentially passive strategies against relatively implausible threats to more active and intelligent strategies against real threats. Because of the special importance and character of the Soviet-American Relations and Defense Procurement papers, we have attached the TORs for those papers. All of the TORs will share some characteristics. We will ask all writers to:

—Discuss the *trends* in their area. For example, in the weapons procurement area, what are the technological trends, and what can we expect to be available at various times? What can we expect if U.S. policy continues on a "business-as-usual" basis?

—What are the *strengths and weaknesses* of the U.S. in a given area? The strengths and weaknesses of our opponents?

—What are the *goals* of the U.S. in this area? This question should draw from the writers their views on the strategic importance and strategic position of their area. Is the Persian Gulf increasing or decreasing in importance for the U.S. because of the changes in the oil market? Should East Asia receive more or less attention from the U.S. relative to our other areas of concern.

—Then, the writers will have to lay out their *strategy* for how we can reach the goals that have been identified given the trends and our strengths and weaknesses relative to our opponents. If constraints exist,

how can we work our way around them? Or can we? What can we do soon? What should we prepare to do *down the road*?

—Finally, what *obstacles* will we face if we try to implement these strategies? On the Hill? In the bureaucracy? *Politically*? What can we do *now* that will help us overcome these obstacles *later*?

This structure will not dictate the content of any paper, but it will ensure that we do not get interesting but irrelevant historical analyses, or projections into the future, but rather specific ideas on how we can use our assets to overcome our obstacles and opponents to reach our goals. We ourselves will need in our own monitoring to continually ask the question: How does the proposed strategy fit into Presidential timing and priorities? Will the President need to intervene personally in this area? Will he need to act early?

This structure also will ensure that the papers will help us *even if we do not agree with their recommendations*. We will gain from the data in the trends sections, and form new perspectives on our strengths and our goals.

The papers will be no more than 20 pages, and we will direct the authors to submit their work within four weeks of our request. This will put the papers in our hands by the beginning of August, and give us some time to review them with other members of the planning effort, and commission a second and more integrative cut in August. This will enable us to provide input over the course of the late summer regarding those second term decisions that can be foreshadowed, and to keep certain desirable decisions from being forestalled by inadvertent postures.

RECOMMENDATION

1. That you review and approve the attached list (Tab I) of paper topics and authors.⁴

2. That you review and approve the points for telephone conversations (Tab II)⁵ with Albert Wohlstetter, Sam Huntington, Frank Carlucci, and others. If it is possible to call at least Wohlstetter and Huntington before you depart, it would be a great help.⁶

⁴ McFarlane did not approve or disapprove the recommendation.

⁵ Attached but not printed is the undated "Second Term Planning Process: Talking Points for Phone Contacts." Attached but not printed at Tab III are the undated "Soviet American Relations: Strategic Overview" and "Developing Leverage in U.S. Defense Procurement Terms of Reference."

⁶ McFarlane did not approve or disapprove the recommendation.

Tab I

Paper Prepared in the National Security Council Staff⁷

Washington, undated

PLANNING PAPERS AND PARTICIPANTS

[Note: Each bullet under a topic heading indicates a separate paper. Where a group will work together to produce a draft, the chairman is listed first. * = principal drafter.]

1. *Soviet-American Relations—Strategic Overview:*

- Jim Billington*, Wilson Center [RCM to contact]; Fritz Ermarth, CIA; Hal Sonnenfeldt, Brookings.

- Adam Ulam, Harvard.

2. *Strategic Programs/Arms Control:*

- Albert Wohlstetter, Pan Heuristics [RCM to contact].

- Abram Shulsky*, OSD; Harry Gelman, RAND; Larry Gershwin, CIA.

3. *NATO:*

- Sam Huntington*, Harvard [RCM to contact]; Mike Leonard, OSD/PA&E; Dennis Kloske, USNATO; John Tillson, OSD/MRA&L; Bruce Scott, Harvard.

4. *Defense Procurement/Cost-imposing strategies:*

- Andy Marshall*, OSD; Jasper Welch, USAF (ret.); Charles Herzfeld, V.P. for R&D, ITT; Joe Braddock, BDM.

5. *Near-Term Efforts to Close Gaps in Critical Regions:*

- Thomas Hayward, E.C. Myer [RCM, JP to contact].

6. *Crisis Management:*

- Sy Weiss, Abington; Bob Blackwill, Kennedy School; Phil Dur*, NSC.

7. *Foreign and Security Assistance/Resources:*

- Frank Carlucci, Sears [RCM to contact]; Al Keel, OMB; John Wolf*, State; Alison Fortier, HFAC.

⁷ Secret. No drafting information appears on the paper. All brackets are in the original.

8. *Southwest Asia Security Issues / Future Relations with Iran:*

- Harry Rowen*, Stanford; Arnie Raphel, State; Frank Fukuyama, RAND; Shahram Chubin, IISS (through Marshall).

- Shirin Tahir-Kheli, NSC (Indo-Pakistani Normalization).

9. *Middle East Peace Process / Lebanon:*

- Dennis Ross, OSD.

10. *Central America:*

- Steve Bosworth, Embassy Manila.

- Elliott Abrams, State; Irving Kristol, NYU; Jon Glassman*, State; Gary Schmidt, PFIAB.

11. *East Asia:*

- Dick Solomon, RAND (China).

- Paul Wolfowitz, State (Japan).

12. *International Economics—Trade, Currency, Debt, Energy:*

- Rowen suggestions

13. *The Horn:*

- Paul Henze, RAND; Alan Keyes, USUN; Charles Fairbanks*, State.

14. *Terrorism:*

- Harry Rowen, Stanford; Ollie North*, NSC.

[If possible, later, time permitting, etc.:

15. *Intelligence:* Andy Marshall, James Q Wilson

16. *The Aegean:* Don Gelber; John Pappageorge, Paul Henze

17. *Public Diplomacy:* Charles Fairbanks

18. *Eastern Europe:* Steve Sestanovich

19. *Defense Reorganization:* Sam Huntington; John Vogt, Larry Silberman]

198. Information Memorandum From the Chairman of the Policy Planning Council (Rodman) to Secretary of State Shultz¹

Washington, July 3, 1984

SUBJECT

Looking Ahead to 1985

If the President is reelected in November, we want to be able to hit the ground running. Therefore, you tasked us to prepare the ground for initiatives that would be desirable or appropriate for 1985. This paper examines the main areas where new initiatives may be possible. It also notes some areas where we must be prepared to head off possible challenges.

The Context: International and Domestic

If the President is reelected, our friends overseas will be enormously encouraged by the prospect of continuity, one of the qualities they value most in American policy precisely because it has been so rare in recent decades. To our adversaries, at the same time, the President's reelection will be a psychological blow of some magnitude: Whatever hopes the Soviets, Nicaraguans, Angolans, *et al.* may have nurtured that relief was on the way, will have been dashed. They will all face hard choices knowing that the pressures we have subjected them to will likely continue for four more years.

With both allies and adversaries there will be new opportunities for US policy: With allies, a reinvigorated US administration will be in a position to pursue the agenda of issues that we think important to Western security and prosperity (conventional forces, trade liberalization, etc.) on which the allies have not been so cooperative. As for our adversaries, weak Soviet clients like the Angolans may be disheartened by the President's reelection to the point that it decisively affects their view of their strategic options; Cuba and Nicaragua, to a lesser degree, also may conclude that some restraints have been removed

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons Looking Forward 7/3/84. Secret; Sensitive. Drafted by Rodman. Sent through Armacost, who did not initial the memorandum. McKinley initialed the memorandum and wrote "3 July." Rodman sent the memorandum to Armacost and Hill under a July 3 typewritten note: "This cover memo has *not* been cleared by the bureaus. I did not want to invite a prolonged negotiation with EUR and ARA at this stage, if only in the interests of speed. (Bill Kirby, Paul Wolfowitz, and Dick Fairbanks did look over the Middle East and Asia sections, however, on an informal basis)." (Ibid.)

from Presidential action. The Soviets themselves will face the choice of stonewalling for four more years (and risking further isolation) or resigning themselves to the “objective necessity” of doing business with the United States. More about these specific issues below.

This is a time of essentially favorable trends in the world: US rearmament and self-confidence; economic recovery and declining energy prices; Soviet leadership crisis and economic stagnation; a solid coalition of the Atlantic Alliance, Japan, and China holding the ring against the Soviet Union. But we must also be aware of risks and longer-term problems:

—Alliance solidarity will be, as always, a constant struggle to maintain: We will still be plagued by political disagreements on out-of-area issues, by allied pressures on us to be more flexible on East-West issues, and by Nunn-Amendment-type pressures at home.² Down the road, we face serious problems if left-wing parties like the British Labour party or German SPD come back into office at the next swing of the electoral pendulum.

—The deadlock in US-Soviet relations might be broken next year and enable the two sides to get down to business—or it might not. While we are in a good position to tough out a long period of chill, there are risks: not only in the likelihood of constant allied harassment, but also the possibility that if a future crisis materializes, the nerves of the two sides are so raw that it could turn out to be dangerous. However, there are no issues now on the horizon that are likely to produce a direct US-Soviet confrontation.

—The US position in the Third world is much improved. Much of this, frankly, is due to the devastating world recession that has forced many LDC's to adopt free-market reforms and consensus policies at home and to turn to the West for economic help. Escalating interest rates, however, will increase the political pressure on LDC governments, and the more favorable attitudes in some LDC's could change abruptly into disillusionment and bitterness. Key points of vulnerability in the Third World—such as Pakistan, the Philippines, and the Sudan—bear close watching.

As a general matter, if we maintain our alliances and our military strength, there is a certain essential stability in the equilibrium among the major powers. The Third World, in contrast, is the arena of the most likely threats to international security. No new pattern of order

²Reference is to an amendment offered by Nunn in June that specified the removal of up to 90,000 U.S. troops stationed in Europe if NATO members did not increase their defense commitments. On June 20, the Senate rejected Nunn's proposal 55 to 41. (*Congress and the Nation*, vol. VI, 1981–1984, p. 241; Helen Dewar, “Nunn Loses Bid to Cut U.S. Forces,” *Washington Post*, June 21, 1984, pp. A1, A15)

has yet been fashioned to replace the order that was imposed by colonial empires. Third World instability is sure to generate new crises and opportunities for Soviet and radical challenges.

The irony is that even these problems are not inherently unmanageable. Far from it. Many, if not most, upheavals in the Third World do not even seriously affect our interests. Other problems would probably be amenable to the discrete application of American power or resources. The difficulty is most likely to lie in the *domestic* constraints in America that limit or prevent our discretionary action.

It is in this area (Third World intervention) that the American domestic consensus was most shattered by Vietnam. The anti-defense mood that Vietnam spawned began to turn around by the late 1970's; the anti-interventionist mood, however, is still powerful. The Central America and Lebanon debates show how true this is.

The President has proven in Grenada that strong leadership can rally broad support. Once reelected, he will be able to claim a fresh popular mandate for his policies, since the electorate will have faced a clear philosophical choice. Nevertheless, the lineup in the Congress will probably be about the same, at best; the Democrats will claim that the public still wants Congress to act as a brake on the President as before. Therefore, unless there are stunning Republican gains in the Congress, we will probably face undiminished Congressional opposition on the whole range of controversial issues like Central America, arms control, arms sales to Arab countries, and War Powers.³

We continue to be in an historical period of Congressional ascendancy, with many of the Vietnam-era restrictions on the Executive now embedded permanently in legislation as well as in the political culture. In addition, the leadership structure in the Congress will continue to be weak, making it difficult for the President to negotiate with the Congress when he is willing to do so since the leadership will be unable to deliver (or discipline) the troops. One of the major initiatives we may want to consider for next year, in fact, is an attempt to work out some rules of comity on *War Powers and other issues of Executive-Legislative relations*.

Thus the challenge will be formidable: an America no longer predominant in the world as it was in the 1940's; with less margin for error and with more of a premium on coherence and consistency; and with an unruly domestic system and uncertain domestic consensus that make this coherence and consistency difficult to achieve. This will be a major test of leadership.

³ See footnote 5, Document 191.

This paper will examine possible opportunities (and challenges) grouped largely in six key areas:

- The Atlantic Alliance
- US-Soviet Relations and Arms Control
- Middle East and Persian Gulf
- East Asia and the Pacific
- Latin America
- Africa

[Omitted here are pages 5–15 covering the topics listed above.]

Other Issues

Under Ken Dam's direction, a study has been going forward on *Libya*—examining in detail the nature of the threat and the range of options for US policy. The basic discussion paper written for the beginning of this effort is at *Tab G*.⁴

Last but not least is the long-gestating US initiative for a *new trade round*. We should pursue the agreement of the major industrial countries, confirmed at the London Summit, to seek "decisions at an early date" on a new round of multilateral trade negotiations.⁵ Our concern has been to broaden the GATT regime to cover services, agricultural and high-technology trade, and wider trade liberalization including in the developing countries. We should try to get the process underway in 1985.

⁴ Tabs A–G were not attached.

⁵ At the conclusion of the G-7 Economic Summit meeting in London, the leaders released the text of an Economic Declaration that reaffirmed the importance of holding a new round of multilateral trade negotiations. For the text of the Declaration, released on June 9, see Department of State *Bulletin*, August 1984, pp. 2–4.

199. Memorandum From the President's Assistant for National Security Affairs (McFarlane) to President Reagan¹

Washington, July 7, 1984

SUBJECT

Weinberger Speech on Use of Force

Issue

Whether to authorize Cap's American Legion speech, July 11.

Discussion

Cap has circulated another speech draft on the use of force.² This is, of course, a critical policy issue, but I am concerned (and State agrees) that the speech will be misunderstood and weaken the domestic consensus behind your foreign policy.

The speech sets up two extreme positions on force: between advocates of "isolationism" and those who, as he puts it, "argue that military force can be brought to bear in almost every crisis, before or during attempts to solve problems by diplomatic means. . . ." Cap doesn't say who favors using force so casually, but the description will surely be read as a reference to others in the Administration. At a time when critics want to charge us with recklessness, this suggestion will hardly help you.

The rest of the speech presents certain "tests" of when force should be used. Cap's answer, in brief, is: only when "vital US interests" are at stake and we're prepared to "win." Even here, however, there are real problems. These terms are very difficult to define, and many will think Cap is saying that the Administration has used force for *less* than vital reasons; others will think his emphasis on "winning" means every use of force must be total. Either way we lose. Another of Cap's "tests," requiring Congressional approval to use force, will sound inconsistent with our posture on the War Powers Act. In the long run, moreover, such approval is rarely decisive: the near-unanimous Tonkin Gulf vote

¹Source: Reagan Library, WHORM: Subject File, Federal Government Organizations (FG), FG013, Department of Defense; NLR-654-FG013-14-1-2. Confidential. Prepared by Sestanovich. Poindexter initialed for McFarlane. A copy was sent to Bush. Sestanovich and Fortier sent the memorandum to McFarlane under a July 6 covering memorandum, recommending that he sign the memorandum to the President. Poindexter initialed his approval of the recommendation.

²Weinberger's speech draft was not attached.

couldn't guarantee support for Vietnam, and early Congressional criticism on Grenada turned to praise once we succeeded.

I'd like to tell Cap that you prefer he speak on a different subject. Your national security advisors need to debate this subject internally and present the issues to you for decision. Then armed with an approved administration position, we may start the debate in the public arena next year. Short of this, we (and State) can work with him to produce a draft that does not do significant damage.

Recommendation

OK No

_____ _____ That you authorize me to postpone this speech.³

³The President did not approve or disapprove the recommendation. According to an attached NSC Correspondence Sheet, the President approved the recommendation on July 9. In the top right-hand corner of McFarlane's memorandum, McFarlane wrote: "Will Taft advised of RR decision 6/9 12:30 RCM." Kimmit added an asterisk after the word "decision" and below this wrote: "'*Not to give speech at this time. RMK 7/9."

200. Remarks by President Reagan¹

Washington, July 10, 1984

Remarks on Signing the Food for Peace Day Proclamation

Well, 30 years ago today—and you've probably been told this several times—President Dwight D. Eisenhower signed into law Public Law 480, the Food for Peace Program.² And 10 years before the signing ceremony which took place here at the White House, President

¹Source: *Public Papers: Reagan, 1984*, Book II, pp. 1027–1028. The President spoke at 1:50 p.m. in the East Room at the White House. On July 10, the White House Office of Public Affairs released a White House Talking Points memorandum, entitled "Food for Peace Marks Record Year." (Reagan Library, WHORM: Subject File, Commodities (CM) CM 003 Food and Kindred Products (100000–299999)) In telegram 205676 to USUN, the Mission in Geneva, and Vienna, July 17, the Department repeated the text of telegram 205676 to Rome, July 13, which included the advance text of the President's remarks. (Department of State, Central Foreign Policy File, Electronic Telegrams, D840448–0123)

²See footnote 7, Document 17.

Eisenhower launched the Normandy invasion. And only the year before the signing ceremony he was first sworn in as President. It's possible that on July 10th, 1954, Ike thought most of his great moments were behind him. But that was not so, as this program proves, for in time it grew to become one of the greatest humanitarian acts ever performed by one nation for the needy of other nations.

I'm delighted to welcome here today Ike's Secretary of Agriculture, Ezra Taft Benson, who was present when the Food for Peace bill was signed. Welcome. Glad to have you here.

Food for Peace is still the largest food aid program in the world. Over the last 30 years, it's delivered almost 653 billion pounds of food to people in over 100 countries. It's helped bring hope and new economic opportunity to more than 1.8 billion people. Statistics are, by their nature, dry, but bear with me for a moment as I give you just a few more—with the hope that they haven't been given to you already.

Food for Peace has delivered 27,000 tons of food a day to recipient countries for three decades now. And the value of those U.S. farm products exceeds \$33 billion—more than \$3 million a day over the history of the program.

All of those numbers give us a sense of the scope and the magnitude of this program. But its great contribution is that it's an instrument of American compassion. And it also reflects America's practicality. We recognized 30 years ago that people who are hungry are weak allies for freedom. And we recognized, too, that except in emergencies, handouts don't help. From the beginning, recipient countries paid for a significant part of the food they received.

The businesslike approach is one of the strengths of this program. We've never attempted to make countries who receive our food become dependent on our aid. In fact, we've used our aid to foster economic development around the world. And that is an important reason why, over the years, many of the nations that have received our aid have eventually become major commercial partners.

In the early days of Food for Peace, the major recipient nations were the war-devastated economies of Europe: Italy and Spain, West Germany and Japan. And with time and with the help of Food for Peace, those economies regained their strength. They began to pay cash for American farm commodities. Many of these countries have become our top commercial partners. Eight of our top 10 agricultural markets are former recipients of Food for Peace aid. And Japan is now our number one agricultural market on a cash basis. And that has not only been good for the American farmer and the American economy; it's been good for our international relations.

Food for Peace has been very important in spreading good will and generosity throughout the world. When droughts and flooding from the *El Niño* weather disturbances destroyed food crops in Peru, Bolivia, and other Latin American countries last year, Food for Peace took the lead in providing emergency relief.³ During the 1966 famine in India, roughly 60 million people are estimated to have been sustained for 2 years by Food for Peace shipments.⁴

Today we face a severe and widespread famine in Africa, which is threatening the lives of millions. And, once again, Food for Peace is saving lives. We've already agreed to provide over \$400 million for food assistance to Africa in this year alone.⁵ And I want to announce today a major initiative to help the starving people of America—or of Africa, I should say, and the world.⁶ It's a new program to help us deliver food more quickly and smoothly to those who suffer the most from the ravages of famine.

I will shortly propose legislation to create a \$50 million Presidential fund allowing us to set aside existing foreign aid resources to meet emergency food aid needs.⁷ By prepositioning food stocks overseas where the requirements are the greatest, we can respond to emergency situations more rapidly and effectively. I will also propose authority to allow the Food for Peace Program to reduce the burden of transportation costs on the most needy countries. And all this is aimed at reducing the loss of life to acute hunger in the Third World.

Food for Peace has come to embody the spirit of American voluntarism. The Federal Government has developed a strong partnership with the private sector to help feed malnourished infants and children, to help mothers and the aged and the disabled. This cooperative effort

³ See footnote 9, Document 161.

⁴ Documentation on U.S. assistance efforts regarding the 1965–1966 and 1967 Indian famines is printed in *Foreign Relations, 1964–1968*, vol. IX, International Development and Economic Defense Policy; Commodities, and *Foreign Relations, 1964–1968*, vol. XXV, South Asia.

⁵ Presumable reference to the administration's January aid announcements regarding increased levels of African assistance; see footnote 14, Document 192.

⁶ NSDD 143, "U.S. Third World Hunger Relief: Emergency Assistance," issued on July 9, outlined the actions recommended by the NSSD 1–84 Study Group (see footnote 4, Document 195) to respond to world hunger. In his remarks printed here, the President is referencing many of the Study Group's recommendations. See *Foreign Relations, 1981–1988*, vol. XLI, Global Issues II, Document 221.

⁷ On August 16, the administration submitted the President's Emergency Food Assistance Act of 1984 to Congress. The act authorized the creation of the special \$50 million Presidential fund and payment of inland freight and distribution costs under Title II of P.L. 480 in special cases. The bill was subsequently enacted as Title II of H.J. Res. 648 (P.L. 98–473; 98 Stat. 1837), which made continuing appropriations for FY 1985. The President signed P.L. 98–473 into law on October 12.

with private and voluntary organizations includes such agencies as CARE and Catholic Relief Services, and many other groups are helping, also.

In short, the Food for Peace Program has become a wonderful means by which a nation of abundance has helped those in need. It's helped us expand agricultural markets, get needy allies back on their feet, and help potential allies become strong allies for freedom. Food for Peace has helped to coordinate the charitable impulses of the private sector. It's helped feed the weakest people in the world.

And this record of progress is the result of what happened 30 years ago today, when Dwight Eisenhower picked up a pen and signed a piece of paper that quietly—and, with no great attention from the wise, he changed the world. I think Dwight D. Eisenhower would be very proud of what the Food for Peace Program has accomplished. I certainly am, and I'm proud to be able to mark with you its anniversary today.

May Food for Peace continue its great work; may it continue to be administered wisely; and may we continue to combat hunger and malnutrition throughout the world.

Now, I thank you all again for being here, and God bless you.

And now I'll sign this proclamation which designates today, July 10, 1984, as Food for Peace Day.⁸

⁸ The text of Proclamation 5220—Food for Peace Day, 1984—is printed in *Public Papers: Reagan, 1984*, Book II, pp. 1028–1029.

201. Memorandum From the Assistant Secretary of State for European and Canadian Affairs (Burt) to Secretary of State Shultz¹

Washington, July 27, 1984

SUBJECT

Postwar Germany: The National Phase Begins

I need not tell you how critical management of relations with Germany is to overall US interests. Japan may be emerging as our key “economic” ally, but Germany is—and will remain—our key relationship in terms of East-West security. John Kornblum, Director of EUR/CE, has written a very thoughtful and somewhat provocative paper on trends in Germany which I believe is worth your attention.² John’s paper concentrates on the question of German identity and inner-German relations. He analyzes recent rapid progress in ties between the two German states and suggests that both the FRG and the GDR have entered a new, more national phase in their relations with each other.

The paper argues essentially that the US should wish neither to obstruct this development nor to watch passively from the sidelines as it unfolds. John suggests that vital American interests require that we help manage this “national” process and he sets forth adjustments in our own perceptions which are necessary to succeed in this role.

For a different analysis of this same problem, you might also look at the attached editorial from *The Wall Street Journal* which I have attached at Tab 2.³ The writers of this piece conjure up a simpler era in dealing with FRG–GDR relations which, as attractive as it may appear, is in my judgment, gone forever.

Although John Kornblum’s paper is long, it presents a very readable discussion of these important issues. I think you might find it interesting to read during your upcoming vacation.

Richard Burt⁴

¹ Source: Department of State, Executive Secretariat, S/S Records, S/S Special Handling Restriction Memos, 1979–1983: Lot 96D262, ES Sensitive July 26–31, 1984. Confidential. McKinley initialed the memorandum and wrote “27 July.”

² Attached but not printed is Kornblum’s paper, entitled “Postwar Germany: The National Phase Begins.” The paper is scheduled for publication in *Foreign Relations, 1981–1988*, vol. VII, Western Europe, 1981–1984.

³ Attached but not printed is the editorial “Liberation Politics,” *Wall Street Journal*, July 24, 1984.

⁴ Burt signed “Rick” above his typed signature.

202. Memorandum From the Permanent Representative to the United Nations (Kirkpatrick) to Secretary of State Shultz¹

New York, July 31, 1984

SUBJECT

The Non-Aligned Movement

Considered from the perspective of U.S. interests the most important facts about the Non-Aligned Movement are 1) that it comprises a clear majority of the states of the U.N. and 2) that the Soviet client states in the NAM are able to “drive” the organization, much as a Communist minority in a non-Communist trade union can through superior organization, mobilization, and effort control an organization many times larger than itself. This basically is the reason that the NAM so often takes the Soviet side of issues. It is the reason the Non-Aligned Movement so often behaves like a movement aligned with the Soviets.

The NAM operates, it is said, on the basic consensus but this “consensus” is manipulable and manipulated.

By coming early, staying late, talking more and manipulating more effectively, Soviet client states and sympathizers can effectively neutralize the unorganized truly non-aligned states.

This remains as true under India’s presidency as under Cuba’s. Only the tone has changed.

Once a position is taken an effort is made to make all members of the NAM feel bound by it! Any such disciplined NAM behavior is negative from the point of view of US or Western interests. We do not want the NAM members who constitute a clear majority of the UN, to feel bound by a position on, say, Central America taken in an arena when Cuba and Guyana are present and effective and Honduras, Costa Rica, El Salvador are not.

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons 5/1–31/85. No classification marking. Under a May 2, 1985, covering memorandum, Rodman sent Walters the memorandum, writing: “Last summer, Mike Armacost and I were involved in an exercise for the Secretary that sought to ‘look ahead’ to 1985. We were looking for new initiatives or for new thoughts on basic strategy in a number of areas. IO and S/P did papers on strategy toward the United Nations and strategy toward the Non-aligned Movement. Mrs. Kirkpatrick, when shown our papers for her comments, did two papers of her own. Perhaps you have already seen them. In any case, I am attaching these four papers in the hope that they will be useful to you.” (Ibid.)

Since the NAM takes positions unfriendly to US and Western states *we do better when the role of the NAM is minimal* and when nations vote their own, separate national interests.

In the Security Council, for example, India makes an effort to have the NAM caucus in that body meet and take a common position on all issues. Eight of fifteen members of the Council are also members of NAM, and of these eight India, Zimbabwe, Nicaragua, Upper Volta reliably take pro-Soviet positions while Malta, Egypt, Peru, Pakistan do not. Since the pro-Soviet states do not adopt positions unacceptable to the Soviets it is perfectly clear that the US interest is served when there is *NO* unified NAM position and each state votes its own views and interests.

We, therefore, were careful at the beginning of the new Council to inform Pakistan, Peru and Egypt (all new members) that it was not necessarily a natural or normal practice for the NAM caucus to take common positions.

Similarly in the General Assembly and other specialized bodies, US interests are best served when our friends will speak up for us in NAM meetings but finally reserve this right to vote their own interests.

It is never in the US interest to emphasize or strengthen the Non-Aligned Movement. Quite the contrary.

The appropriate public posture for the US is that we respect true non-alignment, but not “non-alignment” on the Soviet’s side, and to make clear we expect that on matters of real concern to us, our friends take our interests into account whether or not they are members of the NAM.

203. Information Memorandum From the Chairman of the Policy Planning Council (Rodman) to Secretary of State Shultz¹

Washington, August 2, 1984

SUBJECT

Looking Ahead: NSC Papers

The NSC staff, as part of its own "Looking Ahead" exercise, has commissioned (in-house and around the government) a series of papers on key issues.² These papers will not be completed until mid-August, and I am assured we will get a chance to see them.

Attached are the terms of reference for four such papers. They are useful not only because they raise good questions but because they confirm that we and the NSC are thinking seriously about some of the same issues as part of this exercise. The four papers are on:

—*Soviet-American relations: Strategic Overview*: Soviet perceptions and actions, the role of negotiations, economic leverage, summitry, talks on regional issues, etc. (TAB 1)

—*US, West Europe, and NATO*: Outline of a broad inquiry into political, military, and economic dimensions of the Alliances. It touches on new conventional-force doctrines, ways of assisting Europe's industrial/technological development, etc. (TAB 2)

—*Strategic weapons and arms control*: Evolution of the strategic balance, and arms control implications. (TAB 3)

—*Central America*: This paper asks such questions as: Are our means proportional to the ends we seek? What is a feasible diplomatic agenda for dealing with Nicaragua? (TAB 4)

Unfortunately, none of these papers tells us what the answers are. But the papers that are to come should be interesting.

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons Looking Ahead—Papers from S/P Chrons (11/2/84). Secret; Sensitive. Kauzlarich initialed the memorandum and wrote "8/2."

² See Document 197 and the attachment at Tab I.

Tab 1

Paper Prepared in the National Security Council³

Washington, undated

SOVIET AMERICAN RELATIONS: STRATEGIC OVERVIEW

Key Questions:

1. What are Soviet perceptions of the current strategic situation (broad balance of power, US purposes, principal Soviet opportunities, risks of conflict, etc.)?

2. What impact will Soviet leadership politics have on foreign policy in next 2 years? (How weak and divided are they? Is a “stonewall-coalition” in place? Does internal stalemate make US probe pointless?)

3. How to conduct a probe of Soviet positions on most advantageous terms (without sacrificing bargaining leverage, without demobilizing public opinion on issues to be negotiated, without limiting freedom of action on other issues)?

4. Do we face great obstacles in being understood by Moscow, in proving “good faith”—or is this just a Soviet pose? If problem is real, how to overcome it? How to avoid being manipulated?

5. How can Moscow’s agenda be matched to ours—what are the issues of greatest Soviet interest? What are the points of greatest vulnerability? Which of these offer opportunities for the US to exploit? Where would it be counterproductive to apply pressure?

6. On which, if any, disputed issues is it possible to achieve results in the short term (first year of Administration)? On which only in the long term?

7. To what extent can Soviet conduct in the Third World be moderated through direct US-Soviet discussions (recognizing that the most effective restraints are created by independent US cooperation with friendly states)? On which issues? What is the role of “linkage” in these discussions? In the absence of any understandings with the US, is Soviet posture in Third World likely to become more or less dangerous? Where is the Soviet challenge to Western positions likely to remain strongest even if some agreements can be reached?

8. Is Western economic leverage of any importance in affecting Soviet foreign policy choices? If so, how to use it?

³No classification marking. No drafting information appears on the paper.

9. What can be the place of human-rights issues in US strategy? Can the US take a consistent approach to them, through the up's and down's of relations with Moscow? Do signs of internal tightening suggest that human rights practices will be a *growing* obstacle to improved relations?

10. What is the place of a summit in policy toward the Soviets over the next two years? Would the Soviets be interested, even in the absence of agreements? How acceptable is it to have an inconclusive summit—with a full airing of views, but still tense and without agreements (i.e., not so different from Mitterrand's visit)?⁴ What would be the principal advantages and disadvantages?

11. How useful can "small steps" (agreements or contacts on peripheral issues—e.g. maritime boundary talks, fishing agreements, etc.) be in US strategy? Should they be saved to ratify progress on other issues, or used up to signal our interest in the course of a probe?

12. If no (or very low) results are most likely over next several years, what is implication for US policy? Is it *necessary* to push harder with extra initiatives and offers (because no other way to force Soviet leadership to make decisions)? *Safe* to do so (because little chance they'll accept)? Or important to *sit tight* (because anything given away now will be wasted)?

Tab 2

Paper Prepared in the National Security Council⁵

Washington, undated

U.S., West Europe, and NATO

Terms of Reference

I. Trends

- A. Economy of key West European countries
 - GNP rate of growth?
 - Sectors of high unemployment?
 - Movement into high growth industrial, service sectors?
 - International competitiveness?
 - Energy dependence?
 - Other

⁴ Mitterrand visited the United States March 21–24.

⁵ Secret. No drafting information appears on the paper.

B. Political trends in West Europe

—Tendencies toward protection?

—Movement toward, away from, European economic, political integration?

—Arms control/anti-nuclear sentiment

—Perceptions of, attitudes toward, U.S.? Areas of friction with U.S.?

—Perceptions of, attitudes toward Soviets?

—Other

C. Military

—Non-nuclear force balances in Central Region? Trends in balance? Trends in operating concepts (nuclear/conventional operations, OMG “deep strikes” by NATO or Soviets)?

- Ground force balance and trends
- Air warfare balance and trends
- Special forces, unconventional warfare trends

—Force balance and trends in Northern Region

- Air balance?
- Maritime balance?
- Ground force balance?
- Implications for Soviet SSBN strategy?

—Force balances and trends on Southern Flank?

—Trends in theater nuclear forces

- Soviet TNF vs. likely Soviet target set?
- NATO TNF vs. likely NATO target set?
- Impact of Soviet defenses, hardening on TNF balance?
- Political implications?

—Trends in mobilization and reinforcement capabilities, NATO and Warsaw Pact?

—Sustainability?

—Non-nuclear strike systems?

II. NATO Strengths and weaknesses, Warsaw Pact strengths and weaknesses

A. NATO strengths?

B. NATO weaknesses?

—Disagreement between U.S. and West Europe on proper level of defense spending

—Low levels of U.S. defense spending for NATO 1970–1980

—Low levels of West European defense spending 1980–future

—Unintegrated R&D, logistics systems

—Absence of strategic reserves

—Key rear area targets are few in number, vulnerable

C. Warsaw Pact strengths

—Military superiority in many cases

—Integrated force structure

D. Warsaw Pact weaknesses

—Strong, latent anti-Soviet feeling in East Europe

—War plan may critically depend on execution of pre-planned timetable that could be disrupted

III. Goals?

A. Minimum—maintain status quo: avoid or reduce U.S.-West European frictions, keep military balance in Central region from declining further, muddle through

B. Revive NATO

—Measures to strengthen West European economies

—New doctrines for NATO to increase NATO confidence in ability to deter Soviet attack, increase Soviet worries about security of East Europe in wartime

C. Build alternatives to NATO

—Bilateral arrangements between U.S. and key West European governments may avoid problems of getting NATO-wide agreement, be more flexible

—Bilateral or other West European defense arrangements independent of U.S.

—Others?

IV. Strategies

A. Muddle through

—Identify low cost military measures where consensus has emerged, is emerging, and act on them, e.g., infra-structure, aid for Turkey

—Resolve NATO crises in Congress, with Europeans, as they arise

—Resolve economic disputes with Europe through established mechanisms

B. Strategy to revive NATO?

—Economic plan to help West European economies?

—Ways to move NATO to new doctrines? New weaponry?

C. Alternatives to NATO

—Reinforce strategy, positive tendencies toward cooperation in groups smaller than full NATO membership?

—Ways for U.S. to transfer to key West European countries technologies, capabilities that would be required for European defense of Europe

—Develop alliances with European countries that U.S. needs for strategic missions other than defense of Europe (e.g, Turkey for Southwest Asian contingencies, Norway for maritime missions)

V. Obstacles

A. To reviving NATO

—Transferring resources from U.S. to West Europe will be opposed. Counter arguments for use on Hill?

—Shift to new, non-nuclear defense doctrine will be opposed. Counter arguments for use in Europe?

B. To alternatives to NATO

—West Germany outside of NATO may appear dangerous to other Europeans, Soviets. Countermeasures?

—Shift to greater European self-reliance could cause shift to West European neutralism, anti-U.S. policies around the world. Countermeasures?

Tab 3

Paper Prepared in the National Security Council⁶

Washington, undated

STRATEGIC WEAPONS AND ARMS CONTROL ISSUES

1. What is our understanding of how the Soviets evaluate the strategic nuclear balance? Is there evidence or analysis that suggests which U.S. strategic capabilities are most important in Soviet calculations

⁶No classification marking. No drafting information appears on the paper.

and which, therefore, help most to deter attack? Possible categories for discussion:

- strategic defenses
- precision guided weapons
- Stealth technologies
- strategic ASW

2. What are the capabilities that are likely to emerge in Soviet strategic weapons systems over the next five years? What impact will they have on our strategic forces? Issues include:

—If the Soviets deploy mobile missiles, what effect does that have on our requirement for high accuracy weapons to attack fixed targets?

—If the Soviets deploy various forms of ABM, what effect will that have on U.S. penetration capabilities?

—If the Soviets develop under-ice operations for SSBNs, what effect does that have on our strategic ASW capabilities and programs?

3. Which U.S. strategic weapons technologies now appear to have technological and strategic promise?

- Near-real-time reconnaissance and targeting capabilities?
- Autonomously guided weapons?
- Stealth?
- BMD?

4. In view of Soviet perceptions of the balance and foreseeable Soviet and U.S. weapons programs, how should our strategic modernization program and our strategic defenses initiative be changed?

5. Similarly, are there changes that should be made in the operation of our strategic forces as a result of an evaluation of Soviet perceptions, and U.S. and Soviet capabilities?

6. What steps should be taken now to prepare the way for these program and operational changes? What are the best ways to utilize the opportunities for decision present at the start of a new term? What follow-up measures will be necessary to support and sustain these measures in the face of foreseeable opposition in the bureaucracy, the Hill, and the arms control community?

7. What are the conceivable arms control measures most compatible with the U.S. strategic programs and operations that you recommend? What should be the timing for these arms control measures?

Tab 4

Paper Prepared in the National Security Council⁷

Washington, July 1984

CENTRAL AMERICA
KEY PLANNING ISSUES

I. Strategic Overview

—Ends:

- What are the stakes in Central America? Are they as high as we have said? Are our objectives attainable given the threat? What is the range of acceptable outcomes? How are they related to the pursuit of other US policy objectives, elsewhere in the hemisphere and beyond?

—Means:

- Are our means proportional to the ends we seek? How different are the means needed to attain maximum (vs. satisfactory) goals?

II. Political-military problems, opportunities, and options:

—El Salvador:

- What can be achieved militarily with current level of aid? Vulnerability to sudden collapse increasing or decreasing? Any prospect of major military break-through by government forces, or of steadily growing control over insurgency?

- How to assure continuing human rights improvement? Is this the key merely to *our* problem (sustaining current policy) or also to *their* problem (stabilizing the situation)?

- How to increase international legitimacy of Duarte government (e.g. revocation of Ungo recognition by SI)?

—Nicaragua:

- What is a feasible diplomatic agenda—how much can we get/should we give? How strong our position if covert aid preserved? If not? Priority of internal and external goals (i.e. democratization, pluralism vs. limits on quantity and quality of outside arms supply, military advisers, etc.)

⁷No classification marking. No drafting information appears on the paper.

- What feasible diplomatic process—role of Contadora (especially Mexico), Cuba, Soviets?

- Elsewhere in the region:

- What greatest medium-term vulnerabilities (Costa Rica, Guatemala, Honduras)?

- US measures to deal with worsening in one or more countries—in anticipation, in direct response. How sustainable a US strategy that has to deal with several of these wars at once?

III. Kissinger Commission Recommendations:

- Managing the follow-through

- Reformulations, refinements needed to make Commission package more effective?

- Is a scaled-back program of any value? Any real impact in region, or merely precondition to sustain military aid? To induce Nicaraguan restraint?

- Congressional prospects:

- How dependent on progress in El Salvador, or on diplomatic probe toward Nicaragua?

IV. Long-term military posture:

- New missions (e.g. narcotics interdiction)

- Infrastructure requirements

- Political implications (including compatibility with different negotiated outcomes)

204. Memorandum of Conversation¹

Palo Alto, California, August 7, 1984, 9 a.m.–5 p.m.

SUBJECT

Looking Ahead in Foreign Policy

PARTICIPANTS

Secretary Shultz, Robert McFarlane (NSC), Michael Armacost (P),
Charles Hill (S/S), Peter W. Rodman (S/P), John Chain (PM)

1. NATO/*Conventional Forces Initiative*.

COMMENTARY:

PM: NATO's problem is its success. It has both the attitude and the technology to deal with change; over time it has changed. The atmosphere in Europe is conducive to new ideas. Our biggest immediate problem is on our side of the ocean, primarily with Congress. The "reformists" on the Hill—though their knowledge base is very thin—all agree that something must be done to expand NATO's conventional defenses and increase the equity of burdensharing. New technologies and new tactics are coming on stream. We need evolutionary change, not revolutionary change.

NSC: Agree that we have the technological instruments. We have the capacity to preserve deterrence. The East-West balance is not a hardware problem. The problem lies in the politics of getting resources approved and distributing them. NATO is a place where our resources match our commitments. NATO, however, cannot do the job through its existing structure. We should get the contentious issues out of the NAC and DPC for a while; a "wise men's" group could review the situation for a year or so. This would avoid day-to-day contentiousness.

P: Deterrence is not in jeopardy. The Soviets have become more cautious as Eastern Europe is less a "springboard" for potential attack on the West than an "infectious disease" for the USSR. The problem

¹ Source: Reagan Library, George Shultz Papers, Secretary's Meeting With the President (08/07/1984). Secret; Sensitive. Drafted on August 10; although no drafter is indicated on this copy, an August 9 covering memorandum from Rodman to the Acting Secretary of State attached to another copy of the memorandum indicates that Hill and Rodman drafted the memorandum of conversation printed here. (Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons Looking Ahead—Papers from S/P Chrons (11/2/84)) Misnumbering is in the original. The meeting took place at Shultz's residence. Under an August 7 covering memorandum to Shultz, Rodman forwarded an agenda and discussion paper, as well as a "list of topics." (Ibid.)

lies in promoting orderly adjustments before Congress legislates them. A wise men's group might merely delay tackling problems, and cause us to miss the opportunity that the Carrington visit presents.² We should address the NATO defense issues with some urgency so that we can show Congress we are ahead of the problems.

PM: A wise men's group might be established on our side of the ocean, to include members of Congress and defuse the issues on the Hill. Congress is operating from a lack of knowledge about negotiations, whether on ASAT, or MX or MBFR. Unless we engage them more, Congress will just put a unilateral cap on us.

CONCLUSIONS:

GPS: We have a substantive problem and a political process problem. The latter is the more urgent. On the political side there is impatience and concern about burdensharing. Three points argue for doing something: (a) Carrington is the new man in charge. We need to help him produce results in his first year on the job; (b) If the President is re-elected, we will have an opportunity for a new start. We will have a window of three to six months to produce; (c) The European recovery is better than assumed. The Europeans may emerge from their sense of being in the doldrums, and budgetary constraints will be relieved somewhat.

The *wise men* idea is worth considering, but we should not postpone action until they finish studying the problems.

—MBFR: The evidence indicates nothing may be possible, but if we get something it would be to our advantage.

—*Carrington visits in September.* We need to inject our ideas into his thinking early, and to that end it is important that everyone sing from the same sheet of music. We should get our ideas to the NSC by the end of next week. *P will produce a paper with PM, S/P, and EUR and give it to the NSC to work.*³

—The cooperation of key Congressional people is important. We should do a Saturday morning meeting with them before Carrington comes.

²Carrington, who succeeded Luns as NATO Secretary-General in June, was scheduled to visit Washington, September 11–13. In telegram 275051 to all North Atlantic Treaty Organization capitals, September 15, the Department provided a synopsis of the visit. (Department of State, Central Foreign Policy File, Electronic Telegrams, D840588–0303)

³The paper is an August 14 information memorandum from Burt, Chain, and Rodman to Shultz entitled "Looking Ahead: Conventional Forces and NATO." (Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons LOOKING AHEAD—Papers from S/P Chrons (11/2/84))

—A US backstop group of wise men should be considered to coopt or solicit the views of the protagonists on our side (e.g., Nunn, Cohen, Tower)

—We should float an idea like this in one of the Secretary's occasional briefings of Congress.

—Abshire should be asked for his views and should signal to Carrington that we are taking his visit seriously.

2. *US-Soviet/Arms Control.*

COMMENTARY:

S/P: This category includes the *Eastern European* issue: (e.g., the evolution of East Germany and the question of improving relations with individual countries). We should be clear about the criteria by which we differentiate or by which we measure the appropriateness of better relations. We cannot regard every Eastern European country as a candidate for wooing (Bulgaria is not), but in the case of East Germany we should look at the centrifugal forces that might give the East a "German problem." We should, however, carefully assess how our interests would be affected by a free-wheeling Germany in the center of Europe. Other issues in this East-West topic include arms control, geopolitical competition, and the role of negotiation generally.

P: What is our strategic choice in East-West relations? We can concentrate essentially on the geopolitical competition, looking for further means of bolstering our position, courting weak links in the Soviet camp, building our defenses, seeking to isolate the USSR, etc. Alternatively, we can attempt major adjustments in our approach to key arms control and regional issues with a view to seeking a *modus vivendi* or revisiting *detente*. The bargaining situation has some appeal. Can *detente* be revisited without hyperbole? If we go this route, we will probably have to consider trading something in SDI for major Soviet reductions in offensive systems.

NSC: Arms control has to be a central element of the discourse, partly because of feelings here and partly because of the Russians' fear. We should seek a "zero-based" examination of the past 15 years and of the next 15 years in arms control: Arms control has unfortunately been a placebo/substitute for sensible strategic thinking. We need to engage the Soviets in a fundamental discussion on how we view stability, how we view the relation between offense and defense, and what's in it for them. But we cannot do so in our present bureaucratic system. The Soviets are also too suspicious. However, the Soviets might respond to an agenda of fundamentals at the first of the year. There would be value in laying out our ideas. We could send them two or three of our most knowledgeable, thoughtful people: e.g., Scowcroft, Nitze, Wohlstetter. They would seek to reinspire an agenda of serious arms

control talks. In addition we must demythologize arms control in the US, although it is better if private groups (not USG) do it. A bipartisan board is needed.

S/P: The Soviets take strategic defense seriously. They don't accept the idea that defense is immoral as do our critics.

PM: On arms control in general we must (a) Get our own house in order. Some on our side are opposed to arms control. Top-down guidance is needed; (b) We need a wise men's group to talk to the Soviets and provide the core for a future agenda that would not separate SDI from START; (c) We must look at the Soviet and US strategic balance in the 1990's and develop a master mosaic. PM is now working on what a balance would look like that would be tolerable to both sides.

P: It's time to review all aspects of the US-Soviet relationship. Arms control should not be abstracted from other issues. It must be related to competition on geopolitical issues and our bilateral political relationship.

CONCLUSIONS:

—We should focus on the Secretary's meeting with Gromyko in New York.⁴ The Secretary may be able to do nothing more than foreshadow our approach, but his instructions for that meeting will be important.

—Linking arms control with Soviet behavior on regional issues is a dubious exercise. Any arms control agreement should stand on its own feet as advantageous for us. Swapping concessions in and out of the arms control field will not work. Our problem is how to get a sustainable relationship with them while conveying that we will respond appropriately to outrageous behavior.

—We need to get a Presidential decision on guidance to the arms control community. The community must work from the same basic concept. The cast of characters must be changed.

—The notion of a grand, "zero based" look is desirable, both to get our own thinking together and then to engage them in a broad conversation. This will require our best people, who can dedicate themselves to it over 2-3 years. Possible participants would be Kampelman, Wriston, and Wohlstetter. This group might have a bipartisan advisory commission attached to it, including members of Congress. We need to focus on how such a group would tie into the Presidency and its relationship to the JCS, State, and the NSC.

⁴ Shultz and Gromkyo met at the UN General Assembly session in New York on September 26. Documentation is in *Foreign Relations, 1981-1988*, vol. IV, Soviet Union, January 1983-March 1985, Documents 284 and 285.

—The Eastern European issue should be examined further. Perhaps have Roz Ridgway look at the relevant papers, come back to Washington for consultations, and lead a discussion of the issues.

—We need to reevaluate the issue of discussions with the Soviets on regional issues: What is the concept that lies behind it? How does it relate to other things we're doing? P will coordinate.

—We should set forth our conceptual approach clearly: McFarlane's Commonwealth Club speech⁵ and the Secretary's Rand/UCLA speech⁶ offer special opportunities.

3. *War Powers.*

COMMENTARY:

S/P: Theory is that President's reelection will be a moment of maximum political advantage. How do we exploit it to improve our situation vis-a-vis the Congress? Do we take on the War Powers Act?⁷ Do we try to work out new cooperative understandings? How do we organize ourselves better?

GPS: Related issues: The idea of never acting militarily without having broad, assured public support is impossible and self-defeating. We must act with decision and verve to command public support. Also, grey-area conflict is where the competition is. Massive intervention may not be appropriate, but such things as security assistance, covert operations, shows of force, etc., will be necessary.

CONCLUSIONS:

—The War Powers issue deserves analysis, but a confrontation over War Powers Resolution would consume our energies with no likelihood of a successful outcome. No one will take up the cause in Congress. It would be a wasted effort. Our time will be better spent in trying to achieve a positive bipartisan relationship across the board.

—We need to give more thought to how to organize and staff the H bureau, and how it should interface with the White House, NSC, and DOD Congressional Relations people.

—Structural changes needed include: shifting the LMO function at State to non-FSO's who know the Hill (perhaps recruit from bloated Congressional staffs); greater effort to brief and persuade Congress of the reality of Soviet behavior (e.g., Soviet stimulation of low-level conflict worldwide), which would require briefers with substantive background; new leadership in Congressional liaison (e.g., Andy Gibson and Bob Keating mentioned as "possibles");

⁵Not further identified.

⁶Printed as Document 209.

⁷See footnote 5, Document 191.

—Possibly take key Congressional leaders off on a retreat soon after election to have candid dialogue on the subject of foreign policy priorities and procedures for assuring greater legislative-executive cooperation.

4. *The Middle East.*

COMMENTARY:

GPS: There are four parts to the issue: Iran/Iraq and the Gulf; Lebanon; the Israeli economy; and the peace process. The Gulf is fairly quiet now and we seem to be in pretty good shape, though we need to examine whether there are ways of keeping doors open to better relations with Iran. We know what track we're on with respect to the Israeli economy and Lebanon. Our focus should still be on the peace process; the status quo is unstable; without a peace process we will see a different Middle East.

New technology can change the military balance drastically. Cruise missiles threaten Israel's existence. The impact should lead the parties to see the value of accommodation but the evidence that they do does not yet exist.

Agreement in the short term is unlikely. Yet we can't leave it alone.

A way to deal with Syria is needed. No solution can be found in the absence of dealing with the intra-Arab politics of the problem, as well as the question of the Golan Heights.

It is unrealistic to imagine a lack of Israeli presence permanently on the West Bank. We need to think about a different concept of how the West Bank would be administered. For example, a trusteeship which would give Israel a legitimate role and the West Bankers an Arab identity. At the same time we need to recognize the demands of the Arabs for something that is akin to sovereignty.

CONCLUSIONS:

—The basic conclusion may be that the best we can hope for in 1985 is a "damage control" approach. The problem may have passed beyond the possibility of a satisfactory solution. We were probably right, at the time of September 1, to say that it was the Arabs' last chance.⁸

—At the same time it's striking how the level of Arab, European, and media pressure on the US has fallen off as a series of events have moved the focus away from the Arab-Israeli problem: e.g., the Grand Mosque incident,⁹ Libya, Iran-Iraq. Arafat must be worried by this. The problem will probably lead to another war eventually. But it may be

⁸ Reference is to the President's September 1, 1982, address; see Document 116.

⁹ See footnote 6, Document 28.

better for us not to be seen as the fall guy. A new US effort in 1985 could lead to the reawakening of massive pressures on us that could overshadow our initiatives in other key foreign policy areas.

—The possibility exists for exploring a more comprehensive approach. One possibility might be a special emissary to talk privately to the three or four key Israeli decision-makers to see whether a strategic approach might be feasible. This might combine features of the Allon plan¹⁰ plus Saudi interest in a major development plan for the West Bank. Would be worth trying, if only to be able to say we had done it.

5. *Central America.*

COMMENTARY:

S/P: Negotiations are a benefit to us regardless of the possibility of agreement. We need to be seen as pushing a compromise and a peaceful solution even without the possibility of progress. Little likelihood that Nicaragua will agree to anything significant.

P: Question we will face in negotiation is how hard we push on Nicaraguan internal reform. If we get genuine progress on other three points, we will face a tough political choice—with Congress pushing in one direction, the Core Four in another.

NSC: Cuba and Nicaragua are first-generation revolutionaries. Neither will change their spots about the way they run their countries. At present we are dealing with the problem's symptoms rather than its source (Cuba). We should examine whether this is the correct approach. Signs are better than even we can make progress with our present strategy, given better Congressional picture re Salvador funding. Contra program is big question: They're getting some money from elsewhere, but it won't last beyond end of year.

GPS: One of our successes of recent weeks has been to move Nicaragua and Mexico farther apart.

PM: Nicaraguans can claim some legitimacy after their election, even if it's a rigged election.¹¹ Governments need 10:1 ratio to defeat guerrillas: Nicaraguans have it over Contras; El Salvador doesn't have it over the guerrillas.

¹⁰ Proposed by Israeli Foreign Minister Yigal Allon in July 1967, the plan called for a partition of the occupied territory between Israel and Jordan, permitting Israel to maintain a row of fortified settlements along the Jordan River. The rest of the West Bank would be demilitarized.

¹¹ Scheduled to take place November 4.

CONCLUSIONS:

—Maximum effort needed with Socialist International to keep European from going too far.

—We need to think of political strategy for Salvadoran elections of March 1985: political strategy for Duarte to split guerrillas. US needs to look as formidable as possible between our election and March 1985, to demoralize the guerrillas.

—The discussion should particularly review what we do regarding Cuba and Nicaragua that could inhibit their flexibility, including possibility of economic sanctions. (Strains on these economies suggest that such pressures might have impact.)

6. *Southern Africa.*

COMMENTARY:

S/P: We're doing well with present strategy. Pressures are all on the other side. We shouldn't relieve the pressures prematurely. Angolans may crack after our election; they're bound to be demoralized by Reagan victory.

NSC: The Soviets are likely to hang in there. It doesn't cost them much.

CONCLUSIONS:

—We should explore the Portuguese angle for getting additional leverage on the Angolans.

—[*less than 1 line not declassified*].

—Recognizing that Savimbi is not a "card to be played," we should be alert to MPLA signals about "social integration", i.e., national reconciliation. It is morally and strategically sensible to encourage support for a winner like Savimbi.

—Our patient, persistent, low-key diplomacy in southern Africa should be examined as a possible model for other areas, such as the Middle East.

7. *Pacific Basin.*

COMMENTARY:

GPS: It's going well, and evolving naturally.

CONCLUSIONS:

—If Fairbanks leaves, this function should pass into EAP.

—The focus on training is correct. Student training and military-to-military exchanges need to be rejuvenated. A dramatic new effort in educational exchange would be valuable—on a global scale.

—Coordination with Secretary Bell and the Department of Education will be needed on foreign student exchanges.

—Armacost will take the lead; PM will examine the military-to-military exchanges.

8. *New trade round.*

COMMENTARY:

GPS: Essential to fight off protectionist pressures for remainder of this Congressional session. New trade round is a highly complicated problem; it requires legislation to give the negotiators authority. In the 1970's, trade bill was artfully made part of a package of other, "safety-net" kinds of measures like Social Security and pension bill. Best defense is a good offense. If you don't have a good strategy, you get nibbled to death. It's a very big commitment.

What we want from a new trade round is (a) to spread coverage of trade agreements into new areas (e.g., services); and (b) to bring new industrialized nations to see the advantages of opening up to trade.

—We should study what residual authority may exist from old legislation.

CONCLUSIONS:

—Ken Dam knows these issues well and should take the lead for us in examining how to proceed.

13. *"Gardening."*¹²

CONCLUSIONS:

—Countries that warrant more attention: Somalia; the Dominican Republic; Fiji; Malaysia (pay close attention to the new foreign minister¹³ at UNGA); Brunei (talk to Ambassador King about how to approach); Belgium; India; Pakistan; Jordan; GDR.

¹² In a July 27 information memorandum to Shultz, Rodman noted that in response to Shultz's request, Armacost had tasked the regional bureaus to submit lists of countries that required more "attention." Rodman forwarded the submissions to Shultz, adding that the countries were ones "that might be neglected because there were no dramatic problems, but that should receive more 'tending' in the coming year." (Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons Looking Forward—7/3/84) The submissions consist of a July 21 information memorandum from Wisner, a July 21 memorandum from Motley, a July 20 information memorandum from Wolfowitz, a July 21 information memorandum from Burt, and a July 23 memorandum from Murphy, all addressed to Armacost. (Ibid.)

¹³ Tengku Ahmad Rithauddeen, who had served as foreign minister from 1975 until 1981.

14. *Pakistan-India and the Soviet Union.*

COMMENTARY:

NSC: Recent convergence of factors that seemed to signal Soviet-Indian pressures. Our interests are not matched by our means to support them. We can't influence our friend (Pakistan) and we can't deliver Congress. One option is just to retrench. But it would be a disaster if the Soviets came into Pakistan and gained access to Indian Ocean.

Our strategy three years ago was to woo Pakistan away from nuclear program by more security assistance. Didn't work. We can't sustain our security assistance program if Pakistan goes nuclear.

S/P: China factor is key. China can back Pakistan better than we can. Pakistan is also a pivot of China-Soviet-US triangle. Chinese regard Soviet-Indian pressures on Pakistan as critical to their security; we should show we understand this, or else we risk harming our China relationship. This is our main geopolitical stake in Pakistan.

CONCLUSIONS:

—Various possibilities should be examined such as a sustained diplomatic effort to foster better US relations with India; a middle-man role in bettering Indo-Pak relations; long-term US security guarantees for Pakistan beyond security assistance.

—We need personnel involved in this issue with a deeper understanding of the complexities of the issues and the cultural and historical background.

—An enhanced effort to persuade Congress is required. It may be impossible to return Congress to the view it held of India 25 or 30 years ago.

—An NSDD on this issue will be produced in 10 days or so.¹⁴

Procedural/Management Issues. (CH to do separate paper)¹⁵

—Need major effort to try to rebuild popular support/consensus for foreign aid. (NSC is working on paper.)¹⁶

—We should seek to close out the analytical phase of our looking Ahead exercise and produce papers for the President to focus on and provide guidance for the day after the election. Each issue involves policy, promotional, and people dimensions.

¹⁴The NSDD concerning India and Pakistan was not issued until October 11. NSDD 147, "U.S. Policy Towards India and Pakistan," is scheduled for publication in *Foreign Relations*, 1981-1988, vol. XXXIII, South Asia.

¹⁵Not found.

¹⁶Not found.

10. *Libya.*

COMMENTARY:

S/P: Options paper is done.¹⁷ We answered Secretary's questions.

CONCLUSIONS:

—Consider greater effort to close student centers and limit Libyan presence in US.

—We should be sure we are satisfied with Stair-Step exercises, which are a systematic program of routine measures to stick our finger in his eye.

—We should leave ourselves steps to take if we are to ask our allies to take measures as well.

—Economic sanctions should not be excluded. We should particularly try keep down the exposure of US citizens in Libya. They are really hostages.

—Italy will be a problem. The approach to Andreotti will be important.

11. *Strategy toward the UN.*

CONCLUSIONS:

—Consider Kirkpatrick paper.¹⁸

—Examine present organizational structure and relationship between IO and USUN. Should PermRep have Cabinet rank?

12. *NAM.*

—Review Kirkpatrick paper.¹⁹

13. *Vulnerabilities: Philippines*

COMMENTARY:

P: Treasury wanted to block World Bank Structural Adjustment Loan until IMF accord is reached. They have a point. DOD is worried about insurgency and wants to spend more money; not clear that more

¹⁷The options paper, entitled "Libya Issues and Options" is attached to a July 20 covering memorandum from Rodman to Shultz. (Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons 7/16–31/84)

¹⁸The paper is a July 31 memorandum from Kirkpatrick to Shultz entitled "Increasing U.S. Effectiveness in the U.N. System." (Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons 5/1–31/85)

¹⁹See Document 202.

money will help unless the Philippine military gets its house in order (rampant cronyism, politicization, corruption, incompetence).

CONCLUSIONS:

—We should use our presence better. We should look at legal impediments to using Subic and Clark for training of Filipinos. Perhaps we can change the way the laws are interpreted.

—Essential to step up military-to-military contacts.

205. Memorandum From Donald Fortier, Stephen Rosen, and Stephen Sestanovich of the National Security Council Staff to the President's Assistant for National Security Affairs (McFarlane)¹

Washington, September 21, 1984

SUBJECT

Planning Update

We are now nearing the completion of the first phase of the planning project. The products we have received are uneven in their specific programmatic recommendations, but almost invariably interesting and useful. Some contain ideas that truly are exciting, though in need of further refinement. I feel we were correct in first casting our net for fresh ideas from the outside. In relying on such busy private citizens, however, we have run into occasional delays that have essentially put us about two and a half weeks behind schedule.

I want to begin to draw in a very few additional members of the staff at this point, though for the most part on specific issues like the NATO and Soviet papers. I have already had a couple of useful talks with Ron, and Jack Matlock is prepared to begin to give us his thoughts on the Soviet papers.

Our objective for the first phase is not to have fully polished action plans for all regions and functional problems. Rather, it is to generate analysis that can help to *illuminate the fundamental choices the President will face*: to ascertain where his capital will most be needed; where events

¹ Source: Reagan Library, Reagan Library, Donald Fortier Files, Subject File, Policy Planning (Second Term) I: [09/14/1984–09/25/1984]. Secret. Not for any system. Sent for information.

seem to be coalescing in ways that create new opportunities; where the momentum of the first year of a second term would appear to provide a natural boost to initiatives that otherwise would have very little chance of succeeding; and where he can hope to put policies in place that will be a lasting legacy. We have also paid special attention to initiatives that are not specific to any one region or problem, but which rather have the aim of *enlarging our capacity to affect a broad range of events*. This is most apparent in the work we are doing on foreign assistance and in the Marshall-Roche paper on Cost-Imposing Strategies—both of which are highlighted below.

The purpose of the attached paper is simply to provide a status report and to give you a few of the substantive highlights of the work we have received and our evaluation of it. The difficult next step, to paraphrase Churchill, is to give the pudding a theme. By that we mean distilling from this mass of analysis and recommendations some core judgments on Presidential priorities. To do that we will convene our sub rosa evaluation group next week to start doing more of the necessary integration work. The package that we provide for your October meeting with the Secretary will be interim in nature but will begin to reflect the broader conclusions we are moving toward. The highlights that follow don't do real justice to the papers, but should help you to sense the general drift of our contributors' thinking and what it may mean for us.

Tab A

Paper Prepared in the National Security Council²

Washington, undated

REGIONAL ISSUES

—If we are to have any hope of regaining the initiative in certain areas, we simply must restore more adequate aggregate levels of *Security and Foreign Assistance*. This will affect everything else we do. It could be a major policy legacy. Nearly everyone we have spoken to believes our idea of a dramatic gesture by the President to sacrifice some conventional weapons system (preferably one we want to sacrifice anyway) or to ask for some specific reduction in defense spending to rebuild the security assistance account is worth doing and probably the only way to rebuild American competitiveness in this area. This might be packaged

²Secret. No drafting information appears on the paper.

as part of a larger doctrinal announcement on promoting stability in strategic areas of the world. We are working out specific options for implementing this idea and are also looking at a lesser variant in the form of a large increase in IMET which could also achieve a great deal in political results but be less costly in absolute terms.

The foreign assistance case provides an interesting example of how ideas about specific initiatives tend to progressively mature. The beginning thought was simply to recognize that with deficit constraints the President would face an impossible task in arguing for a reinvigorated program of American security assistance—crucial tool or not. He faces an ineluctable choice in trying to shape our global security environment: trades between U.S. defense programs and security assistance. Increasingly, though, it seemed that we needed to be able to make a tighter logical connection between the increases we sought and the reductions we were prepared to incur. Trying to do simple percentage trades would probably look like “hocus pocus” and be difficult to enforce. This problem led us in turn to look at reductions in some specific accounts like airlift, and light infantry divisions, where there was a kind of natural substitution effect. This in turn seemed to have some political appeal, since liberals would be able to understand more clearly that security assistance can be a prudent means of lowering—though not eliminating—the prospect of U.S. intervention. (Kondracke and others are beginning to increasingly surface this theme.)

It has also become apparent that if we could succeed in suddenly enlarging the total pie of *available* resources, we could increase our leverage in a more general sense by changing the context in which negotiations with regional security partners occur. No longer would we be haggling over modest, insufficient increases, but rather an important new pool would be opened up for which real competition among our friends would be sure to occur. Moreover by being able to explicitly demonstrate that the new funds in question come directly out of U.S. defense “hide,” we would be in a stronger position to influence how this new aid should be spent so as to truly enhance *mutual* needs. Congress had traditionally resisted contingency funds and the like; but if we shift the argument in favor of a larger pie in a way that suggests we want to be shrewder bargainers, it should be possible to erode some of that reflexive criticism.

More work needs to be done on this, looking at the impact on committee jurisdictions, ways of ensuring that the trade is seen as a temporary expedient, keeping high the fear of direct U.S. power, and so forth. But in looking at *the* tool for best improving our position in the low-intensity struggle, this will be key. Bureaucratically, we would want to bring the Chiefs on in *concept* before talking specifics.

—In the *Middle East*, our work is driven by two central facts: 1) that the time is not ripe for a major new initiative, but 2) that the political

pressures for movement (in the region and at home) will increase at the beginning of the second term. Accordingly, Dennis Ross is doing work for us on a package of initiatives which—while they fall short of a full-blown initiative—do: respond to the political requirements for increased U.S. interest; help to diffuse a number of existing tensions; and begin to create a canvas against which broader moves can later be undertaken. We cannot do justice to the entire package here but some of the possibilities include:

—*capitalizing* on Peres's interest in Taba in a way that sets the stage for a limited but important package deal;

—*using* the Aqaba pipeline as a mechanism for developing a set of understandings among the Israelis, Jordanians, and Saudis on environmental and other issues—understandings that could form a prototype for other arrangements later on;

—*working* to establish a new set of red lines between Israel and Syria, and using such a process to increase Jordanian anxieties about possibly once again being left out; and

—*trying* to transform actions Peres will need to take for economic reasons into steps that increase the pressures on Hussein.

In a number of areas our proposals spring from the recognition that—*notwithstanding* current political constraints—there are certain things that Likud would be able to acquiesce in as part of a national unity front that it could never afford to accept on its own. We feel we have some hard and useful ideas to recommend. What we want to do now is meld these together in a way that helps us portray the strands as part of a coherent approach, rather than a series of fitful moves.

—The *Soviet-American relations* papers provide very acute analyses of the Soviet leadership's outlook and anxieties—Ulam focusing on their long-term China problem; Billington, on the Soviets' continuing lack of domestic legitimacy. Their discussion of U.S. policy, however, is weaker, despite an interesting disagreement between the two on how to negotiate with Moscow. Ulam returns often to the importance of preserving maximum bargaining leverage, while Billington seems attracted to some bold unilateral gesture that could affect the "atmosphere" of the relationship. Billington looks at ways in which we can better tap the leverage point of an increasingly better educated and informed Soviet population. This leads him to interesting observations about the need for a more differentiated dialogue: tough and specific with the older, central forces of power, but broad, more exploratory, and even tactically generous with younger forces for innovation and change. We will now turn, as originally planned, to Fritz Ermarth to work with us and Jack Matlock in producing a more operationally oriented product that

draws on this work. The events of the next few weeks will of course importantly affect our ultimate starting assumptions, a point to which we are sensitive.

—In the *Persian Gulf*, we asked Harry Rowen to—among other things—evaluate the hypothesis that energy trends and market conditions argue for some downgrading of the priority we attach to this region. Harry’s paper provides a convincing analytical refutation of this proposition, making the point that—despite improved trends—the Gulf will continue to possess the world’s largest quantity of low cost energy. Many forget that while other alternatives exist, Gulf oil costs around \$1.00 per barrel to produce while other sources average \$15.00 or higher.

This has political implications as well as economic ones, since it suggests that a hostile power in control of Gulf oil could discount it substantially for purposes of political manipulation without suffering undue commercial harm. Harry also puts forward an interesting case on behalf of a surcharge on oil imports. The purpose of this of course is to internalize the external costs represented by dangers inherent in oil use. We have asked for a closer look at this idea because of its attractiveness next year from both a domestic (i.e., a tax increase that really isn’t a tax increase) and national security standpoint.

A number of the security recommendations made in the Rowen paper are roughly congruent with the thrust of NSDD-99.³ We’re not happy with this part of the work now and plan to ask Harry and possibly one other contributor to do some additional thinking. Part of what we need is a reassessment of our whole strategy toward the Saudis in particular, a retrospective look at the way in which we have done business, what’s worked and what hasn’t. We are at least intrigued by the idea of possible hints of a “reassessment,” coupled possibly to additional procurement of sea-based stockpiles to make the point we have other options and diminish the Saudis’ perception that they can continue indefinitely to pressure us into more expansive forms of security assistance on the mere hope of eventual access.

—*The Horn* has always been more important than most realize, and the recent Suez mining flap—which may foretell more serious activity in the future—is a reminder that we cannot concentrate on Hormuz alone to protect access and resources in this critical area. Moreover, without new initiatives we could face a block-busting erosion of our position by twin reverses in Sudan and Somalia. Charles Fairbanks has produced an excellent first draft on how to refortify our posture in

³ See footnote 3, Document 165.

The Horn, increase pressure on Ethiopia, and make better use of other opportunities that may exist. His paper is a model of what we were looking for—assessment of opportunities, discussion of assets, and program of action. He points to how much Somalia can do to bolster our Persian Gulf and Red Sea options: it is the only state in the area whose openness to the U.S. is restricted neither by sensitivities related to the Arab-Israeli dispute nor by the NATO problem (e.g., Turkey) nor by past traditions. Somalia is almost the only ethnically homogeneous state in Africa. Despite Siad's current troubles, its nationalism and irredentism make Somalia a solid source of support for our policy in the region. Despite the fact that we have largely overcome Congressional resistance to working with Somalia, resource constraints have kept us from helping to stabilize Siad and exploit new opportunities brought on by a deteriorating situation in Ethiopia.

Charles has also analyzed the Soviet position in Ethiopia. In looking at the costs and benefits of stimulating various insurgencies, he observes that geography makes the Soviet position in Ethiopia inherently vulnerable: the insurgencies we have the power to affect could cut off key Soviet bases (Dahlak Islands, Massawa, Asmara, and Assab) from the Ethiopian core. In a second draft, due this week, we have asked Charles to look at how—through a combination of incentives and disincentives—to bring about a change in Ethiopia's alignment. The Ethiopian population does not appear to be anti-American, but the leadership takes revolutionary ideology seriously. Here we see a possible Chinese connection to the strategy we are examining.

—The *Central America* study promised by Kristol is not yet ready. For this reason we met today with Elliott Abrams and Gary Schmitt to prepare a paper on the basic choices before us. This was a highly useful session (helped by a briefing from Ollie) and we expect a very good analysis. Their starting point, of course, is to assess where present policy is taking us, and the degree of effort—particularly Presidential effort—that will be needed to sustain it (e.g. the prospects for getting multiyear funding for the Jackson Plan). Elliott believes that after the election we may have an important opportunity to reconstitute our domestic support on this issue, especially through more vigorous efforts with churchmen and the AFL-CIO. One objective they have in mind is to reduce the drain on leadership attention and Presidential political capital that this region now imposes. We have asked them to define the serious policy alternatives to existing policy, including the diplomatic, political and military preconditions of each, the likely countermeasures by our adversaries, and the risks and costs of failure. This analysis should enable the President to consider both a "high option" involving more intensive and effective measures in the region, as well as a "low option" that tries to preserve our gains in Salvador,

Guatemala, and Honduras at a more sustainable cost. We understand the extreme sensitivity of all these questions and are keeping the work highly compartmented.

—With regard to *East Asia*, we tasked both Paul Wolfowitz and Dick Solomon for papers on Japan and China but have yet to receive them. Although Paul has several ideas that he is very eager to have considered, and which we find extremely interesting, we can probably afford to get them later. As in Southern Africa, current policy in this area seems basically on track: it offers few opportunities for new departures but few risks of real setbacks. (The Philippines is perhaps the only exception.)

—Phil has done a very constructive paper on how we might improve our *Crisis Management* capabilities, and we are working together with Sey Weiss to factor in his thoughts. This is one of our most sensitive topics.

In addition to the above, I plan to use the high tech seminar we are planning with chief scientists and marketing people on October 29 (you have a package and agenda with you now for approval) as a basis for fashioning technology transfer choices. Similarly, for our South-west Asian planning, I will draw upon the Iran work that John, Geoff and I are engaged in to develop ideas for the broader planning review. Beyond this, I have a very provocative paper from John Pappageorge on a possible Aegean initiative. John modeled the mechanics of the initiative along the lines of the very successful work he did for General Rogers on the NATO reintegration issue. John is sensitive to the high probability of failure of any such initiative and has shaped an approach that enables us to get started with a fact-finding approach that is in reality a kind of disguised negotiation. John shares my view that any successful diplomacy in this area must be premised on a package deal in which various claims can in effect be traded off against one another simultaneously. Finally, I plan to start some work early next week with Paul Henze on a modified (or updated) Northern Tier approach.

DEFENSE AND ARMS CONTROL

Three of the papers we commissioned in defense-related areas have produced analyses and proposals that support each other. In the strategic modernization, NATO, and defense procurement papers the authors tried to develop strategies that would help the U.S. reduce its dependence on nuclear weapons within the context of defense budgets that were limited to slower rates of growth than we obtained in the first term.

—Albert Wohlstetter's paper on *strategic modernization* argues forcefully that we are now able to unilaterally move to a strategic posture that relies less on nuclear brute force and more on advanced

technology. This is in keeping with the President's stated desire to reduce the threat of nuclear weapons to innocent bystanders. By means of high accuracy weapons, anti-missile defenses that are compatible with the ABM treaty as it now stands, and by utilizing stealth technology, we can enhance deterrence and reduce potential civilian casualties. Albert suggests ways to obtain money for these programs by reducing our procurement of the larger, more destructive weapons we are now buying. Albert is now detailing specific program changes, but his proposals are sensitive to political reality: his approach is an incremental one that allows us to move gradually toward our preferred posture.

—Albert's paper on *arms control* is less useful. It details the fallacies of arms control, but does not really say how we can constructively respond to the desire for arms control. We believe our suggested unilateral megaton cap (when coupled with a broader agenda) does this, and dovetails with Albert's weapons recommendations. Albert agrees with this. Albert does have some interesting ideas on keep out zones for space satellites and self-enforcing agreements on ASAT. Ron and I will be looking at Albert's paper and thinking about how to apply his thoughts to our current strategy.

—Sam Huntington's *NATO* paper shows that if business as usual continues, NATO will rely more and more on nuclear weapons for deterrence. He then offers a choice. If we are not able to change business as usual, there are ways we can adjust to this nuclear-dominant military balance in Europe. If this is not a satisfactory option, more money will be needed for conventional forces. However, it is extremely unlikely that the governments of West Europe will significantly increase their military spending if their economies continue to stagnate. Something would have to be done to help the West European economies grow more quickly. Huntington suggests that we encourage the Europeans to consider increased military spending as a way of stimulating their economies.

The connection between West European economic problems and defense problems is one we flagged for you back in May. We believe Huntington's proposed solution would face political difficulties. Huntington will have little time this fall to revisit this part of the problem, but we have been working on this problem on our own. Based on work done by Professor Bruce Scott of the Harvard Business School, we believe we see the outlines of a graduated U.S. initiative (beginning first with exploratory soundings by private U.S. industrial leaders) for helping the governments of West Europe to make those changes that will revive their economies. Scott is recognized as the foremost expert in the country on this problem and has been working on his analysis with key European economists for some

time. His basic strategy is to show the Europeans that their economic problems flow from an environment that throws up obstacles to entrepreneurial activity. For example, rather than trying to stimulate job growth by affecting aggregate demand and major industries, one would want to concentrate in a more sophisticated way on stimulating growth in new and specialized service industries, much as we have done. Although this may sound at first blush broadly obvious, a number of interesting and pragmatic conclusions fall out for ways in which the Europeans—with certain technical, legal and policy assistance from us—might bring a process of structural reform that could reignite the economies of Europe.

This would be a major legacy for the President to leave and one that would extend the reforms he has supported in the U.S. to other parts of the Western world. It would be as profound ultimately as the Marshall Plan, though based more on new forms of mutual coordination rather than largess. If successful, it would be a natural complement to the existing efforts to improve NATO conventional defenses. And, indeed it could well be, as Ron and I agree, an explicit prelude. We plan to meet with Andy Marshall this week to rough out a more specific list of prescriptive possibilities, and will then be in touch with Scott about this. We will be considering some small initial measures the President can take on his own to get things moving in this area. With regard to the security proposals per se, Ron and I will be looking at Huntington's work (and other supporting papers we commissioned on barrier defenses, reducing reinforcement vulnerabilities, etc.) to ensure some coordination with the direction taken by the NATO IG.

In addition, the obvious anti-Soviet sentiment in East Europe offers us a valuable opportunity to reduce Soviet confidence in the reliability of Warsaw Pact forces after conflict begins. We have done work on this, and spoken to Albert and Harry Rowen about it as well. It is extremely sensitive, of course, and we will pursue this very quietly on our own. We are working on two basic approaches. First, the U.S. could declare in a crisis (and begin to quietly hint in peacetime) that if war broke out, it would act in ways such that East European governments would have an incentive to go neutral. Rowen has already done some thinking with the JCS about operational implications: e.g., no use of nuclear weapons against countries that did not attack us. Second, if war did begin, we would want to more systematically exploit prepositioned contacts on the other side, for selective targeting and to induce mutinies among the civilian reservists who would be mobilized in Warsaw Pact armies.

—Andrew Marshall and Jim Roche have outlined an extremely imaginative strategy that uses American strengths and Soviet vulnerabilities to force the Soviet Union to change Soviet military procurement and operational practice so as to enhance deterrence and reduce

the threat we face. In many respects we believe their study is the most compelling of all that we have seen. In particular, they have come up with a list of actions that the President can do on his own to get our own military re-oriented and behind this strategy. Their emphasis is on better use of U.S. non-nuclear technologies and intelligence about the Soviet military as a way of competing more effectively with the Soviets without having to keep up with their military spending. They have worked out, for example, innovative ways of using Stealth technologies to counter Soviet overseas activities. This has profound importance when one considers that the principal card the Soviets have to play with key clients like Syria is air defense. There are a wealth of other ideas, many of which relate to thoughts we have been developing. All argue, among other things, for far better policy level review of black programs. Frequently the regional implications are the first things missed by current review processes. Andy and Jim have also developed a strategy for keeping Soviet military R&D off-balance, as well as a new category of weapons, "surprise" weapons, designed to reduce Soviet confidence in their own weapons in a crisis. Needless to say, this paper is highly sensitive.

206. Editorial Note

On September 24, 1984, President Ronald Reagan addressed the United Nations General Assembly in New York. He spoke at 10:31 a.m. in the General Assembly Hall at the United Nations. The President, in his opening remarks, indicated that he would devote his address to discussing how the United States had strengthened its relationships with old and new allies, what efforts the United States had made to lessen regional conflicts, and the status of U.S. efforts to work with the Soviet Union to reduce nuclear arms. Emphasizing that "the United States has been and will always be a friend of peaceful solutions," the President applied this to U.S.-Soviet relations, stating: "When I appeared before you last year, I noted that we cannot count on the instinct for survival alone to protect us against war. Deterrence is necessary but not sufficient. America has repaired its strength. We have invigorated our alliances and friendships. We are ready for constructive negotiations with the Soviet Union.

"We recognize that there is no sane alternative to negotiations on arms control and other issues between our two nations which have the capacity to destroy civilization as we know it. I believe this is a view

shared by virtually every country in the world and by the Soviet Union itself. And I want to speak to you today on what the United States and the Soviet Union can accomplish together in the coming years and the concrete steps that we need to take.

"You know, as I stand here and look out from this podium, there in front of me I can see the seat of the Representative from the Soviet Union. And not far from that seat, just over to the side, is the seat of the Representative from the United States. In this historic assembly hall, it's clear there's not a great distance between us. Outside this room, while there will still be clear differences, there's every reason why we should do all that is possible to shorten that distance. And that's why we're here. Isn't that what this organization is all about?

"Last January 16th, I set out three objectives for U.S.-Soviet relations that can provide an agenda for our work over the months ahead.

"First, I said, we need to find ways to reduce—and eventually to eliminate—the threat and use of force in solving international disputes. Our concern over the potential for nuclear war cannot deflect us from the terrible human tragedies occurring every day in the regional conflicts I just discussed. Together, we have a particular responsibility to contribute to political solutions to these problems, rather than to exacerbate them through the provision of even more weapons.

"I propose that our two countries agree to embark on periodic consultations at policy level about regional problems. We will be prepared, if the Soviets agree, to make senior experts available at regular intervals for in-depth exchanges of views. I've asked Secretary Shultz to explore this with Foreign Minister Gromyko. Spheres of influence are a thing of the past; differences between American and Soviet interests are not. The objectives of this political dialog will be to help avoid miscalculation, reduce the potential risk of U.S.-Soviet confrontation, and help the people in areas of conflict to find peaceful solutions.

"The United States and the Soviet Union have achieved agreements of historic importance on some regional issues. The Austrian State Treaty and the Berlin accords are notable and lasting examples. Let us resolve to achieve similar agreements in the future.

"Our second task must be to find ways to reduce the vast stockpile of armaments in the world. I am committed to redoubling our negotiating efforts to achieve real results: in Geneva, a complete ban on chemical weapons; in Vienna, real reductions to lower and equal levels in Soviet and American, Warsaw Pact and NATO conventional forces; in Stockholm, concrete practical measures to enhance mutual confidence, to reduce the risk of war, and to reaffirm commitments concerning

nonuse of force; in the field of nuclear testing, improvements in verification essential to ensure compliance with the threshold test ban and peaceful nuclear explosions agreements; and in the field of nonproliferation, close cooperation to strengthen the international institutions and practices aimed at halting the spread of nuclear weapons, together with redoubled efforts to meet the legitimate expectations of all nations that the Soviet Union and the United States will substantially reduce their own nuclear arsenals.

“We and the Soviets have agreed to upgrade our hotline communications facility, and our discussions of nuclear nonproliferation in recent years have been useful to both sides. We think there are other possibilities for improving communications in this area that deserve serious exploration.

“I believe the proposal of the Soviet Union for opening U.S.-Soviet talks in Vienna provided an important opportunity to advance these objectives. We’ve been prepared to discuss a wide range of issues of concern to both sides, such as the relationship between defensive and offensive forces and what has been called the militarization of space. During the talks, we would consider what measures of restraint both sides might take while negotiations proceed. However, any agreement must logically depend upon our ability to get the competition in offensive arms under control and to achieve genuine stability at substantially lower levels of nuclear arms.

“Our approach in all these areas will be designed to take into account concerns the Soviet Union has voiced. It will attempt to provide a basis for an historic breakthrough in arms control. I’m disappointed that we were not able to open our meeting in Vienna earlier this month on the date originally proposed by the Soviet Union. I hope we can begin these talks by the end of the year or shortly thereafter.

“The third task I set in January was to establish a better working relationship between the Soviet Union and the United States, one marked by greater cooperation and understanding. We’ve made some modest progress. We have reached agreements to improve our hotline, extend our 10-year economic agreement, enhance consular cooperation, and explore coordination of search and rescue efforts at sea.

“We’ve also offered to increase significantly the amount of U.S. grain for purchase by the Soviets and to provide the Soviets a direct fishing allocation off U.S. coasts. But there’s much more we could do together. I feel particularly strongly about breaking down the barriers between the peoples of the United States and the Soviet Union, and between our political, military, and other leaders.

“Now, all of these steps that I’ve mentioned—and especially the arms control negotiations—are extremely important to a step-by-step process toward peace. But let me also say that we need to extend the arms control process to build a bigger umbrella under which it can operate—a road map, if you will, showing where, during the next 20 years or so, these individual efforts can lead. This can greatly assist step-by-step negotiations and enable us to avoid having all our hopes or expectations ride on any single set or series of negotiations. If progress is temporarily halted at one set of talks, this newly established framework for arms control could help us take up the slack at other negotiations.

“Today, to the great end of lifting the dread of nuclear war from the peoples of the Earth, I invite the leaders of the world to join in a new beginning. We need a fresh approach to reducing international tensions. History demonstrates beyond controversy that just as the arms competition has its root in political suspicions and anxieties, so it can be channeled in more stabilizing directions and eventually be eliminated if those political suspicions and anxieties are addressed as well.

“Toward this end, I will suggest to the Soviet Union that we institutionalize regular ministerial or cabinet-level meetings between our two countries on the whole agenda of issues before us, including the problem of needless obstacles to understanding. To take but one idea for discussion: In such talks, we could consider the exchange of outlines of 5-year military plans for weapons development and our schedules of intended procurement. We would also welcome the exchange of observers at military exercises and locations. And I propose that we find a way for Soviet experts to come to the United States nuclear test site, and for ours to go to theirs, to measure directly the yields of tests of nuclear weapons. We should work toward having such arrangements in place by next spring. I hope that the Soviet Union will cooperate in this undertaking and reciprocate in a manner that will enable the two countries to establish the basis for verification for effective limits on underground nuclear testing.

“I believe such talks could work rapidly toward developing a new climate of policy understanding, one that is essential if crises are to be avoided and real arms control is to be negotiated. Of course, summit meetings have a useful role to play. But they need to be carefully prepared, and the benefit here is that meetings at the ministerial level would provide the kind of progress that is the best preparation for higher level talks between ourselves and the Soviet leaders.

“How much progress we will make and at what pace, I cannot say. But we have a moral obligation to try and try again.

“Some may dismiss such proposals and my own optimism as simplistic American idealism, and they will point to the burdens of the modern world and to history. Well, yes, if we sit down and catalog year by year, generation by generation, the famines, the plagues, the wars, the invasions mankind has endured, the list will grow so long and the assault on humanity so terrific that it seems too much for the human spirit to bear.

“But isn’t this narrow and shortsighted and not at all how we think of history? Yes, the deeds of infamy or injustice are all recorded, but what shines out from the pages of history is the daring of the dreamers and the deeds of the builders and the doers. These things make up the stories we tell and pass on to our children. They comprise the most enduring and striking fact about human history—that through the heartbreak and tragedy man has always dared to perceive the outline of human progress, the steady growth in not just the material well-being, but the spiritual insight of mankind.” (*Public Papers: Reagan, 1984*, Book II, pages 1359–1361)

The full text of the President’s address is *ibid.*, pages 1355–1361. In his personal diary entry for September 24, the President wrote: “Usual courtesy calls at U.N. then addressed the Gen. Assembly. I’m the only Pres. to ever do this 3 times. As usual they sat on their hands although they did interrupt once with applause. Gromyko & the Soviet reps. were front row center right below the mike. I tried to catch their eyes several times on particular points affecting them. They were looking through me and their expressions never changed.” (Brinkley, ed., *The Reagan Diaries*, volume I, January 1981–October 1985, page 385)

207. Memorandum From the Special Assistant to the President and White House Chief Speechwriter (Dolan) to the White House Chief of Staff (Baker), the Assistant to the President and Deputy to the White House Chief of Staff (Darman), the White House Deputy Chief of Staff (Deaver), and the President's Assistant for National Security Affairs (McFarlane)¹

Washington, October 17, 1984

SUBJECT

Foreign Policy Debate²

Besides disturbing conservatives, the attached story, if it indicates the direction of counsel for the debate, is rife with danger.³ It implies rejection of what all the polls show is one major reason people voted for Ronald Reagan: his hard line. The simple truth of the matter is that Ronald Reagan has said over and over again that the United States stands for the spread of freedom throughout the world. In the Soviet mind, any affirmation of freedom—indeed the mere existence of a free, democratic nation like the U.S.—is itself an act of aggression against the Soviet state, and calls into question the legitimacy of the Soviet regime. (However much the Jack Matlock/detentist school of thought wish it otherwise.)⁴ If the President is advised to move away from his commitment to freedom—in the face of an aggressive Mondale who will push him on this point—the result will be serious damage.

Mondale is going to become even more aggressive in this debate and will try and rattle the President. The President needs to adopt a

¹ Source: Reagan Library, Robert McFarlane Files, Subject File, Debate Materials October 1984 (5). No classification marking.

² The second Presidential debate between Reagan and Democratic Presidential nominee Walter Mondale was scheduled to take place in the Music Hall at the Municipal Auditorium in Kansas City on October 21. For additional information, see Document 212.

³ Attached but not printed is an October 16 *New York Times* article entitled "Hard Line Stops, Reagan Says." The article referenced the President's interview with reporters from *U.S. News & World Report*, which was published on October 15, during which he was asked if he would return to a hard line approach with the Soviet Union if he was reelected: "'No,' he said. 'No. No way, because I happen to believe that if there's any common sense in the world at all, we not only should reduce nuclear weapons, we should eliminate them.'" The version that appeared in the October 16 issue of the *New York Times* on page A24 is entitled "Reagan Says No More Hard Line on Russia" and includes the same text as the version that Dolan attached to his memorandum.

⁴ In an October 17 handwritten note to McFarlane, Poindexter commented: "Bud, I really object to Dolan's inflammatory statement about Jack. Dolan doesn't understand the issues (or the President) and I doubt he ever will. You might want to call Dolan and tell him this kind of sniping and extremism doesn't help. JP." (Reagan Library, Robert McFarlane Files, Subject File, Debate Materials October 1984 (5); NLR-362-1-24-9-3)

strong countervailing theme. Time after time, the President has told the truth about the Soviets. Twenty years from now, historians will look back at this—as they did at Churchill’s warnings about Hitler or about the “Iron Curtain”⁵—as the most significant foreign policy accomplishment of the Reagan Administration, and perhaps the critical reason for the loss of Soviet energy. Do not advise the President to retreat from this. He should claim credit for it. I would suggest the following response if the “Evil Empire” or “hard-line” question comes up:

“The world is not Mr. Rogers’ Neighborhood and my opponent really doesn’t understand that.⁶ It’s a dangerous place with dangerous adversaries. It’s true I’ve been honest about those dangers and been candid with the American people about our adversaries. But that’s the kind of honesty they expect of their President.

“Furthermore, this candor helps the negotiating process. History shows that when the Soviets know their counterparts have no illusions about them, they settle down to serious negotiating.

“If there are any wrong perceptions of the other side, we want to eliminate those and I’ve tried to do it. But this Administration and this country stands for the spread of freedom. We always will.”

He might also welcome Mr. Mondale’s new toughness on the Soviets, and ask him what protein supplement he’s taking.

⁵ Reference is to Churchill’s “Iron Curtain” speech, delivered at Westminster College in Fulton, Missouri, on March 5, 1946.

⁶ Reference is to the educational television program hosted by Fred Rogers, which debuted on the NET network (later PBS) in February 1968.

208. Paper Prepared in the National Security Council¹

Washington, undated

THE ADMINISTRATION'S DEBATES WITH
ITS DOMESTIC CRITICS

The terms of the public debate on foreign policy is too often being defined by the President's domestic critics and not by the President and the Administration. Yet the first rule in these matters is: he who defines the terms of the debate is half-way toward winning it.

The Principal Issues

The President's critics will continue to assert that the only issues facing us are:

- The choice between war and peace, and
- The choice between the arms race and arms control.

The principal way these critics reinforce their claim that these are the main issues is by *redefining the standards of success in foreign policy*. Thus, for example, if success in foreign policy is measured by the number of agreements we sign, with no regard to the substance of those agreements, then the absence of agreements must mean a failed foreign policy.

If the Administration is to avoid falling into the trap of being put on the defensive, and having to show that our foreign policy is not a failure as measured by standards set by our critics, the real foreign policy issues facing our nation will be obscured, and we will be the losers in the public debate.

The best way I have discovered to define the terms of the debate in the public speeches I have been delivering is to repeat these lines:

"Several hundred years ago, the issue was not bows and arrows and sabers; the issue was Genghis Khan.

"Forty-five years ago, the issue was not U-boats or V-2 missiles; the issue was the objectives, strategy and methods of Adolph Hitler and the Nazi party.

¹ Source: Reagan Library, European and Soviet Affairs Directorate, NSC Records, Subject File, NSC General (2); NLR-170-11-19-8-2. No classification marking. Lenczowski sent the paper to McFarlane under an October 17 memorandum and also sent copies to Matlock, Fortier, and Sims. (Ibid.) Lenczowski wrote to Fortier: "Since there is nothing irregular about the way I wrote the attached paper, I decided to send it through the normal, legitimate channel. Otherwise, it would look like there was something to hide. I hope it is still of some use. Thanks, John L." (Ibid.)

“Today the issue is not the MX missile or the SS–20. The issue is the intentions, goals, strategy and tactics of the Communist Party of the Soviet Union and how these compare with those of the United States.”

Another way of saying this is:

“The issue is not the choice between war and peace.

“The real issue is freedom versus slavery.

“The real issue is peace with freedom and justice versus peace with injustice, the peace of the slave labor camp.”

I have found that nobody among the thousands of people who have heard me make this case has ever been able to argue against it.

Forcing His Critics on the Defensive: Arguing the Aggressive Nature of the USSR

Once the President puts the debate on these terms, his critics will be forced into their most vulnerable position. They will be compelled to defend their false view of the USSR. This view is characterized by the following:

—It is based on wishful thinking rather than realism.

—It proceeds from the assumption that the Soviets are not communists any more.

—Thus, it holds that Soviet global objectives are no longer unlimited as they necessarily must be if the Soviets are communists.

—Thus, it rejects that the political transformation, the communization, of the United States is no longer a Soviet goal. It rejects the possibility that the various forms of Soviet low-intensity conflict are ultimately directed against the United States. It tacitly assumes that all this is so because in the nuclear age the Soviets must realize that it would be suicidally dangerous to entertain such aggressive designs.

—It is based on a mirror-image view of the Soviets: they must be just like us. They must have the same notions of peace, freedom, fair play and common human decency as we do. Since there are hawks and doves in the U.S., there must be hawks and doves in the Kremlin. Since Brezhnev was for detente, and since Andropov was a “liberal,” the older generation of hawks must no longer be in the ascendancy, and the doves must be in power. And, of course, since there must be such groups as hawks and doves, the hawks must be the real communists, but the “pragmatic, moderate” doves must no longer be real communists any more.

—This mirror-image view also holds that the Soviets can legitimately fear U.S. armed forces. After all, if nuclear missiles were pointed at you, wouldn’t you be afraid? If indeed, then, the Soviets

have legitimate fears, it follows that any American military buildup is just as responsible for the arms race as the Soviet buildup. America, therefore, is equally responsible for U.S.-Soviet tensions. And perhaps, since we should "understand" those "traditional Russian feelings of insecurity," our failure to act upon this understanding may even make us more responsible for bilateral tensions than the Soviets. This view, of course, is nothing more than that attitude which is ready to "blame America first."

—This view thus treats the USSR as a traditional great power with limited objectives rather than a revolutionary power with unlimited objectives. The failure to make the same distinction between Nazi Germany and the Kaiser's Germany led people to believe that appeasement was possible. You can appease a power with limited objectives, but you cannot appease a power with unlimited goals. In the latter case you only whet its appetite.

To demonstrate how this view of the Soviets is false and dangerous, the Administration must point out that:

—The Soviets must behave like communists whether they believe the communist ideology or not. They must stick to the ideology because it is the only means of legitimizing themselves in power, and because it is the key to the internal security system of the regime: the ideology determines the Party line, which sets the standard against which deviationism is measured. Those who deviate from the ideology in thought or practice can be easily identified as nonconformists and thus threats to the collective leadership.

—The idea of hawks and doves in the Kremlin is disinformation. If Brezhnev was a dove, then why did he invade Afghanistan? If Andropov was a liberal, then why did he reinstitute systematic torture of political dissidents? If the doves are the ones in power, then how can one explain a military buildup that exceeds all legitimate defensive purposes, and whose forces are configured for offense rather than defense.

—The Soviets do not fear American military forces whatsoever. For 40 years, through periods of U.S. nuclear monopoly and nuclear superiority, we have proven to them that the U.S. poses no military, geopolitical threat to the USSR. We did not cross the scrimmage line in Korea or Vietnam; we did not help the Hungarian Freedom Fighters in 1956—all to prove to the Soviets that we did not want to take any action that would risk military confrontation. Today, when our country is even less anticommunist than it was in the 1950s, there is no political constituency in favor of taking military or geopolitical action against the USSR. The Soviets know this and America knows this. We all know that U.S. forces are only for defense and deterrence.

—As George Kennan explained, the Soviets, *because they are communists, hate us not for what we do, they hate us for who we are*. This means that they hate us because we exist as a democracy, with a different principle of legitimacy than theirs. This is the greatest threat that the Soviets face, because if all men are created equal and endowed with equal rights, then Russians are just as good as we are to give their consent as to who governs them. If this idea ever gets into the minds of all the Russian people, then the Soviets face an insurmountable internal security threat. Unless we renounce democracy, there is nothing we can do to reduce this threat. Because the Administration's critics proceed from the premise that the Soviets are not communists, they think that we can actually do something to make the Soviets hate us less and therefore to reduce tensions. But, because the Soviets are communists, this is impossible.

—Because the Administration has a realistic view of the Soviets, we have reasonable cause to be cautious in our dealings with them. Simply signing agreements with them is not a standard of success in U.S.-Soviet diplomacy. It is easy to sign agreements on Soviet terms, as the Carter Administration did, but such an agreement could not pass a Democratic-controlled Senate.

—The principal reason we have to be cautious about arms control with the Soviets is the fact that they have cheated on most agreements they have signed. If we remind the public of this fact, and assert the inconvertibility of our evidence, the President's critics will be forced into *their most vulnerable position*: they will either have to deny that the Soviets have cheated or be forced to defend the Soviet position. If we fail to raise this point, the President's critics may successfully force the President to distance himself from the Administration's reports on Soviet non-compliance.² This will only have the effect of discrediting these reports, deceiving the American people, and protecting the Soviet position.

The True Standards of Success in Foreign Policy

If indeed the real issue facing us is the Soviet threat rather than a false threat of the mere existence of weapons, then the rejection of the Administration's critics' false standards of diplomatic success necessarily means rejecting the idea of the arms race as failure and arms control as success.

True foreign policy success consists of preserving our freedom and the freedom of our friends and allies, and preserving peace with justice. True success is measured not by trying to do things that will make the

² For information concerning the 1984 non-compliance report, see footnote 3, Document 182.

Soviets hate us less—because that cannot be done. Instead success in foreign policy means successfully deterring Soviet aggression and Soviet proxy aggression.

Staying on the Offensive on Other Issues

The same principles apply to any other issue on which the Administration may be attacked. For example, if the latest Beirut terrorist bombing is raised,³ the Administration should reject that small incident as the terms of debate. Instead, the real issue is terrorism and what has been done to combat it. The Administration can go on the offensive here and boast of doing more than any previous Administration to combat terrorism.

The Consequences of Remaining on the Defensive

If the Administration refuses to define the terms of the debate and accepts those of its critics, the President will be forced into the inglorious position of forever saying:

—“No, I am not a warmonger.”

—“No, I am not a nuclear cowboy.”

—“Yes, I am for peace.”

—“Yes, I really am serious about arms control. Please, please believe me.”

³ On September 20, a van packed with explosives blew up in front of the U.S. Embassy in Aukar, several miles northeast of Beirut. Twenty-three people were killed. (John Kifner, “Blast Kills Driver: Vehicle Raced Forward past Concrete Blocks in a Hail of Gunfire,” *New York Times*, pp. A1, A12, and Nora Boustany, “Bomb Kills 23 at U.S. Embassy in Lebanon,” *Washington Post*, pp. A1, A28; both September 21, 1984) Documentation on the bombing is scheduled for publication in *Foreign Relations, 1981–1988*, vol. XLVII, Part 1, Terrorism, January 1977–May 1985.

209. Address by Secretary of State Shultz¹

Los Angeles, October 18, 1984

Managing the U.S.-Soviet Relationship
Over the Long Term

This distinguished audience knows well that the Soviet Union presents us with a conceptual as well as a strategic challenge. Let me take advantage of this occasion, therefore, to raise what I see as some of these larger conceptual issues that face us in managing U.S.-Soviet relations over the long term.

Differences Between the Systems

The differences between our two countries are profound. You and I know that, yet we need to reiterate it, remind ourselves of it, and reflect upon it. The United States and the Soviet Union have different histories, cultures, economies, governmental systems, force structures, geographical circumstances, and visions of the future. We cannot analyze the Soviet Union as if it were a mirror of ourselves.

We Americans stand by our values and defend our interests, but we also put great store by pragmatism, compromise, and flexibility in international life. Marxist-Leninist ideology subordinates all of these qualities to the so-called objective, scientific, and inevitable laws of history. We can debate how fully Soviet leaders follow this ideology. No doubt, however, it helps shape a political culture that does not accommodate well to compromise or truly positive relations with opponents. Their doctrine of history teaches them that their opponents are doomed to crisis and decline—and that the struggle between the two systems is a mortal struggle.

Most notable, perhaps, is the very different relationship between the government and the people in the Soviet Union and in the United States. Our national policies are the product of open debate, deliberation,

¹ Source: Department of State *Bulletin*, December 1984, pp. 1–5. All brackets are in the original. Shultz spoke before the Rand/UCLA Center for the Study of Soviet International Behavior. In his memoir, Shultz wrote that he “used my speech to develop the larger conceptual issues that faced us in managing U.S.-Soviet relations over the long term and to make an important conceptual point: I put aside the Nixon-era concepts of ‘linkage’ and ‘détente,’ and set out a new approach that I hoped would prove more effective and that reflected the reality of what we were in fact doing.” (Shultz, *Turmoil and Triumph*, pp. 487–488) According to telegram 312379 to all East Asian and Pacific diplomatic posts, October 20, the text of Shultz’s October 18 speech was sent to all posts via Wireless File EPF 415 on October 18. (Department of State, Central Foreign Policy File, Electronic Telegrams, D840671–0523)

and political competition guided by constitutional processes. In the Soviet Union, policy is the exclusive domain of a self-perpetuating ruling elite. Soviet leaders do not ignore public opinion; on the contrary, they vigorously seek to control it. Theirs is a system marked by repression and hostility to free political, intellectual, or religious expression. A nation whose system is the legacy of Marx, Lenin, and Stalin obviously bears scant resemblance to one that draws its inspiration from Washington, Jefferson, and Lincoln.

When we in America conduct foreign policy, we must meet certain requirements that Soviet rulers can disregard. An American president must win and sustain support from the Congress and the American people if he is to lead the nation on any path, if our policy is to follow a steady course and a coherent strategy. Through this process, we gain the sustenance and commitment that come from democratic participation. And in the complex world of the 1980s and 1990s, the effectiveness of our dealings with the Soviets will benefit from a level of national understanding of the Soviet Union beyond what we have required, or had, in the past. That is why what the Rand/UCLA Center seeks to accomplish is so important, and why I look forward to the contribution that you can make.

Complexity of Managing the Relationship

Today, despite these profound differences, it is obviously in our interest to maintain as constructive a relationship as possible with the Soviet Union. The Soviet Union is powerful; it occupies a very large part of a shrinking world; and its military strength, including its vast nuclear arsenal, is a reality that we cannot ignore. Its people are a great and talented people, and we can benefit from interchange with them. And we owe it to our own people, and to the future of the planet, to strive for a more constructive pattern of relations between our countries.

A brief review of the postwar period reminds us of how complex a task this is. For the past two decades, Soviet defense spending has grown at a rate of 3%–5% a year, even when the United States was cutting back its own defense expenditures. And the Soviets kept up this military expansion even in the face of mounting economic difficulties.

In the postwar period, the United States never sought to expand its territory nor used force to impose its will upon weaker nations, even when we were the world's preeminent power. The Soviets, however, have used force frequently—in East Berlin, Hungary, Czechoslovakia, and Afghanistan. And it was their threat of force that imposed martial law on Poland.

It has been argued that Soviet behavior is partly motivated by a historical insecurity, that they suffer from an endemic paranoia stemming from centuries of war and foreign invasions. But this analysis is clearly inadequate. The problem is that the Soviets seek absolute security in a

way that guarantees insecurity for everyone else. Their policies have created antagonism when opportunities existed for better relations; their vast military power—and their demonstrated willingness to use it—go far beyond legitimate self-defense and pose objective problems for the world community. The Soviets' interventionist policies in the Third World, for example, seem the result of ideology combined with new capability, not the product of "insecurity." In the past two decades they have expanded their influence in Asia, Africa, the Middle East, and Central America by purveying arms and backing those who subvert neighbors or block peace.

The record shows that when the Soviets have perceived weakness, when they have seen a vacuum, they have seized the opportunity to gain an advantage. Their code of behavior has not included categories for voluntary restraint or self-denial.

And they have not hesitated to persecute those of their own people—whether intellectuals, religious figures, or average citizens—who dared to speak or write freely, or who sought to emigrate. After signing the Helsinki Final Act, which confirmed that human rights were a vital part of the diplomatic dialogue on peace and security in Europe, the Soviets and their East European allies even suppressed the very citizens' groups that were formed to monitor compliance with the Helsinki accord.²

We are left with two inescapable truths: in the nuclear age we need to maintain a relationship with the Soviet Union. Yet we know that they have acted in ways that violate our standards of human conduct and rule by law and that are repugnant to us—and they will likely continue to do so in the future. What kind of relationship can we reasonably expect to have in these circumstances? How can we manage U.S.-Soviet relations in a way that can endure over a long period?

Question of Linkage

The U.S.-Soviet relationship, of course, is a global one. We impinge on each other's interests in many regions of the world and in many fields of endeavor. A sustained and sound relationship, therefore, will confront the fact that the Soviets can be expected periodically to do something abhorrent to us or threaten our interests.

This raises the question of linkage. Should we refuse to conclude agreements with the Soviets in one area when they do something outrageous in some other area? Would such an approach give us greater leverage over Moscow's conduct? Or would it place us on the defensive? Would it confirm our dedication to fundamental principles of

² See footnote 4, Document 48 and footnote 3, Document 120.

international relations? Or would it make our diplomacy seem inconsistent? Clearly, linkage is not merely "a fact of life" but a complex question of policy.

There will be times when we must make progress in one dimension of the relationship contingent on progress in others. We can never let ourselves become so wedded to improving our relations with the Soviets that we turn a blind eye to actions that undermine the very foundation of stable relations. At the same time, linkage as an instrument of policy has limitations; if applied rigidly, it could yield the initiative to the Soviets, letting them set the pace and the character of the relationship.

We do not seek negotiations for their own sake; we negotiate when it is in our interest to do so. Therefore, when the Soviet Union acts in a way we find objectionable, it may not always make sense for us to break off negotiations or suspend agreements. If those negotiations or agreements were undertaken with a realistic view of their benefits for us, then they should be worth maintaining under all but exceptional circumstances. We should not sacrifice long-term interests in order to express immediate outrage. We must not ignore Soviet actions that trouble us. On the contrary, we need to respond forcefully. But in doing so, we are more likely to be successful by direct measures that counter the specific challenge.

When the Soviets invaded Afghanistan, President Carter said his opinion of the Soviet Union and its goals had changed more in 1 week than throughout his entire term of office. He canceled the grain agreement, withdrew his own arms limitation treaty from Senate consideration, refused participation in Olympics, and stopped the annual meetings with Foreign Minister Gromyko. But did his actions serve our economic interests? Did they further progress toward a better arms agreement? Did they get Soviet troops out of Afghanistan?

When the Soviets shot down the Korean airliner, in contrast, President Reagan was not derailed from his steady, firm, and realistic course. He never had illusions about the Soviet Union. After the KAL [Korean Air Lines] shootdown, he focused attention on the menace to civil aviation posed by such conduct. He made sure the world knew the truth about the incident. But he also sent our arms control negotiators back to Geneva, because he believed that reducing nuclear weapons was a critical priority.

In the final analysis, linkage is a tactical question; the strategic reality of leverage comes from creating facts in support of our overall design. Over the longer term, we must structure the bargaining environment to our advantage by modernizing our defenses, assisting our friends, and showing we are willing to defend our interests. In this way we give the Soviets more of a stake, in their own interest, in better relations with us across the board.

Need for a Long-Term Strategy

Sudden shifts in policy, stemming from emotional and perfectly understandable reactions to Soviet behavior, are not the way to pursue our interests. It seems to me that the West, if it is to compete effectively and advance its goals, must develop the capacity for consistency and discipline and must fashion—and stick to—a long-term strategy.

But consistency is difficult for a democracy. Historically, American policy has swung from one extreme to the other. We have gone through periods of implacable opposition—forgoing negotiations, building up our defenses, and confronting Soviet aggression. Then, concerned about confrontation, we have entered periods of seeming detente, during which some were tempted to neglect our defenses and ignore Soviet threats to our interests around the world—only once again to be disillusioned by some Soviet action that sent us swinging back to a more implacable posture.

We have tended all too often to focus either on increasing our strength or on pursuing a course of negotiations. We have found it difficult to pursue both simultaneously. In the long run, the absence of a consistent, coherent American strategy can only play to the advantage of the Soviet Union.

Therefore, we must come to grips with the more complex reality of our situation. A sustainable strategy must include all the elements essential to a more advantageous U.S.-Soviet relationship. We need to be strong, we must be ready to confront Soviet challenges, *and* we should negotiate when there are realistic prospects for success.

Purposes of Negotiation

Winston Churchill understood both the limits and the necessity of negotiating with the Soviet Union. In May 1953, he said: “It would, I think, be a mistake to assume that nothing can be settled with the Soviet Union unless or until everything is settled.” In the 1980s, as then, the process of U.S.-Soviet negotiation has as its purposes both to avert dangerous confrontations and to reach agreements that are in our mutual interest.

If we are to be effective in negotiations, we need a clear sense of what we want to achieve.

The United States seeks an international environment that enhances the freedom, security, and prosperity of our own people, our allies and friends, and of all mankind. We know that such a promising future depends, above all, on stability and global security. It cannot be achieved in a world where aggression goes unchecked and where adventurous foreign policies succeed. Nor can it be achieved in a world where the two largest powers refuse to engage in constructive relations.

To pursue our goals successfully we must persuade the Soviets of two things:

First, that there will be no rewards for aggression. We are strong enough and determined enough to resist attempts by the Soviet Union to expand its control by force; and

Second, that we have no aggressive intentions. We mean no threat to the security of the Soviet Union. We are ready and willing, at all times, to discuss and negotiate our differences.

The conditions for successful negotiation exist when both sides stand to gain from an agreement or stand to lose from the absence of an agreement. We have to accept the fact that on many issues, our respective goals may be incompatible, making agreements impossible to reach. When this occurs, we should not despair or panic about the state of our relations. Certainly, we should never accept disadvantageous agreements for the sake of making negotiations seem successful. Occasional disappointments are part of the long-term process, and we should move on to seek negotiations when and where the conditions are ripe for progress.

Some argue that if you cannot trust the Soviets, you should not negotiate with them. But the truth is, successful negotiations are not based on trust. We do not need to trust the Soviets; we need to make *agreements* that are trustworthy because both sides have incentives to keep them. Such incentives operate best when there are clear and working means to verify that obligations undertaken are, in fact, carried out.

Each side will watch the other carefully to ensure that neither can gain a one-sided advantage by violating an agreement. If we spot Soviet violations, we must do what is necessary to protect ourselves and to raise the cost to the Soviets of further violations. We cannot allow them to use negotiations or agreements as a cover for actions that threaten our interests.

Sometimes it is said that plain statements by us about Soviet violations of agreements, whether on arms or human rights, harm our relationship. In our system, it is our obligation to speak out and tell the truth—to the Soviets, to the world, and to the American people. Our own values have claims on us, both to speak out honestly and to use our leverage when we can, and often quietly, for humanitarian goals. Those goals are not a burden on the U.S.-Soviet relationship; they are, for us, a key part of that relationship. If we can help a Shcharansky³ or Sakharov, or prevent the jailing of a priest in Lithuania, or ease the plight of Soviet Jewry, we have gained something worth negotiating

³Reference is to Anatoliy Shcharansky, a Soviet dissident and refusenik.

for and worth using our influence to obtain—not to score points against the Soviets but because we are a moral people.

The experience of negotiations shows that the Soviets recognize reality and that tough, sober bargaining, when backed by American strength, can lead to mutually advantageous results. Negotiation without strength cannot bring benefits. Strength alone will never achieve a durable peace.

A Policy of Strength and Negotiation

Throughout this Administration, President Reagan has adhered to this approach. He has based his policies toward the Soviet Union on a solid foundation of realism, strength, and negotiation. This approach has created the objective conditions for a safer, more constructive relationship in the years ahead.

In light of Moscow's history of taking advantage of any weakness, it is not surprising that we suffered setbacks in the 1970s. In light of the recent clear improvement in our relative position, it is not surprising that Moscow is complaining about our policy. The 1970s were a time when our economy was deeply troubled, when our military capabilities were eroding, and when our self-confidence and sense of purpose both at home and overseas were at a low ebb. The Soviets had grounds for believing that what they call "the global correlation of forces" had shifted in their favor. And we, in turn, had grounds for fearing that they might overreach themselves and present us with a challenge that we could neither ignore nor effectively counter.

Since then, the United States, in particular, and the West, in general, have made an impressive turnaround. We have begun to recover lost ground and to move ahead.

- Our own economic recovery is well underway. Sustained growth without inflation is within reach. The American economy has bounced back and is giving welcome impetus to global recovery.

- The much-needed modernization of Western defense capabilities is on track. The gaps in the East-West military balance that were expanding in the 1970s are being narrowed and closed. The Soviets' temptation to preempt or intimidate at any point on the spectrum of deterrence must be diminishing.

- We have restored the relations of confidence and harmony with our key allies in Europe and Asia, which have been the bedrock of American security throughout the postwar era. We have provided leadership in the community of nations joined to us by common values and common interest. Disagreements have, at times, been sharp, and debate vigorous, just as they are in our country. The result, however, just as here, has been increasing consensus on the challenges to the common

security and widening agreement on what is required to meet those challenges.

- Most important, we have restored our own confidence in ourselves. We know that we are capable of dealing with our problems and promoting our interests and ideals in a complex and dangerous world. We have renewed our commitment to democratic values and human rights, a commitment that joins us not only to our allies but to other millions across the globe.

These achievements put our relationship with Moscow on a substantially safer, sounder, and more durable basis. Our credibility as a strong and resolute nation has been enhanced. In contrast to the 1970s, Moscow has not only failed to add any new territory to its extended empire in the 1980s but it has been unable to prevent adverse trends in Central America, the Caribbean, Asia, and southern Africa. Some in Moscow must wonder if the “correlation of forces” is not shifting against them.

We hold to the principle that America should not negotiate from a position of weakness, and this Administration has ensured that we need not face such a prospect.

But we reject the view that we should become strong so that we need not negotiate. Our premise is that we should become strong so that we are able to negotiate. Nor do we agree with the view that negotiated outcomes can only sap our strength or lead to an outcome in which we will be the loser. We will stay strong to enforce the peace; we will bargain hard to ensure that any agreement we sign is reliable and verifiable; and we will negotiate seriously to find solutions that endure.

In bargaining with the Soviets, we are prepared for modest advances as well as major breakthroughs. We have made limited proposals designed to stabilize the current state of relations. And we have made ambitious proposals that, if accepted, could put the Soviet-American relationship on a fundamentally new and safer footing.

In conducting negotiations and discussions in the major areas of U.S.-Soviet relations—arms control, regional issues, human rights, and bilateral cooperation—we have been guided by four basic principles.

First, we must have a strong defense. The United States does not seek military superiority over the Soviet Union. But the Soviets must know that in the absence of equitable and verifiable agreements, we will proceed with defense programs that will deny them superiority. The test of arms control is whether it reduces the danger of war. An arms control agreement that controls the United States but does not control the Soviet Union would only increase the danger of war. We know we will adhere to agreements; based on their conduct, we cannot be sure they will. Therefore, agreements *must* be reliable and verifiable.

Second, we must be united both at home and with our friends and allies. We must continue to strengthen our alliances and friendships and, above all, reaffirm and reinvigorate our own bipartisan consensus about the need for a foreign policy based on realism, strength, and negotiation.

Third, we must be patient. We cannot abandon negotiations or change our whole strategy each time the Soviets misbehave. We must not allow ourselves to panic or overreact to every fresh demonstration of incivility or intransigence. Nor can we abandon our defenses or forget the importance of our friends and allies each time there is a period of negotiating success.

Fourth, we must be purposeful, flexible, and credible. We must negotiate with the Soviet Union on the basis of equality and reciprocity, in ways that demonstrate to the Soviets and to our friends our commitment to reaching agreements that are in the interests of both sides. We stand ready to join the Soviets in equal and verifiable arms reduction agreements, and we are prepared to move rapidly to discuss both offensive and defensive systems, including those that operate in or through space.

Future Prospects

This was the spirit in which President Reagan and I conducted our recent discussions with Deputy Prime Minister Gromyko.⁴ We set out for him our agenda for the years ahead. We presented some new ideas for getting nuclear arms control negotiations on track and for achieving some worthwhile results. We offered a dialogue on regional issues, to avoid crises and aid the search for peaceful solutions. We urged the Soviets to take steps in the human rights area. And we outlined constructive measures to improve bilateral cooperation in a variety of fields.

Our discussions with Mr. Gromyko lead me to conclude that the Soviets are interested in continuing our dialogue and in exploring ways to enrich that dialogue and turn it into concrete results.

What can we expect? The Soviets may now realize that it is in their interest to engage with us on the larger issues in a constructive way. Their intransigence in walking away from negotiations has brought them nothing.

A patriotic Russian looking back over the history of our relations would find it difficult to construe how the policy of rejection that Moscow has been following has served his country well. And he

⁴ See footnote 4, Document 204 concerning Shultz's September 26 meeting with Gromyko. Gromyko also met with the President and Shultz at the White House on September 28 and again with Shultz at the Department on September 29. The memoranda of conversation are in *Foreign Relations, 1981–1988*, vol. IV, Soviet Union, January 1983–March 1985, Documents 286–288.

would surely realize that such a policy will prove even more costly in the future. In weighing his present choices, he would have to ask some very pointed questions.

- If the Soviet Union will not accept equitable arms agreements, then the United States and its allies will continue their modernization programs. Is there any Soviet gain in this result?

- If the Soviet Union pursues aggressive policies in the Third World, and not least in our own hemisphere, that threaten us and our friends, then we will respond equally strongly. Isn't the level of armed conflict in the Third World too high already?

- If improvement in Soviet human rights performance continues, as in the past, to be nothing more than the cynical manipulation of human lives for political purposes, then the Soviets cannot expect that international—and internal—pressures for better performance will stop growing. Doesn't the Soviet Union pay a price for this censure and for the isolation that goes with it? The price is large and steadily increasing.

We pose these questions knowing full well that a state founded on the theory that the global correlation of forces *must* move in its direction does not easily alter its course to suit new and changed circumstances. The temptation, if not the compulsion, is always present to create new facts to confirm an old theory. Therefore, we should not count on, or even expect, immediate and exciting breakthroughs.

But the way is wide open to more sustained progress in U.S.-Soviet relations than we have known in the past. In recent months, there have been at least a few signs of Soviet willingness to meet us halfway on some secondary but contentious issues. We have been able to agree to upgrade the Hot Line,⁵ to extend our 10-year economic cooperation

⁵ In telegram 236476 to Moscow, August 10, the Department reported that talks regarding improvements in bilateral communications had taken place in Washington, July 11–17, adding: "On 13 July, the delegations agreed on the text of an exchange of notes to add a facsimile transmission capability to the Direct Communications Link (DCL). After the Soviet delegation received Moscow's approval of the texts, Acting Secretary Dam and Soviet Chargé d'Affaires Isakov initialed the notes on 17 July in the presence of the two delegations. In their approach both to the drafting of the text and the initialing ceremony, the Soviets continually worked to downplay the political significance of the agreement. At the same time, however, they clearly recognized the intrinsic value of upgrading the hotline." (Department of State, Central Foreign Policy File, Electronic Telegrams, D840512–0983) In a July 17 statement, the President commented: "I see this agreement as both an appropriate technical improvement to the hotline, which has served both our governments well for over 20 years, and as a good example of how we can, working together, find approaches which can move us towards a reduction in the risks of war." (*Public Papers: Reagan, 1984*, Book II, p. 1051)

agreement,⁶ and to open negotiations to expand cultural exchanges.⁷ And, of course, Moscow has made it possible for us to resume high-level contacts. These are welcome steps: they just may herald more substantial and productive moves to come. And I can tell you, certainly, that President Reagan welcomes yesterday's statement by Chairman Chernenko that the Soviets are ready to pursue a constructive dialogue with us.⁸

We cannot confidently fathom, much less predict, the direction of Soviet policy. We recognize that much of Soviet behavior stems from problems and pressures within their own system. Our statements and our actions are often far less relevant to their decisions than some might think. During this Administration, President Reagan has had to deal not with one Soviet leader but three, which has not made the negotiating process any easier.

What we have begun to do over the past 4 years, and can continue to do in the future, is to persuade Soviet leaders that continued adventurism and intransigence offer no rewards. We have provided persuasive reasons for the Soviets to choose, instead, a policy of greater restraint and reciprocity. We must be comfortable with the requirements

⁶ The Long Term Agreement on Economic, Industrial, and Technical Cooperation (25 UST 1782) was signed in Moscow on June 29, 1974, and entered into force that same day. For additional information, see *Foreign Relations, 1969–1976*, vol. XV, Soviet Union, June 1972–August 1974, Document 199. In telegram 166798 to Moscow, June 7, 1984, the Department reported: "The President on May 14 approved extension of the US-USSR long-term agreement to facilitate economic, industrial, and technical cooperation (EITCA) for ten more years." (Department of State, Central Foreign Policy File, Electronic Telegrams, D840367–0952)

⁷ In telegram 131845 to Moscow, May 4, the Department indicated that the NSC had "approved the negotiation of a new general agreement on contacts, exchanges, and cooperation with the USSR" and transmitted draft texts prepared by USIA and the Department, which had been approved as the basis for the negotiations, in addition to negotiating instructions. (Department of State, Central Foreign Policy File, Electronic Telegrams, [no D number])

⁸ Reference is to an interview Chernenko gave to *Washington Post* reporter Dusko Doder on October 16. For information concerning the administration's response to the article, see Bernard Gwertzman, "U.S. Praises Tone of Soviet Leader: But Refuses to 'Pay a Price' to Have Moscow Return to the Nuclear Arms Talks," *New York Times*, p. A11, and Lou Cannon, "Soviet Bid Is Greeted Cautiously: U.S. Finds Tone More Promising than Substance," *Washington Post*, pp. A1, A33; both October 18, 1984. Speakes, reading from a statement at the daily press briefing on October 17, said: "We agree with President Chernenko that there is no sound alternative to constructive development in relations between our two countries. We are pleased to see the emphasis he puts on positive possibilities for U.S.-Soviet relations. We will be studying his remarks carefully, and as was agreed during Deputy Prime Minister Gromyko's recent meeting with President Reagan, we will be pursuing our dialog with the Soviet Union and exploring the possibilities for progress through diplomatic channels." (*Public Papers: Reagan, 1984*, Book I, p. 1562) In telegram 309061 to all diplomatic and consular posts, October 18, the Department sent the text of the October 17 White House statement, in addition to "contingency press guidance." (Department of State, Central Foreign Policy File, Electronic Telegrams, D840664–0167)

of such a strategy, including its price, its risks, and its predictable periodic setbacks. We must be able to deter Soviet expansionism at the same time as we seek to negotiate areas of cooperation and lower levels of armaments.

These are the essential elements of our long-term policy. If we pursue such a strategy with wisdom and dedication, we have a much better prospect for achieving our goals: countering the Soviet challenge, directing the competition into less dangerous channels, and eventually forging a more constructive relationship.

210. Editorial Note

On October 19, 1984, Secretary of State George Shultz delivered an address before the Los Angeles World Affairs Council. In his introductory remarks, Shultz asserted that “the next 4 years have the potential to be an era of unparalleled opportunity, creativity, and achievement in American foreign policy.” He explained this was due to “a new national consensus” within the United States and an agenda that held “great promise for positive accomplishments abroad.” Continuing, Shultz stated: “For much of the last 15 years, American society has been deeply divided over foreign policy. This period of bitter division, I believe, is coming to an end.

“We all know that Vietnam took its toll on what used to be called the post-war consensus on foreign policy. Our two political parties still express very divergent views on international issues. But the American *people* no longer are as divided as that suggests—or as they once were.

“Just as President Reagan has reshaped the national discussion of government’s role in our economic life, so, too, in foreign policy there is a growing majority behind some basic truths: realism about the Soviet Union, appreciation of the need for a strong defense, solidarity with allies and friends, and willingness to engage our adversaries in serious efforts to solve political problems, reduce arms, and lessen the risk of war. Most important, there is a new patriotism, a new pride in our country, a new faith in its capacity to do good.

“Restoring the people’s confidence in American leadership has been perhaps the President’s most important goal in foreign policy. Yes, we have rebuilt our military strength; yes, we have put our economy back on the path of sustained growth without inflation; yes, we have

conducted a vigorous diplomacy to help solve international problems. But these achievements reflect and reinforce something even more fundamental: our people's renewed self-confidence about their country's role and future in the world. The United States is a very different country than it was 5 or 10 years ago—and our allies and our adversaries both know it.

“And we are engaged for the long term. Foreign policy is not just a day-to-day enterprise. The headlines provide a daily drama, but effective policy requires a vision of the future, a sense of strategy, consistency, and perseverance, and the results can only be judged over time. Our well-being as a country depends not on this or that episode or meeting or agreement. It depends rather on the structural conditions of the international system that help determine whether we are fundamentally secure, whether the world economy is sound, and whether the forces of freedom and democracy are gaining ground.

“In the last 4 years, this country has been rebuilding and restoring its strategic position in the world for the long term. And we have launched a patient and realistic diplomacy that promises long-term results. That is why I believe the foreign policy agenda for the coming years is filled with opportunities. It is an agenda on which the American people can unite, because it accords with our highest ideals. It is an agenda that can reinforce the national unity that is itself my most important reason for optimism about the future.

“It is an agenda that starts in our own neighborhood. Some say good fences make good neighbors. I say: to have good friends, one must be a good friend. That accounts for the unprecedented attention we have devoted to our relations with Canada and Mexico. I spent the first 2 days of this week in Toronto meeting with Canadian External Affairs Minister Joe Clark, in accord with our agreement with Canada to hold at least four such meetings a year. With Mexican Foreign Minister Sepulveda, I have met 12 times in the past 18 months, most recently in Mexico just last week. Mexico and Canada were the first countries on our agenda when we came into office, and we will continue these regular encounters with firm friends. They have strengthened our relations.”

Shultz devoted the remainder of his address to discussing East-West relations and arms control; the strengthening of alliances; the promotion of peaceful settlements of regional conflicts; the reinvigoration of the international economic system; the emergence of “new dimensions of international concern”; and the promotion of human rights and democracy. Concluding his address, Shultz stressed: “Therefore, as we look around and look ahead, there are many reasons for optimism about the state of the world and the future of our foreign policy. The structure of the global system is sound, stable, and secure.

The trends are positive in many ways. Our adversaries are burdened; the democracies are united and recovering their vitality. The United States is strong and once again comfortable with its role of leadership. Today, time is on freedom's side.

"Next year, we will celebrate the 40th anniversary of the end of World War II. In the immediate postwar period, the United States faced a series of unprecedented new challenges and responded with an extraordinary burst of bipartisan creativity and energy: the Marshall Plan, the Greek-Turkish aid program, the North Atlantic Alliance, the Food for Peace program, and other initiatives. We changed the world, for the better. In the 1960s and 1970s, this bipartisan spirit deteriorated, and we paid a price for it.

"The challenges we face today are very different from the postwar years but just as great. I can assure you that a major goal of President Reagan in a second term will be to summon again that spirit of bipartisan cooperation. It will be time for a reaffirmation of unity. Our two parties must come together as Americans, and the Executive and Congress must work together as partners.

"Let us reforge a national consensus on foreign policy that will sustain America's leadership in the world over the long-term future. In unity, we all know, there is strength. And there is no limit to what a free and united people can accomplish if it sets its sights high and faces the future with confidence." (Department of State *Bulletin*, December 1984, pages 5-6, 10)

211. Memorandum From the Under Secretary of State for Political Affairs (Armacost) to Secretary of State Shultz¹

Washington, October 19, 1984

SUBJECT

Policy Toward Eastern Europe

EUR has come up with a detailed action plan for Eastern Europe² which has evoked some strong reactions from Peter Rodman and Ed Derwinski. Given the importance of the subject and the strong feelings that surround it, it would be worthwhile, I believe, to convene the key players to consider next steps. I don't have great problems with EUR's specific suggestions, though some could use fine tuning. But we do need to do some consciousness-raising on the same policy guidelines.

—Our general objective remains: to nurture greater Eastern European independence from the USSR in relation to their external conduct and their domestic arrangements.

—We should not repeat the detente period era mistake of disdain-ing or neglecting Eastern Europeans out of excessive sensitivity for the Soviet's views. A key issue will be how hard to push the more visible initiatives toward Eastern Europe—particularly your trip—over the next six or eight months. Soviet power has to be taken into account, and we will need to assure that our efforts in Eastern Europe are in sync with our broader strategy vis-a-vis Moscow.

—Differentiation should consist of negative as well as positive incentives. In this connection we must be particularly attentive to the actions of Eastern European countries in support of wider Soviet objectives (e.g. acting as surrogates for the USSR in the provision of arms to trouble makers).

—While it may be useful on occasion to remind people publicly of our reservations about the Yalta Agreement, we should watch our rhetoric, and avoid raising questions about fidelity to the post war

¹ Source: Department of State, Executive Secretariat, S/S Files, Executive Secretariat (ES) Sensitive and Super Sensitive Documents, 1 January 1984–21 January 1989: Lot 92D52, ES Sensitive Documents October 13–21, 1984. Secret. McKinley initialed the memorandum and wrote "19 Oct." Also printed in *Foreign Relations, 1981–1988*, vol. X, Eastern Europe, Document 32.

² Reference is to a September 29 action memorandum from Burt to Shultz; see *ibid.*, Document 31.

territorial agreements and the Berlin Accords.³ We should conduct our diplomacy the way a duck swims—placid on the surface, but paddling efficiently underneath.

—We should talk less in public about “differentiation,” and more about “Europeanizing” Eastern Europe. This means generally increasing links to the West. We can afford to let the Western Europeans take the lead in the visible contacts; there is plenty of room for everyone to play.

—Our relations with the GDR pose special challenges, since the German question touches Soviet and FRG nerves. Bonn need not monopolize the relationship with the GDR. We need to continue pressing them for more openness about their own contacts; but we also need to keep Bonn well informed about our own activities. I would go slow on high profile activities there, leaving it to Roz Ridgway to work the claims issues for now.

—Your trip to Eastern Europe will require very careful planning. A separate trip to Eastern Europe—particularly before we have sorted out where we are going with the USSR—could have substantial—and possibly unintended—effects. Stopovers in several Eastern European capitals either enroute or returning from a Moscow trip might be one means of handling some of these risks.

—Vis-a-vis the Eastern Europeans on the lower end of the differentiation spectrum, we should sustain diplomatic contact, but avoid the visible gestures. It is for that reason I have not been particularly keen about Bill Luers’ suggestions to invite a Deputy Foreign Minister from Czechoslovakia in the absence of any evident movement on either the foreign policy or domestic front in Prague.

Michael H. Armacost⁴

³ The Four Power Agreement on Berlin or Quadripartite Agreement, agreed to on September 3, 1971, by the representatives of the governments of the Soviet Union, the United Kingdom, the United States, and France, regularized relations between the Federal Republic of Germany and the German Democratic Republic within the context of the Four-Power relationship. Gromyko, Douglas-Home, Rogers, and Schuman signed the agreement in Berlin on June 3, 1972. The West German Bundestag ratified the agreement in November 1972. For the text of the treaty and related documentation, see Documents on Germany, 1944–1985, pp. 1215–1230.

⁴ Armacost initialed “MA” above his typed signature.

212. Editorial Note

In his October 20, 1984, radio address, broadcast at 12:06 p.m. from the White House Oval Office, President Ronald Reagan indicated that in advance of the next evening's Presidential debate, he intended to outline "the foreign policy choices for our future as I see it." The President began his address by characterizing Democratic Presidential nominee Walter Mondale as someone who believed that "American strength is a threat to world peace." After noting Mondale's positions on a variety of foreign policy issues taken while he was Senator and Vice President, Reagan asserted: "Well, in the past 3½ years, our administration has demonstrated the true relationship between strength and confidence and democracy and peace. We've restored our economy and begun to restore our military strength. This is the true foundation for a future that is more peaceful and free.

"We've made America and our alliances stronger and the world safer. We've discouraged Soviet expansion by helping countries help themselves, and new democracies have emerged in El Salvador, Honduras, Grenada, Panama, and Argentina. We have maintained peace and begun a new dialog with the Soviets. We're ready to go back to the table to discuss arms control and other problems with the Soviet leaders.

"Today we can talk and negotiate in confidence because we can negotiate from strength. Only my opponent thinks America can build a more peaceful future on the weakness of a failed past." (*Public Papers: Reagan, 1984*, Book II, pages 1586–1588)

The final Presidential debate took place on October 21 at 7:01 p.m. in the Music Hall at Municipal Auditorium in Kansas City and was broadcast live on radio and television. Edwin Newman, a syndicated columnist for King Features, moderated the debate. Universal Press Syndicate columnist Georgie Anne Geyer, National Broadcasting Company (NBC) News chief diplomatic correspondent Marvin Kalb, executive editor of the *New Republic* Morton Kondracke, and *Baltimore Sun* diplomatic correspondent Henry Trewhitt posed questions to Reagan and Mondale. Following a discussion concerning Central America, Kalb noted the President's previous references to the Soviet Union as an "evil empire" and his recent remarks that the Soviets could "keep their Mickey Mouse system." Kalb then asked the President if he wanted "to contain" the Soviets and "reestablish détente" or "roll back their empire." Reagan responded: "I have said on a number of occasions exactly what I believe about the Soviet Union. I retract nothing that I have said. I believe that many of the things they have done are evil in any concept of morality that we have. But I also recognize that

as the two great superpowers in the world, we have to live with each other. And I told Mr. Gromyko we don't like their system. They don't like ours. And we're not going to change their system, and they sure better not try to change ours. But between us, we can either destroy the world or we can save it. And I suggested that, certainly, it was to their common interest, along with ours, to avoid a conflict and to attempt to save the world and remove the nuclear weapons. And I think that perhaps we established a little better understanding.

"I think that in dealing with the Soviet Union one has to be realistic. I know that Mr. Mondale, in the past, has made statements as if they were just people like ourselves, and if we were kind and good and did something nice, they would respond accordingly. And the result was unilateral disarmament. We canceled the B-1 under the previous administration. What did we get for it? Nothing.

"The Soviet Union has been engaged in the biggest military buildup in the history of man at the same time that we tried the policy of unilateral disarmament, of weakness, if you will. And now we are putting up a defense of our own. And I've made it very plain to them, we seek no superiority. We simply are going to provide a deterrent so that it will be too costly for them if they are nursing any ideas of aggression against us. Now, they claim they're not. And I made it plain to them, we're not. There's been no change in my attitude at all. I just thought when I came into office it was time that there was some realistic talk to and about the Soviet Union. And we did get their attention."

Kalb returned to this theme of deterrence later in the debate, referencing the administration's Strategic Defense Initiative (SDI), colloquially known as the "Star Wars" program after the 1977 George Lucas film. Kalb noted that at the time the administration announced SDI, Reagan had indicated that the United States "would share this very super-sophisticated technology with the Soviet Union." Noting the President's previously stated distrust of the Soviet Union, Kalb inquired as to how anyone would take the President's offer that the United States would share "the best of America's technology" with an adversary seriously. The President answered: "Why not? What if we did—and I hope we can; we're still researching—what if we come up with a weapon that renders those missiles obsolete? There has never been a weapon invented in the history of man that has not led to a defensive, a counterweapon. But suppose we came up with that?

"Now, some people have said, 'Ah, that would make war imminent, because they would think that we could launch a first strike because we could defend against the enemy.' But why not do what I have offered to do and asked the Soviet Union to do? Say, 'Look, here's what we can do. We'll even give it to you. Now, will you sit down with

us and once and for all get rid, all of us, of these nuclear weapons and free mankind from that threat?' I think that would be the greatest use of a defensive weapon."

Later in the debate, Trewhitt mentioned the President's remarks on SDI, suggesting that by offering the Soviets a demonstration of space military technology, the President "might be trying to gain the sort of advantage that would enable you to dictate terms." Trewhitt stated that in doing so, the President might render the strategy of mutual deterrence obsolete. He pressed Reagan to state his intentions regarding the decades-old strategy. The President responded: "Well, I can't say that I have round tabled that and sat down with the Chiefs of Staff, but I have said that it seems to me that this could be a logical step in what is my ultimate goal, my ultimate dream, and that is the elimination of nuclear weapons in the world. And it seems to me that this could be an adjunct, or certainly a great assisting agent in getting that done. I am not going to roll over, as Mr. Mondale suggests, and give them something that could turn around and be used against us. But I think it's a very interesting proposal, to see if we can find, first of all, something that renders those weapons obsolete, incapable of their mission.

"But Mr. Mondale seems to approve MAD—MAD is mutual assured destruction—meaning, if you use nuclear weapons on us, the only thing we have to keep you from doing it is that we'll kill as many people of yours as you'll kill of ours.

"I think that to do everything we can to find, as I say, something that would destroy weapons and not humans is a great step forward in human rights." (*Public Papers: Reagan, 1984*, Book II, pages 1592, 1602, and 1606)

In his personal diary for the dates October 21 through October 24, the President commented: "The consensus seems to be that I won although some want to call it a tie. A rally before the debate was a little like the Homecoming bonfire before the big game. I felt fine—certainly different than I felt in Louisville." (Brinkley, ed., *The Reagan Diaries*, volume I, January 1981–October 1985, page 392)

213. **Memorandum From the Ambassador to Madagascar (Keating) to the President's Deputy Assistant for National Security Affairs (Poindexter)**¹

Washington, October 22, 1984

SUBJECT

AID and the Next Reagan Administration

1. AID has an unfocussed and ineffective approach to the problems of Third World development. It has spread its resources too thinly. The main need is concentration of efforts on agricultural development, policy reform, and private investment. At present, these objectives seem no more important than a host of other objectives that AID is pursuing (e.g., mother-child health care, the role of women in development, oral rehydration, and other social welfare programs). The current AID strategy may be described as broad-based social and economic development from the bottom-rung up. Since the resources for undertaking such an ambitious program on a global scale are limited, what we're getting from AID is a kind of hit or miss do-goodism, but not the growth of income and employment which is what development mostly requires. Admittedly, AID will argue that it is emphasizing policy reform and private initiative, but these have been tacked onto a development strategy and objectives inherited from the social welfare programs of the previous administration. Until some of these Carterite-inherited objectives are shed, and AID's mission simplified, the Agency will not be able to implement effectively the approach that the Reagan Administration favors.

2. Because of the way AID has been structured, and the social-need orientation of its people, the Agency has a strong inclination to pursue diffuse social welfare priorities rather than our strategic and trade interests. Fortunately, the International Development Cooperation

¹Source: Reagan Library, Executive Secretariat, NSC Agency File, Agency for International Development (03/12/1982-11/06/1983). Confidential. A stamped notation in the top right-hand corner of the memorandum reads: "RCM HAS SEEN." Poindexter initialed the memorandum and wrote "BUD_" in the top right-hand corner; McFarlane initialed "M" on the line beside his nickname. Also scheduled for publication in *Foreign Relations, 1981-1988*, vol. XXXVIII, International Economic Development; International Debt; Foreign Assistance.

Agency (IDCA) has been suspended.² This limits AID's power to allocate foreign assistance resources to countries according to its perception of need and worth and compels it to follow State's guidelines for the integrated foreign assistance budget. However, State often sacrifices our foreign commercial interests to other objectives and doesn't curb AID's penchant to pursue multiple objectives in the countries where it is assigned to work. In sum, the State lead is not sufficient to make AID adhere strictly to the priorities of the Reagan Administration.

3. In its first term, the Reagan Administration missed an opportunity to clarify and invigorate AID's mission. This is evident from the continuing public antipathy to foreign aid and Congressional reversion to not acting on foreign assistance appropriations except by Continuing Resolutions. However, the success of the Reagan Administration's economic policies gives us a new opportunity and enhanced credibility to initiate a foreign assistance program that will be comprehensible to the American public and consistent with our beliefs. Just as here in the United States, emphasis has to be placed on providing incentives for work and support for investment if economic growth and social well-being are to be realized. No Third World problem troubles the American people more than Third World hunger, and no form of foreign assistance has more support than food aid. Third World food emergencies have been taken care of through the President's actions on Part One of our NSC-directed study.³ I am now working on "Food for Progress" as a theme for a coherent approach in support of policy reform in key countries to the benefit of our strategic and trade interests.

Bob Keating

² In his "Inside: State Department" column for June 12, John Goshko described the IDCA as "the ghost ship of the federal bureaucracy." He noted that AID Director McPherson had served as the Acting Director of IDCA for 3 years, adding: "It has no funds nor separate staff nor even a telephone number of its own. Instead, someone wanting to reach the IDCA has to call McPherson's office in the State Department building. AID officials say the IDCA still has some functions, but when asked what they were, the officials seemed hard put to describe them." (John M. Goshko, "Inside: State Department," June 12, 1984, *Washington Post*, p. A15)

³ See footnote 6, Document 200.

214. Personal Note Prepared by the Deputy Secretary of State (Dam)¹

Washington, October 26, 1984

[Omitted here is information concerning the Secretary's upcoming meeting with Dobrynin.]

I attended the Secretary's lunch with Bill Casey today. Much of it was devoted to the Secretary's outraged statements about the views of some people being against any agreements with communist countries and particularly against any Contadora agreement.² He said that a position that no Contadora agreement of any kind was in the U.S. national interest was completely untenable. We would not be able to sustain our policy in Central America if that became our policy, because there would be no support in the Congress or in the public for such a position nor would there be support in Central America, even in El Salvador, because people were not willing to put up with another ten years of killing. He also made the point that Jeane Kirkpatrick, who is now arguing against any Contadora agreement, had been the person who had forced us into the Contadora process in the first place, going to the extent of getting Tom Enders fired because, in part, he opposed a

¹Source: Department of State, D Files, Deputy Secretary Dam's Official Files: Lot 85D308, Personal Notes of Deputy Secretary—Kenneth W. Dam—Apr. 1984–Oct. 1984. Secret. Dictated on October 26.

²Reference is to the ongoing negotiations regarding the conflict in Central America. The foreign ministers of the nine Contadora participating governments met in Panama, September 7–10, 1983, and on September 9 agreed on a "Document of Objectives," consisting of 21 points, as the basis for continuing negotiations on the conflict. In June 1984, the Contadora Group presented a Contadora Act for Peace and Cooperation in Central America (Acta de Contadora) for comment by mid July. On September 7, the Contadora Group and five Central American foreign ministers formulated a revised draft Contadora agreement and also issued a joint communiqué at the conclusion of their meeting in Panama City. In telegram 9799 from Panama City, September 9, the Embassy transmitted an informal embassy translation of the joint communiqué. (Department of State, Central Foreign Policy File, Electronic Telegrams, D840572–0267) In telegram 9855 from Panama City, September 11, the Embassy forwarded the Spanish text of the revised Contadora Act for Peace and Cooperation in Central America. (Department of State, Central Foreign Policy File, Electronic Telegrams, D840576–0066) In late October, Honduras, Guatemala, El Salvador, and Costa Rica met in Tegucigalpa to discuss the September 7 draft and subsequent modifications; Honduras, El Salvador, and Costa Rica endorsed and forwarded modifications to the Contadora Group and Nicaragua.

regional Contadora approach.³ Bill Casey tried to distance himself from the views that the Secretary was imputing to him, even though he had taken those positions at the beginning of the lunch, but did argue that a Contadora agreement would be a mistake because it would seal the fate of the Contras and would work to our disadvantage over a two to five-year period. It was a heated lunch with the Secretary going so far at one point as to say that if the position of the Reagan Administration in a second term should turn out that we didn't want to reach any agreements with Communists, he would find it impossible to operate in such a situation because our foreign policy would not be sustainable. He also was very outspoken about how he had been undercut during his trip to Central America by unauthorized backgrounding by Administration officials.⁴

[Omitted here is information concerning both SDI and Berlin.]

³ Reference is to Ender's removal as Assistant Secretary of State for Inter-American Affairs and his reassignment as Ambassador to Spain in 1983. In his memoir, Shultz wrote: "Clark, I was later informed, had persuaded President Reagan to send John Gavin, the former actor, a fellow Californian and now our ambassador to Mexico, on a trip to Central America. Clark also wanted to fire Enders, saying that the president had lost confidence in him. In reality, Casey, Clark, and hard-line staffers at the NSC wanted no part of a diplomatic effort to accompany the military effort to defeat the Communists in the region. To them, diplomacy was an avenue to 'accommodation.'" He noted, "I was now associated with this dual-track approach, strength *and* diplomacy. So was Enders. It was the right approach. The NSC staff effort was to move Enders out of the picture—and move diplomacy out of the picture—by moving Central America policy out of the State Department." (Shultz, *Turmoil and Triumph*, pp. 304–305)

⁴ Shultz met with Duarte and senior Salvadoran officials in San Salvador October 10 before heading the U.S. delegation to Barletta's inauguration in Panama City, October 10–11. He also met with de la Madrid and senior Mexican officials in Mexico City, October 11–12. En route to Washington on October 12, Shultz stopped in San Juan to meet with Pope John Paul II. For the text of remarks Shultz made during the trip, see Department of State *Bulletin*, December 1984, pp. 87–90.

215. Information Memorandum From the Assistant Secretary of State for European and Canadian Affairs (Burt) to Secretary of State Shultz¹

Washington, November 5, 1984

SUBJECT

The Transatlantic Relationship: The Next 12 Months

Introduction

For the first three years of the Reagan Administration US-European relations were dominated by the challenge of implementing the December 1979 Dual Track decision on INF in the face of unprecedented Soviet intimidation. 1984, however, ushered in a relative calm after the storm as the Alliance demonstrated a high degree of unity over basic East-West issues and economic concerns diminished with the worldwide recovery. Given the expected continuity of leadership in key countries on both sides of the ocean, the generally favorable state of relations should continue to pertain well into 1985 if not somewhat beyond. There are, however, areas—the East-West relationship, conventional defense, and trade—which possess the potential to disrupt Alliance solidarity. In addition, difficult to resolve bilateral issues, many involving disputes over extra-territoriality, could have a cumulative souring effect on relations with many European countries if they are not managed with considerable dexterity at this end. Finally, the calm of 1984–1985 could be only the prelude to renewed strains in the years to follow.

A Snapshot Of Where We Are:

Any attempt to describe the current state of the transatlantic relationship must answer the question why the Alliance is in the relatively

¹ Source: Department of State, Executive Secretariat, S/S Files, Executive Secretariat Sensitive (ES) and Super Sensitive Documents, 1 January 1984–21 January 1989: Lot 92D52 November 1–9 1984 ES Sensitive Documents. Confidential. Sent through Armacost, who did not initial the memorandum. Drafted by Haass, Holmes, and Dobbins on November 1. McKinley initialed the memorandum and wrote “11/6.” Armacost sent the memorandum to Shultz under a November 7 covering note, writing: “This is a thoughtful overview of the potential problems coming at us within the Atlantic world. I was struck in talking to the Quad Ambassadors yesterday by the upbeat attitude they expressed about prospects for transatlantic cooperation. If we are able to manage a soft-landing with the economy and follow through effectively on the future agenda we’ve been discussing with Bud, we should be in good shape. But there is little ground for complacency. Protectionist pressures, residual anxieties about SDI, limits on European defense budgets, differences of approach to Libya, impatience in some quarters with Israel and our tilt in that direction, etc. will provide plenty of challenging problems.” (Ibid.)

good shape that it is. The answer is two-fold, involving what might be termed “objective conditions” as well as successful policy management.

A major factor in the current calm is Moscow. By being so heavy handed during the run-up to INF deployment and by leaving Geneva afterwards, the Soviet Union has demonstrated that it is to blame in large part for the current tensions between East and West and for the lack of progress in arms control. Indeed, Soviet policy has been so unyielding that traditional European concern over East-West relations (and their tendency to blame us equally while they try to act as go-betweens) have been muted. The softening of US rhetoric and the demonstrations of flexibility (and hence credibility) of US arms control proposals have contributed to this European tolerance of the East-West impasse.

A second factor has been economic improvement. Criticism of a strong dollar and high deficits notwithstanding, Europeans have come to admire US job creation and growth and to depend on the latter for the stimulus their economies need. Although unemployment remains high in much of Europe, the miasma of Europessimism has lifted a little.

The Alliance has also benefited from good management. Real problems have been kept in check and potential problems nipped in the bud. The pipeline dispute was settled, and progress in COCOM has been achieved. The Administration defeated the Nunn Amendment and avoided establishing formal quotas on imported steel. Similarly, the EC has avoided taking certain restrictive measures against US agricultural exports which could trigger a confrontation over trade. And beyond Europe, whether in the Red Sea or Chad or Lebanon, the US and key allies have demonstrated an ability to act together or in parallel on behalf of common interests.

The current constellation of conservative leadership in Europe has helped keep relations on an even keel. Conservatives are heading three of the key countries (the US, UK and FRG) while French President Mitterrand is not only stalwart in his support of Western defense efforts but also increasingly attracted to economic policies which roll back the role of the state. Each of these leaders has been in power for some time now, and the working relationships between them are generally good. The existence of a number of responsible and pragmatic leaders elsewhere in the Alliance only reinforces this pattern. Underpinning this compatible leadership is a set of shared attitudes. Many people in Europe and the United States have come to share support for free enterprise economies mixed with a healthy skepticism of the intentions of the Soviet Union.

The President's, and the administration's, contribution has already been touched on. But, aside from Soviet clumsiness, the main explanation for good Alliance relations is the performance of the President,

in making the United States militarily stronger, in producing a rate of economic growth that exceeds Europe's (and that of the Soviet Union), and in creating an image of resoluteness. Europeans sometimes find it frustrating to be junior partners of the United States; but they fundamentally prefer, and respect, a strong America.

Long-Term Trends

The current state of transatlantic relations also needs to be seen in the context of longer term trends in economic growth, and in public attitudes toward the Soviet Union.

Economically, the United States has been growing at a faster rate than either Europe or the USSR for the past decade, and this U.S. lead has widened over the past couple of years. Probably more than any other factor, this long-term economic trend explains the current sense of optimism in the United States, of pessimism in Europe, and of even deeper gloom in Moscow. We thus see today a dramatic reversal of the situation in the mid-1970's, when America, after a generation of slower growth than the rest of the world, found itself riven by self-doubt, and perceived by others, as we perceived ourselves, to be weak and indecisive. Nearly twenty years of relatively slow U.S. growth—from 1957–74—led to a loss of respect for America by its adversaries, and a loss of confidence in America by its Allies. The current, U.S.-led growth cycle, if it continues, will produce the reverse—enhanced Soviet respect for and European confidence in America.

This phenomenon will, of course, bring its own problems. As it falls still further behind the United States economically, the Soviet Union may become even more paranoid and intractable—as indeed they were through much of the 1950's and '60's. The Europeans, for their part, will complain—as they are already—of American arrogance and inadequate concern for the impact of our policies on them. On balance, however, it is better to cope with the problems of U.S. strength than the problems of U.S. weakness.

The second long-term trend affecting the transatlantic relationship has been the evolution of Western public opinion on the Soviet Union and the East-West relationship. Polling data, as well as more impressionistic evidence, indicate that the gap which opened in the mid-1970's between the U.S. and European views of the Soviet Union has now narrowed substantially.

In the early '70's the United States and Europe worked together to improve East-West relations. But the respective experience of the United States and Europe with detente was very different.

—The U.S. embarked on detente during a period of internal division and self-perceived weakness. We failed to achieve our principal objective—moderation by the Soviet Union on a global basis.

—Western Europe embarked on detente at the height of economic prosperity and growing self-confidence. Western Europe succeeded in achieving its primary objective—limited and regional *modus vivendi* with the USSR (e.g., the Berlin and Helsinki accords).

As a result, the Europeans have looked back at the early 70's with nostalgia, while Americans recall the same period with distaste.

These different perceptions of detente led to a decade of bitter transatlantic debate and divergent policies. As the Soviet Union launched surrogate interventions in Angola and Ethiopia, as Soviet troops invaded Afghanistan and intimidated Poland, the West dissipated its energies in debilitating bickering over responsibility for the collapse of detente, and disagreement over the appropriate response to Soviet adventurism.

The great pipeline debate of 1982 was perhaps the last great spasm of this transatlantic rift. It is indeed interesting to compare the heat and duration of these earlier debates to the swift, united and substantial Western reaction to the KAL shootdown—including an air transport boycott of the Soviet Union by 22 nations. Such comparison provides a measure of progress by Western nations toward a new consensus.

The newly emerging transatlantic consensus on East-West relations results from changes in attitude on both sides of the Atlantic, with both European and American attitudes toward the Soviet Union moving from opposite extremes toward the center.

In Europe there is a new realism about the nature of the Soviet Union. Polling data shows dramatic shifts in European attitudes.

—In 1978, 42% of the French people said they were favorable to the USSR, whereas only 38% said they were unfavorable.

—By 1982, the 42% favorable to the USSR had dropped to 13%, while the 38% who were unfavorable rose to 73%. This is a net shift of 64% of the French people away from favorable attitude toward the USSR.

—In the UK, the shift against the USSR over the same period was 29%, in the FRG 26%, and in Italy 60%. These are all striking figures.

Polls in the United States show a reverse trend among the American people:

—In 1980, 67% of the American people felt the U.S. should get tougher with the USSR. By February of this year, this figure had fallen to 30%.

—Conversely, in 1980 only 20% of the American people felt the U.S. should reduce tensions with the Soviet Union. Today, that figure is 57%.

These figures illustrate that, after a decade-long transatlantic rift in public and governmental attitudes on the central question of how to

manage relations with the USSR, Western peoples are coming together toward a common view. These trends in public opinion have been paralleled by a substantial diminution in the transatlantic debate among governments, and the emergence of a new policy consensus. In consequence, provided the second Reagan Administration carries through on the pledges of the first regarding arms control and East-West dialogue, we should be able to sustain the current high level of European support for U.S. policies in this area.

The Next 12 Months—Context and Concerns

Except in Italy, where Craxi could lose the Prime Ministership, it is highly unlikely that leadership will change in any of the key Allied countries over the next year; elections are neither scheduled nor probable in any major country in 1985. Moreover, what changes have taken place—Carrington coming to NATO, Mulroney winning in Canada—augur for continued “conservative” domination of the Alliance.

This is not to say that the existing governments have no problems:

—The still unfolding political scandals in Germany could rock the Government, and put Kohl’s own future in jeopardy.

—While Mrs. Thatcher is strong and determined, the continuing miners’ strike will strain Britain’s policy; the disarray of the opposition parties renders them impotent, but “wets” in the Tory party could seek to pull off a palace coup.

—Mitterrand’s growing European prestige is counterbalanced by his domestic unpopularity; earlier than the others, he faces an electoral test in the parliamentary elections of March 1986.

—The Craxi government in Italy faces a daunting array of legislative challenges and will have to deal with the potentially destabilizing effects of several brewing scandals.

—Spain, and more especially Portugal, suffer from deep economic difficulties, prospective problems in facing European competition as they enter the Community, and political systems that may have difficulty weathering such storms.

Even though it is a reasonably safe bet that most of Europe’s governments will survive the year without major changes, certain developments, particularly in the economic sphere, would increase the potential for tensions and disagreements in the Alliance.

1984 has been a year of recovery for the European economy, and 1985 should see the recovery continue. But the European recovery has been very different from our own. The average growth rate has been about 2 percent in 1984, and 2 to 2½ percent seems likely in 1985. This sort of growth fits the label “growth recession”: it is inadequate to reduce the rate of unemployment, which, indeed, is likely to rise from its current 11 percent to 11½ percent.

These hardly dazzling economic prospects—depend heavily on the assumption that the U.S. economy will have a soft landing in 1985—that U.S. growth will be on the order of 3–4 percent. Should American economic performance be weaker than that, the stimulus Europe can expect to get from exporting to the United States—which has made the difference between moderate growth and stagnation for Europe—will shrink. In that event, scapegoating of the United States for Europe's economic plight will once again be popular.

Even on more favorable assumptions, Europeans may become increasingly critical of the United States. While the drumbeat of protest about our budget deficits has slowed in recent months, Europeans will almost certainly resume the attack if the Administration does not act during the first months of 1985; the Bonn Summit could be a livelier encounter than we want.

Particularly as 1985 draws to its close, the potential for economic friction will increase. The Europeans will be drawing closer to the end of the window of political freedom which the absence of elections gives them, and continued economic sluggishness and poor prospects may stir even conservative governments to consider alternative policies—or seek for foreign culprits.

The European Community barely skinned by this year, one in which it came closer to falling apart than it has since DeGaulle's walkout in 1965. It will have a new and more vigorous Commission President, Jacques Delors, but what even he can make of the continuing problems of the Community remains to be seen. Will the Community continue the modest progress it began this year toward restraining agriculture spending and production? Will it manage the feat of smoothly incorporating Spain and Portugal—or will formal agreement to their entry be only the beginning of a difficult digestive process, one which produces minimal economic benefits and maximum political strain? The example of British entry is an unhappy precedent.

At the very least, domestic economic concerns and intra-European haggling are likely to put limits on the amount of sensitivity that Europe has for American commercial concerns. The handling of issues like corn gluten and soybeans may suffer as a result.

The U.S. side of the trade relationship may also grow more difficult to manage. Protectionist forces have, with difficulty, been kept under some control. But this has been during a period of falling unemployment. What will happen, if, as is possible, 1985 sees a combination of continued high trade deficits, and *rising* unemployment?

A second overriding influence will be the state of East-West relations. It was noted earlier that the Europeans have been understanding and patient over the lack of progress in the arms control field; over the next 12 months, this is likely to give way to greater frustration which

could manifest itself in numerous "initiatives" by European foreign ministers and heads of state to bridge the gap between the two superpowers. It could also result in pressures on us to make concessions so that the Soviet Union can return to the negotiating table in a face-saving way. The Europeans will seek to insulate themselves from the chill. We can look for renewed activity between the two Germanies and increased interaction between Western and Eastern Europe. Maintaining any semblance of a united front vis-a-vis Poland is likely to prove increasingly difficult. (Less significant, but equally possible, is a revival of European activism in the Middle East—possibly at cross-purposes with us.)

If economics and East-West concerns stimulate renewed European dissatisfaction with America, conventional defense could well become an area of American frustration with Europe. Only with massive effort was the Administration able to hold off Senator Nunn and his colleagues; unless short term measures (such as increases in ammunition stocks and reception areas) are implemented, and a longer term look at how NATO organizes its conventional defense launched, we could find ourselves in the middle of an Alliance contretemps over burden-sharing. Assuming we do succeed in initiating a comprehensive new look at NATO's conventional defense, we will need to push this to a meaningful conclusion, a process which will require continuing ingenuity and persuasiveness on our part over the next 18 months.

Just as important might be frictions that arise from specific issues that seem to plague our relations with one or several allies. Many of these come under the heading of "extra-territoriality", a rubric that covers many disputes ranging from anti-trust to strategic trade controls. In particular, US technology transfer controls remain a major source of anxiety in Europe; depending upon the zeal with which we pursue our objectives, we could create bilateral replicas of 1982's pipeline dispute. Pegard provides but the most recent indicator of the potential for trouble here. And there are some signs that the Europeans are beginning to come together over this issue, in opposition to U.S. practices. This could make the problem more difficult to manage.

There will be other sources of friction as well. Our proposals for "star wars" are sure to raise concerns in the UK and elsewhere either that we are abandoning Europe, creating new forms of dangerous superpower military competition, or both. Commercial aircraft access will prove a thorny issue with the Scandinavians, just as their continued endorsement of nuclear weapon free zones will with us. With Spain we will have to ensure it does nothing to preclude full military integration in the Alliance; with Turkey, that it continues to improve its political and economic performance while promoting compromise in Cyprus.

And we cannot assume that the major accomplishment of the past four years—INF—will not unravel a bit, particularly in the Netherlands.

These frictions will occur within the framework of an alliance that shares fundamental attitudes—support for the market economy and suspicion of the Soviet Union. There is one glaring exception. Papandreou's government adheres to the Alliance only out of fear of Turkey; meanwhile, it tests our patience—and that of other Europeans—with outrageous posturing. This is a special problem, and a serious one—but fortunately not of formidable dimensions.

Conclusion

This is not an effort at prescription, and in any case we have given you our ideas elsewhere about how we might attempt to steer East-West and West-West relations. The key point to make in this analytical context is that while the next 12 months should not produce any crisis on the scale of the pipeline dispute, or any challenge equal to that of INF, increased Alliance discomfort and tension could develop as 1985 goes on. It is clear, furthermore, that our ability to manage our interests in Western Europe will in large part reflect developments in East-West relations and in the economy.

Nevertheless, it is important to point out that the potential for a really difficult year in trans-Atlantic relations remains limited. Helpful leadership remains in place and we should not underestimate our capacity to shape what happens. Indeed, the real problems may not arrive until later in the decade, when problems that now are “manageable” demand solutions, and when current leaders may be replaced by opposition figures who no longer share so much the traditional Atlanticist posture. Then, the parochialism that is always present on both sides of the ocean could come to the fore, bringing with it difficulties far beyond those we can expect to see over the next year.

216. Interview of Secretary of State Shultz by Don Oberdorfer of the *Washington Post*¹

Washington, November 7, 1984, 5:05 p.m.

MR. OBERDORFER: Sir, the reason for this interview is that some of my editors were quite interested in the speech that you made at Rand²—I didn't cover it because I was out in California myself—and about Soviet policy, your thinking about it, where it might go, and so on. And so that is primarily what I'd like to focus on. Of course, the circumstances are slightly changed now that the election is over, and so on.³

The central question, really, many people about—

SECRETARY SHULTZ: Actually, the President seems to be going out of his way to say that the circumstances haven't changed now that the election is over, or that he's saying—he's making a point that he is essentially taking the same positions that he was taking before.

QUESTION: Yes. That's true. But, of course, he takes it from a different platform having been—

SECRETARY SHULTZ: Right.

QUESTION: re elected.

SECRETARY SHULTZ: That always impresses people.

QUESTION: The central question about the United States' foreign policy in the next four years is, of course, about relations with the U.S.S.R.

Based on your conversations with the President and any other policymaking that there may have been in the U.S. Government, do you think that you have a mandate to negotiate with the Soviet Union in the period ahead?

SECRETARY SHULTZ: Well, I think the President feels that it's important for the country and for the world at large that he work out as constructive a relationship as is possible with the Soviet Union.

¹ Source: Reagan Library, Executive Secretariat, NSC Agency File, Department of State (10/11/1984–12/14/1984). No classification marking. For the condensed version of the interview, see Don Oberdorfer, "Shultz Asks Soviets for 'Concrete Deeds' on Improving Ties," *Washington Post*, November 8, 1984, pp. A1, A13.

² See Document 209.

³ On November 6, Reagan and Bush defeated Democratic Presidential nominee Mondale and Vice Presidential nominee Geraldine Ferraro to win re-election. The next morning, beginning at 9:46 a.m., the President took part in a question-and-answer session at the Century Plaza Hotel in Los Angeles and answered various questions concerning domestic and foreign policy issues. For the text of the question and answer session, see *Public Papers: Reagan, 1984*, Book II, pp. 1802–1806.

I think he's felt that way for all along, and at least as I watch him operating, there is a sense that for the past year or so and certainly now is a time to push the negotiating and talking leg of the stools in his policy toward this subject.

You mentioned the speech that you didn't cover, but that was an effort on my part to sort of ask myself, how has this President behaved, and how can I conceptualize what he actually seems to do, and the way he reacts to things, and in effect put forward—conceptualize the President's policy as I saw it.

I had some discussions with him well before that speech even started getting written down in a kind of outline form along the lines of saying to him in effect. Mr. President, I know thus and so, and here are these different things you've done, and here's the way it seems to add up to me. Is this sort of what you—the way you look at it?

So that's what I was trying to do in that speech, and I would say, obviously, I agree with it, but anyway—

QUESTION: Did you go over the speech, when you finally formulated, at all with him?

SECRETARY SHULTZ: I talked about the subject, but the actual speech he had before it was given. But I didn't—

QUESTION: Yes.

SECRETARY SHULTZ:—go over it word for word with him. It was read carefully by the NSC before it was delivered.

QUESTION: You said that he feels that now is the time, especially to activate the negotiating side of these stools, as you put it, of his policy.

In your view, what are the areas where there seems to be the greatest likelihood of producing some negotiations, or possibly some movement, with the Russians?

SECRETARY SHULTZ: The President's approach—and bear in mind he's been trying to work at the negotiating side with them for quite a long while—is, as we have said many times, to try to develop all four aspects of the Soviet relationship as we see it.

That is, there are a host of issues in the field of arms control of varying types and sizes, and there are lot of tension points around the world that bear discussion. There are a myriad things in our bilateral relationships which actually have been moving along. And there are our concerns with human rights subjects, and we think that those concerns and discussion of them is legitimized, not only inherently but by the Helsinki Accords. So we push on all those things.

What is the most promising, it's hard to say exactly, and I think it's a matter of trying to engage with the Soviet Union and to see what kind of a process will emerge.

It was quite apparent in the meetings between the President and Foreign Minister Gromyko that they both agreed that the most important issue is, what are you going to do about these offensive nuclear arms? So, obviously, the President would like to get engaged on that subject, but just how you do that—he made a number of proposals he has, and we'll just have to see now.

[Omitted here is discussion concerning the Soviet Union.]

QUESTION: Concerning the big world, one of the things you spoke about in this speech, and it was much remarked on, was the limitations of the question of linkage, linking one thing with another.

Now we have the question of Nicaragua. You didn't address it specifically in the speech, but if the Soviets were to send advanced combat aircraft to Nicaragua—as you and others have warned repeatedly would cause great consequences, or various other words—do you think that you could, nevertheless, pursue arms control talks?

SECRETARY SHULTZ: As the President said, we'll just leave our statement about that subject where it is. We're not going to amplify it. The thing that has struck at and got me thinking about the question of linkage—as the President has behaved, so to speak—in economics there is something called the Doctrine of Revealed Preferences. There used to be a time in economics when people thought that putting out preference maps was a way to go about analyzing economic activity. Then the question was, how do you find out what the preference map of somebody looks like, and the answer is, don't listen to him, just observe behavior.

I'm a believer that you should listen to Presidents, but also it's interesting to look at behavior, and it has struck me that the contrast of the Korean airliner situation and the Afghan sanctions situation was quite dramatic. I don't mean by that to put them on the same scale, because I think invading Afghanistan was a very special event in a whole lot of ways. But President Carter did everything, as far as I can see, except break diplomatic relations, and some of the things that he did clearly were against our own interests.

In the case of the Korean airliner, the President was very concrete and realistic and unrelenting in his comments about it, and had us organize or help organize—and it wasn't very difficult—a worldwide reaction to it. But, he sent his negotiators back to Geneva. And I tried to make this contrast in the speech.

So he didn't say, well, they've shot down a Korean airliner, so we're just going to drop everything, because some things that we had in motion and that might have had the relationship a lot further along, to be postponed—we very consciously didn't take things off the table. We just held them in abeyance for the time being.

QUESTION: As a part, or big as they might be, the Korean airliner and the Afghanistan invasion are both a whole lot further from the shores of the United States than is Central America or the Caribbean area.

I guess my question is—not going to the facts of the case, whether or not there are MiG's on there or not—I gather we really don't know at this point where there are

SECRETARY SHULTZ: I think that in the Central America/Caribbean case, we have a situation in which the President believes, and the vast bulk of opinion that thinks about it at all agrees with him, that our national interests are very much engaged, and I think we have to confront that situation directly in its own terms.

QUESTION: Could you see arms control talks proceeding while we confronted them?

SECRETARY SHULTZ: I'm not going to try to speculate about that, but I do say that a subject like that, I don't think you can—I think it's not likely that you can say to the Soviet Union, unless you do X, Y, Z in Nicaragua, we're not going to have arms control talks. That doesn't seem to work out very well.

I think we have to be prepared to defend our interests in Nicaragua or in Central America and the Caribbean in their own terms.

[Omitted here is discussion concerning Central America.]

QUESTION: Yes. Here's a question that's not going to stun you. You probably wondered why I took so long to get around to it.

Now that the election is over, we know who's going to be President, anyway, for the next four years. We don't know—at least I don't know completely—who's going to be Secretary of State.

If the President asks you to continue on, are you willing to do so?

SECRETARY SHULTZ: Well, that's the kind of question that I'll discuss with the President. You—we have been around the circle before.

QUESTION: He hasn't asked you yet.

SECRETARY SHULTZ: I talked to him and congratulated him on his victory, and he was hurrying to get on to his press conference, and what-not.

QUESTION: You mean you cut out some of that press conference time?

SECRETARY SHULTZ: We'll get around to that subject. But I can tell you this. I'm working very hard on what I think is a good agenda for the time ahead.

QUESTION: What would the main points of it be, in your mind?

SECRETARY SHULTZ: We've been discussing some of the issues.

QUESTION: The U.S.S.R.?

SECRETARY SHULTZ: I think that's obviously a prime issue. There are many others.

QUESTION: Do you expect there's going to be a great period of activity in the next, you know, first six months or year of the new Administration? Some people think that if anything is going to get done, now it's a going to have to be—strike while the iron is hot—while he's got his mandate. Congress is amenable, other nations are amenable to the kind of leadership role.

Do you see that as the tempo of things that is likely?

SECRETARY SHULTZ: It's a little hard to say, but we're certainly prepared for a stepped-up tempo. At the same time, I personally have the view that there is a tendency to misjudge what the nature of successful foreign policy is.

I'll give an example of something that you're a genuine expert on.

QUESTION: I can't imagine there's hardly anything in the world in that category.

SECRETARY SHULTZ: Well, I think that the situation basically in the Asia/Pacific region has moved, and there is a process there that's a very healthy one from our standpoint, and, for that matter, from the standpoint of the other nations in the region.

It's not the result of frenetic activity. There isn't any sort of big, dramatic agreement to point to, although there are a lot of things that have been worked at and negotiated about and agreed to and developed, and so.

But by the time you add up what has happened with Japan, with China, with Korea, with the ASEAN countries, Australia, and compare that, I think you see that there is a difference and there's also a process. So it seems to me that one of the things we have to learn how to do better and better is to have the processes moving in a direction that we think is constructive in important places.

There are some subjects and some places that lend themselves to punctuating processes like that with major agreements that sort of almost take stock of what the situation is and certify it and legitimize it, and it's important to do that, all right. So I think they're both aspects of this.

QUESTION: There's a theory that it's going to take—given the world and all the difficulties—a lot of basic executive energy on the part of this government to get things done; that the inertial forces going the other way of technology, of misunderstandings among peoples, of the complications among nations are such that for anything much to be accomplished, somebody has got to be awfully determined and spend an awful lot of time at it.

SECRETARY SHULTZ: That's true.

QUESTION: And I guess my question is, do you think that in the early months of this new Administration with the mandate the President has now received from the voters of the United States, that is the time to make some moves—not that you haven't been trying before—but of a more determined character to try to move some of these issues off dead center.

SECRETARY SHULTZ: Those that are on dead center, yes. There are some that aren't on dead center, and they're moving, no doubt, with obstacles, but are moving in good directions, and I gave one example. Another example is what we're doing in southern Africa. So you have to keep these things moving along.

MR. HUGHES: Mr. Secretary, I'm afraid we're at the finishing wire.

QUESTION: Okay. Well, on another day I want to ask you about how you analyze the response to your suggestion about terrorism.

SECRETARY SHULTZ: It's a mixed bag.

QUESTION: It seems it was.

SECRETARY SHULTZ: However, there's one thing that isn't mixed, and that is, it got people's attention, and that was one of the prime objects; and attention in the sense of saying what are the things that we have to face up to?

MR. OBERDORFER: Thank you, sir.

(5:52 p.m.)

217. **Action Memorandum From the Chairman of the Policy Planning Council (Rodman) to Acting Secretary of State Armacost¹**

Washington, November 9, 1984

SUBJECT

Foreign Policy in the Term Ahead

Attached is a Hill-McFarlane² memorandum forwarding our comments on the package of Forward Look materials passed to us by the NSC staff.

We have added some new tabs on the NATO conventional forces initiative and also on international educational exchanges. Second, we have added a reference to the fact that you will want to discuss negotiating initiatives (Central America, Mideast, Southern Africa) when you see the President. Third, we have offered some marginal comments on the draft Shultz/McFarlane memorandum and the various tabs.

Recommendation:

That you approve the Hill-McFarlane memorandum attached.³

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons 11/1-15/84. Secret; Sensitive. Cleared by Armacost (P). McKinley initialed the memorandum and wrote "10 Nov." He sent the memorandum to Armacost under a November 10 handwritten note, writing: "Mike, Charlie said the Secretary was content for you to send this over this a.m. if it looks OK. The Secretary has the c.o. paper from Bud. He wants to reply orally and will do so when Bud returns to Washington. Brunson." (Ibid.) See also David Hoffman, "Reagan to Get Agenda on Foreign Policy: 3rd World Aid Plan Included in Options," *Washington Post*, November 10, 1984, p. A24.

² Not attached. A copy of the November 9 memorandum from Hill to McFarlane is in the Reagan Library, Donald Fortier Files, Subject File, Policy Planning (Second Term) I: [11/15/84-11/15/84].

³ Armacost initialed the "Approve" recommendation.

Attachment

Draft Memorandum From Secretary of State Shultz and the President's Assistant for National Security Affairs (McFarlane) to President Reagan⁴

Washington, undated

SUBJECT

Foreign Policy in the Term Ahead

We have spent the last few months analyzing the fundamental choices and issues ahead in your second term. While tapping the best minds in the government, we have also reached out to thoughtful experts on the outside—leading retired senior military officers, former corporate executives, leading strategic analysts and others.

Although the challenges are formidable, the opportunities are larger still. Capitalizing on them will not, for the most part, require major changes of direction. In many areas, the imperative is simply *to stay the course*, though staying the course will at times require boldness. Other areas are now ripe for new departures and initiatives.

I. *The International Environment*

The international environment and political realities we face at the outset of your second term are different—in both positive and negative ways—from 1981.

—*Then* our job was largely defined by problems we inherited (like the need for a defense build-up or for follow-through on INF) and by events that had been brewing for some time (Central America, Poland, the Lebanon War). *Now* we have a greater opportunity to take the initiative.⁵

—*Then* resources for defense were abundant (DoD authorizations are up over 40% since FY80). *Now* there is a need for more careful management and trade-offs among desirable programs.

⁴ Secret. No drafting information appears on the memorandum. Printed from an uninitialed copy. An unknown hand wrote "State Dept. editorial suggestions" in the top right-hand corner of the memorandum and drew a box around it.

⁵ An unknown hand wrote "Insert A" in the right-hand margin after this paragraph and drew a left-pointing arrow to the margin between this and the subsequent paragraph. The text for A, which is typewritten on a separate page inserted into the memorandum, reads: "—*Then* there were lingering doubts about American will (in the wake of the Iranian hostage crisis). *Now* there can be no doubt about the vigor and boldness of US leadership and the degree of our recovery from the Vietnam syndrome."

—*Then* the Soviets had experienced a decade of considerable foreign policy successes; they would have been uncompromising even without a succession crisis. *Now* adverse Soviet trends are clearer, and even a transitional leadership may have to reengage US in serious negotiations.⁶

—*Then* it was possible to defer foreign policy initiatives through the first year of your term to get the economy back on track. *Now* many issues demand early attention;⁷ to take advantage of the popular support you clearly enjoy.

II. *Taking the Initiative*

We have assembled in the following tabs an integrated set of policies for you to consider that take into account the changed international and domestic environment and the opportunities and problems that have been created.⁸ We begin with a discussion of the U.S.-Soviet relationship, but in a sense *all* of the tabs deal with the U.S.-Soviet relationship, and develop ways that we can build leverage and generate constructive solutions to the problems we face. We regret the length of the assembled tabs, but we could find no other way to give adequate consideration to our foreign policy agenda and to discuss our recommended policies. Our recommendations include:

—An approach to arms control and strategic modernization that enables you to shift fundamentally the nature of the nuclear competition and leaves future generations more secure, through lower levels of arms and a more stable strategic balance.⁹

—A dramatic State of the Union initiative to rebuild security assistance to levels equal to the Eisenhower years.

⁶ An unknown hand inserted "the" between "reengage" and "US" in this sentence and placed a checkmark in the right-hand margin.

⁷ An unknown hand deleted the period in the semicolon, changing it to a comma, and placed an editorial deletion mark in the right-hand margin.

⁸ Attached but not printed are undated tabs entitled "Soviet-American Relations," "Eastern Europe and Differentiation," "An Initiative to Strengthen NATO's Conventional Forces," "Better Defense for Less," "A New Security Assistance Strategy," "Pacific Basin," "International Educational Exchange," and "U.S. Economic Strategy Toward the Third World."

⁹ An unknown hand wrote "Insert B" in the right-hand margin next to this point and drew a left-pointing arrow to the margin between this and the subsequent point. The text for B, which is typewritten on a separate page inserted into the memorandum, reads: "—An Alliance-wide effort to improve NATO conventional forces, in order to strengthen Western defense, reduce reliance on nuclear weapons, and meet Congressional concerns about burden-sharing. —Diplomatic strategies for Central America, the Middle East, and Southern Africa, as our strong position in each of these areas may begin to bear fruit in the coming months. (These negotiating issues are not covered at tabs. Secretary Shultz will want to discuss them more fully with you directly.)"

—A new approach to defense procurement that will force the Soviets to spend their money in ways that will be less harmful to us.

—New institution-building in the Pacific, and a parallel push using the *ideas* of American industry to plant the seeds of economic resurgence in Europe.¹⁰

Finally, we have—as we promised in our original memo last summer—been sensitive to trade-offs and priorities.¹¹ We know our budget is limited, as is your own time. We cannot do everything at once. We can, however, do much if we are prepared to move quickly while our assets are at their peak.

III. Political Implementation

*How we unveil these policies is of course immensely important.*¹² Having just won an impressive reelection victory, your ability to shape events is quite high.¹³ The time available for exploiting this advantage, however, will be brief. Competing political forces will be jockeying to develop their own alternatives in an effort to capture public attention. A *durable bipartisan consensus will be essential* for sustaining the approach we have outlined. It will fall to us to reach back out to those who are essential for building this consensus.¹⁴ While it is important to indicate a willingness to listen to (and accommodate) the views of others in building a new national security strategy, *we must define the goals and the broad solutions so as to set specific milestones and make recommendations for the best use of your time, travel and congressional involvement. We cannot allow it to appear as though we are sitting back allowing others to supply different answers.*¹⁵

In the sections that follow, we propose several bold approaches to the problems and opportunities that you will be facing. In some cases,

¹⁰ An unknown hand underlined “a parallel push using the *ideas* of American industry to plant the seeds of economic resurgence in Europe” and wrote: “Is there a paper on this?” in the right-hand margin. Below this, the same unknown hand wrote “Insert C” and drew a left-pointing arrow to the margin between this and the subsequent paragraph. The text for C, which is typewritten on the same separate page as B above (see footnote 9), reads: “—A possible new initiative to give impetus to international educational and other people-to-people exchange programs, which have a significant payoff (in terms of good will, understanding, and contacts) for the United States.”

¹¹ See Document 196 and the attachment thereto.

¹² An unknown hand placed a checkmark in the right-hand margin.

¹³ An unknown hand added “Now that you have” at the beginning of this sentence, bracketed and struck through the word “Having,” and wrote “(Grammar)” in the left-hand margin next to the sentence.

¹⁴ An unknown hand bracketed and struck through the word “back” at this point, and placed a checkmark in the right-hand margin next to this sentence.

¹⁵ An unknown hand placed parentheses around and struck through the word “for,” at this point, and placed a checkmark in the right-hand margin next to this sentence.

you will want to commission additional studies that explore these approaches even more. Others, we believe, you may wish to approve in the near term, both because the intellectual consensus in favor of them is better developed and because it is important that we not miss opportunities that could evaporate. Still others involve quiet, low-key actions that you can initiate by means of discussions with members of your Cabinet.¹⁶

George Shultz and I would like to meet with you on Wednesday, November 14 to discuss how to carry this program further.¹⁷ In order to preserve your options, we clearly should keep additional discussion of these strategies limited to your very senior advisers. We are not asking you to make any immediate decisions now, but as you read the tabs you can be thinking of where you:

—Agree with the strategy, and want to implement it quickly;¹⁸

—Disagree with the strategy;

—Agree with the basic strategy, but want to discuss its specific components and perhaps commission National Security Study Directives to investigate the ideas and options you wish to see explored further.

¹⁶ An unknown hand placed a dash between the words “low” and “key” and placed a checkmark in the right-hand margin next to this sentence.

¹⁷ The President met with Shultz and McFarlane in the Oval Office on November 14 from 1:30 until 2:45 p.m. (Reagan Library, President’s Daily Diary) No memorandum of conversation has been found. In a personal diary entry for November 14, the President wrote: “A long meeting with Sec. Shultz. We have trouble. Cap & Bill Casey have views contrary to George’s on S. Am., the middle East & our arms negotiations. It’s so out of hand George sounds like he wants out. I cant let that happen. Actually George is carrying out my policy. I’m going to meet with Cap & Bill & lay it out to them. Wont be fun but has to be done.” (Brinkley, ed., *The Reagan Diaries*, vol. I, January 1981–October 1985, p. 396)

¹⁸ An unknown hand changed the capitalization of the first word of this and the subsequent two points from upper to lower case and placed checkmarks in the right-hand margin next to all of the points.

218. Memorandum From Donald Fortier of the National Security Council Staff to the President's Assistant for National Security Affairs (McFarlane)¹

Washington, November 15, 1984

SUBJECT

Backgrounding on Second Term Agenda

We have been thinking about ways to make backgrounding on the agenda progressively more expansive.

1) *Increased Security Assistance*. To succeed, this effort will need the tightest possible national-security rationale; otherwise it will be difficult to explain the defense/security assistance funding trade-off, which will trouble many conservatives. This means distinguishing our Third World economic development concept from an initiative to raise security assistance funding to more meaningful levels. While we can't specify a source for funding the latter yet, we can prepare the ground by noting how much such increases will help *our own defense*, hinting illustratively that it can reduce the need for more costly forms of prepositioning and lower—though not eliminate—the need for direct American involvement in low intensity conflict.

2) *Nonproliferation*. The *Washington Post* has already applauded our interest in this issue, but continues to declare that it represents a policy reversal. (This despite the *Post's* earlier positive editorials on our position with Zia and in praise of the Luxembourg initiative.)² You can observe that what we're really doing is trying to build on a major

¹ Source: Reagan Library, Donald Fortier Files, Subject File, Policy Planning (Second Term) I: [11/05/1984–11/15/1984]. Secret. Non-system. McFarlane wrote "Many thanks, M" in the top right-hand corner of the memorandum. Below this, Poindexter initialed "JP."

² Presumable references to "Mr. Reagan's Letter," October 27, 1984, p. A18, and "When Trade Should Not Be Free," July 18, 1984, p. A14; both *Washington Post*. The "Luxembourg initiative" is in reference to an early July meeting in Luxembourg of the nuclear supplier nations, including Australia, Belgium, Canada, the Federal Republic of Germany, France, Italy, Japan, Luxembourg, the Netherlands, Sweden, Switzerland, the United Kingdom, and the United States. The Soviet Union, Czechoslovakia, the Democratic Republic of Germany, and Poland, all members of the original Nuclear Suppliers Group, were not invited to attend. At the meeting, the representatives agreed that all countries purchasing nuclear equipment should have safeguards on all nuclear facilities. (Joanne Omang, "Nuclear Suppliers Seek Tighter Export Controls," *Washington Post*, July 17, 1984, p. A3)

first-term success—e.g., the first suppliers' meeting since 1977.³ (I am doing a separate follow-on substantive paper on some interesting policy options.⁴ I didn't want to overload the President's initial package, however, beyond putting a marker down for the need for greater emphasis in this area.)

3) *European Recovery*. We will need to continue to treat this issue delicately. The President can make an important contribution to increasing the visibility of the issue. And we can, through the stimulation of inventive private exchanges, help to *generate greater European realism* about both the problem and the cure. We need to make it clear though that we are not talking about a bail-out; and we need to avoid creating the perception that we are being patronizing.

In private discussions with European leaders, we can be more candid. In fact, it is here that we can begin to be shrewd in connecting defense spending and meaningful economic change. The President can tell his counterparts that he raised the issue in part to shield the Europeans from Congressional pressure for unrealistic defense increases. Structured this way, meaningful economic reform can be played not only as the engine for sustained defense increases in the future, but also as a near-term offset for not meeting current defense targets. Progress in one area or another, however, has to occur; and what we can innocently play as a favor in effect becomes more pressure.

4) *The Trickier "Competitive" Issues*. The main risk in highlighting the above issues is that they may seem to signal a change of focus away from competition with the Soviets. Obviously this isn't the time for beligerence, but we don't want the impression to arise (either on the outside or on the inside) that our agenda is limp, and that other elements of the agenda will have lower priority.⁵

Unfortunately, it's still hard to talk about some of the other elements in the package—exploitation of technological programs like Stealth, targeting Soviet clients, driving up Soviet defense spending in areas less menacing to the West—at least not publicly and at least not at

³ Reference is to the September 1977 London meeting of the Nuclear Suppliers Group (NSG), also known as the London Suppliers' Group. At the meeting, participants established guidelines or codes for the export of nuclear technology. (David Binder, "Atom Sales Controls Are Set by 15 Nations: London Meeting Agrees on Rules for Transfers of Technology," *New York Times*, pp. A1, A5, and Bernard D. Nossiter, "Nuclear Nations Set Rules for Technology Sales," *Washington Post*, pp. A1, A7; both September 22, 1977)

⁴ Not found.

⁵ McFarlane placed two checkmarks in the right-hand margin next to this sentence.

this juncture. Even where we don't want to reveal too much, however, we should begin to adumbrate themes like the following:⁶

—“The President wants arms control, but he will also have a sharp eye on our strategic position in the rest of the world.”⁷

—“Protecting our friends and exploiting opportunities is important. We won't repeat the mistakes of earlier years”

—“Look for a foreign policy that plays to America's strengths—technology, economic power, flexibility,” etc.

—“Look for a leaner but also a tougher and more imaginative defense posture.”

Although we can't be too specific on some of these points, we shouldn't play down areas where we do have a position, and where signalling lack of interest could be dangerous. Central America is one of these. In fact it's a very good example of the first two points. One key difference between the President's strategy and detente is that we can now expect to do better in the Third World—but only if we avoid near-term reverses. For this reason, the *contra* aid issue will be enormously important: before the impression takes hold that the aid cutoff is permanent, we should probably begin to put more heat on our critics. Too much attention has focused on the purpose of *contra* funding and too little on the ever more relevant problem of the U.S. allowing the *contras* to be wiped out. If the Soviets and our friends in unstable regions see the Congress curtailing Presidential activism, we'll have a lot of rebuilding to do.⁸

⁶McFarlane wrote “agree” in the right-hand margin next to this paragraph.

⁷McFarlane placed a checkmark in the right-hand margin next to this point.

⁸McFarlane placed a checkmark in the right-hand margin next to this sentence.

219. Address by Secretary of Defense Weinberger¹

Washington, November 28, 1984

“The Uses of Military Power”

Thank you for inviting me to be here today with the members of the National Press Club, a group most important to our national security. I say that because a major point I intend to make in my remarks today is that the single most critical element of a successful democracy is a strong consensus of support and agreement for our basic purposes. Policies formed without a clear understanding of what we hope to achieve will never work. And you help to build that understanding among our citizens.

Of all the many policies our citizens deserve—and need—to understand, none is so important as those related to our topic today—the uses of military power. Deterrence will work only if the Soviets understand our firm commitment to keeping the peace, . . . and only from a well-informed public can we expect to have that national will and commitment.

So today, I want to discuss with you perhaps the most important question concerning keeping the peace. Under what circumstances, and by what means, does a great democracy such as ours reach the painful decision that the use of military force is necessary to protect our interests or to carry out our national policy?

National power has many components, some tangible, like economic wealth, technical pre-eminence. Other components are intangible—such as moral force, or strong national will. Military forces, when they are strong and ready and modern, are a credible—and tangible—addition to a nation’s power. When both the intangible national will and those forces are forged into one instrument, national power becomes effective.

In today’s world, the line between peace and war is less clearly drawn than at any time in our history. When George Washington, in his Farewell Address, warned us, as a new democracy, to avoid foreign entanglements, Europe then lay 2–3 months by sea over the horizon. The United States was protected by the width of the oceans. Now in this nuclear age, we measure time in minutes rather than months.

¹ Source: News Release, Office of Assistant Secretary of Defense (Public Affairs), No. 609–84, November 28, 1984; *Public Statements of Caspar W. Weinberger, Secretary of Defense, 1984*, vol. IV, pp. 2458–2464. Weinberger addressed the National Press Club.

Aware of the consequences of any misstep, yet convinced of the precious worth of the freedom we enjoy, we seek to avoid conflict, while maintaining strong defenses. Our policy has always been to work hard for peace, but to be prepared if war comes. Yet, so blurred have the lines become between open conflict and half-hidden hostile acts that we cannot confidently predict where, or when, or how, or from what direction aggression may arrive. We must be prepared, at any moment, to meet threats ranging in intensity from isolated terrorist acts, to guerilla action, to full-scale military confrontation.

Alexander Hamilton, writing in the *Federalist Papers*, said that “It is impossible to foresee or define the extent and variety of national exigencies, or the correspondent extent and variety of the means which may be necessary to satisfy them.” If it was true then, how much more true it is today, when we must remain ready to consider the means to meet such serious indirect challenges to the peace as proxy wars and individual terrorist action. And how much more important is it now, considering the consequences of failing to deter conflict at the lowest level possible. While the use of military force to defend territory has never been questioned when a democracy has been attacked and its very survival threatened, most democracies have rejected the unilateral aggressive use of force to invade, conquer or subjugate other nations. The extent to which the use of force is acceptable remains unresolved for the host of other situations which fall between these extremes of defensive and aggressive use of force.

We find ourselves, then, face to face with a modern paradox: the most likely challenge to the peace—the gray area conflicts—are precisely the most difficult challenges to which a democracy must respond. Yet, while the source and nature of today’s challenges are uncertain, our response must be clear and understandable. Unless we are certain that force is essential, we run the risk of inadequate national will to apply the resources needed.

Because we face a spectrum of threats—from covert aggression, terrorism, and subversion, to overt intimidation, to use of brute force—choosing the appropriate level of our response is difficult. Flexible response does not mean just any response is appropriate. But once a decision to employ some degree of force has been made, and the purpose clarified, our government must have the clear mandate to carry out, and continue to carry out, that decision until the purpose has been achieved. That, too, has been difficult to accomplish.

The issue of which branch of government has authority to define that mandate and make decisions on using force is now being strongly contended. Beginning in the 1970s Congress demanded, and assumed, a far more active role in the making of foreign policy and in the decisionmaking process for the employment of military forces abroad than

had been thought appropriate and practical before. As a result, the centrality of decision-making authority in the Executive branch has been compromised by the Legislative branch to an extent that actively interferes with that process. At the same time, there has not been a corresponding acceptance of responsibility by Congress for the outcome of decisions concerning the employment of military forces.

Yet the outcome of decisions on whether—and when—and to what degree—to use combat forces abroad has never been more *important* than it is today. While we do not seek to deter or settle all the world's conflicts, we must recognize that, as a major power, our responsibilities and interests are now of such scope that there are few troubled areas we can afford to ignore. So we must be prepared to deal with a range of possibilities, a spectrum of crises, from local insurgency to global conflict. We prefer, of course, to *limit* any conflict in its early stages, to contain and control it—but to do that our military forces must be deployed in a *timely* manner, and be fully supported and prepared *before* they are engaged, because many of those difficult decisions must be made extremely quickly.

Some on the national scene think they can always avoid making tough decisions. Some reject entirely the question of whether any force can ever be used abroad. They want to avoid grappling with a complex issue because, despite clever rhetoric disguising their purpose, these people are in fact advocating a return to post-World War I isolationism. While they may maintain in principle that military force has a role in foreign policy, they are never willing to name the circumstance or the place where it would apply.

On the other side, some theorists argue that military force can be brought to bear in any crisis. Some of these proponents of force are eager to advocate its use even in limited amounts simply because they believe that if there are American forces of *any* size present they will somehow solve the problem.

Neither of these two extremes offers us any lasting or satisfactory solutions. The first—undue reserve—would lead us ultimately to withdraw from international events that require free nations to defend their interests from the aggressive use of force. We would be abdicating our responsibilities as the leader of the Free World—responsibilities more or less thrust upon us in the aftermath of World War II—a war incidentally that isolationism did nothing to deter. These are responsibilities we must fulfill unless we desire the Soviet Union to keep expanding its influence unchecked throughout the world. In an international system based on mutual interdependence among nations, and alliances between friends, stark isolationism quickly would lead to a far more dangerous situation for the United States: we would be without allies and faced by many hostile or indifferent nations.

The second alternative—employing our forces almost indiscriminately and as a regular and customary part of our diplomatic efforts—would surely plunge us headlong into the sort of domestic turmoil we experienced during the Vietnam War, without accomplishing the goal for which we committed our forces. Such policies might very well tear at the fabric of our society, endangering the *single* most critical element of a successful democracy: *a strong consensus of support and agreement for our basic purposes*.

Policies formed without a clear understanding of what we hope to achieve would also earn us the scorn of our troops, who would have an understandable opposition to being *used*—in every sense of the word—casually and without intent to support them fully. Ultimately this course would reduce their morale and their effectiveness for engagements we *must* win. And if the military were to distrust its civilian leadership, recruitment would fall off and I fear an end to the All-Volunteer system would be upon us, requiring a return to a draft, sowing the seeds of riot and discontent that so wracked the country in the '60s.

We have now restored high morale and pride in the uniform throughout the services. The All-Volunteer system is working spectacularly well. Are we willing to forfeit what we have fought so hard to regain?

In maintaining our progress in strengthening America's military deterrent, we face difficult challenges. For we have entered an era where the dividing lines between peace and war are less clearly drawn, the identity of the foe is much less clear. In World Wars I and II, we not only knew who our enemies were, but we shared a clear sense of *why* the principles espoused by our enemies were unworthy.

Since these two wars threatened our very survival as a free nation and the survival of our allies, they were total wars, involving every aspect of our society. All our means of production, all our resources were devoted to winning. Our policies had the unqualified support of the great majority of our people. Indeed, World Wars I and II ended with the unconditional surrender of our enemies . . . the only acceptable ending when the alternative was the loss of our freedom.

But in the aftermath of the Second World War, we encountered a more subtle form of warfare—warfare in which, more often than not, the face of the enemy was masked. Territorial expansionism could be carried out indirectly by proxy powers, using surrogate forces aided and advised from afar. Some conflicts occurred under the name of “national liberation,” but far more frequently ideology or religion provided the spark to the tinder.

Our adversaries can also take advantage of our open society, and our freedom of speech and opinion to use alarming rhetoric and

disinformation to divide and disrupt our unity of purpose. While they would never dare to allow such freedoms to their own people, they are quick to exploit ours by conducting simultaneous military and propaganda campaigns to achieve their ends.

They realize that if they can divide our national will at home, it will not be necessary to defeat our forces abroad. So by presenting issues in bellicose terms, they aim to intimidate Western leaders and citizens, encouraging us to adopt conciliatory positions to their advantage. Meanwhile *they* remain sheltered from the force of public opinion in their countries, because public opinion there is simply prohibited and does not exist.

Our freedom presents both a challenge and an opportunity. It is true that until democratic nations have the support of the people, they are inevitably at a disadvantage in a conflict. But when they *do* have that support they cannot be defeated. For democracies have the power to send a compelling message to friend and foe alike by the vote of their citizens. And the American people have sent such a signal by re-electing a strong chief executive. They know that President Reagan is willing to accept the responsibility for his actions and is able to lead us through these complex times by insisting that we regain *both* our military and our economic strength.

In today's world where minutes count, such decisive leadership is more important than ever before. Regardless of whether conflicts are limited, or threats are ill-defined, we *must* be capable of quickly determining that the threats and conflicts either *do* or *do not* affect the vital interests of the United States and our allies . . . and then responding appropriately.

Those threats may not entail an immediate, direct attack on our territory, and our response may not necessarily require the immediate or direct defense of our homeland. But when our vital national interests and those of our allies *are* at stake, we cannot ignore our safety, or forsake our allies.

At the same time, recent history has proven that we cannot assume unilaterally the role of the world's defender. We have learned that there are limits to how much of our spirit and blood and treasure we can afford to forfeit in meeting our responsibility to keep peace and freedom. So while we may and should offer substantial amounts of economic and military assistance to our allies in their time of need, and help them maintain forces to deter attacks against them—usually we cannot substitute our troops or our will for theirs.

We should only engage *our* troops if we must do so as a matter of our *own* vital national interest. We cannot assume for other sovereign nations the responsibility to defend *their* territory—without their strong invitation—when our own freedom is not threatened.

On the other hand, there have been recent cases where the United States has seen the need to join forces with other nations to try to preserve the peace by helping with negotiations, and by separating warring parties, and thus enabling those warring nations to withdraw from hostilities safely. In the Middle East, which has been torn by conflict for millennia, we have sent our troops in recent years both to the Sinai and to Lebanon, for just such a peacekeeping mission. But we did not configure or equip those forces for combat—they were armed only for their self-defense. Their mission required them to be—and to be recognized as—peacekeepers. We knew that if conditions deteriorated so they were in danger, or if because of the actions of the warring nations, their peace keeping mission could not be realized, then it would be necessary either to add sufficiently to the number and arms of our troops—in short to equip them for combat, . . . or to withdraw them. And so in Lebanon, when we faced just such a choice, because the warring nations did not enter into withdrawal or peace agreements, the President properly withdrew forces equipped only for peacekeeping.

In those cases where our national interests require us to commit combat forces, we must never let there be doubt of our resolution. When it is necessary for our troops to be committed to combat, we *must* commit them, in sufficient numbers and we *must* support them, as effectively and resolutely as our strength permits. When we commit our troops to combat we must do so with the sole object of winning.

Once it is clear our troops are required, because our vital interests are at stake, then we must have the firm national resolve to commit every ounce of strength necessary to win the fight to achieve our objectives. In Grenada we did just that.

Just as clearly, there are other situations where United States combat forces should *not* be used. I believe the postwar period has taught us several lessons, and from them I have developed *six* major tests to be applied when we are weighing the use of U.S. combat forces abroad. Let me now share them with you:

(1) *First*, the United States should not commit forces to *combat* overseas unless the particular engagement or occasion is deemed vital to our national interest or that of our allies. That emphatically does not mean that we should *declare* beforehand, as we did with Korea in 1950, that a particular area is outside our strategic perimeter.

(2) *Second*, if we decide it *is* necessary to put *combat* troops into a given situation, we should do so wholeheartedly, and with the clear intention of winning. If we are *unwilling* to commit the forces or resources necessary to achieve our objectives, we should not commit them at all. Of course if the particular situation requires only limited force to win our objectives, then we should not hesitate to commit forces sized accordingly. When Hitler broke treaties and remilitarized

the Rhineland, small combat forces then could perhaps have prevented the Holocaust of World War II.

(3) *Third*, if we *do* decide to commit forces to combat overseas, we should have clearly defined political and military objectives. And we should know precisely how our forces can accomplish those clearly defined objectives. And we should have and send the forces needed to do just that. As Clausewitz wrote, "No one starts a war—or rather, no one in his senses ought to do so—without first being clear in his mind what he intends to achieve by that war, and how he intends to conduct it."

War may be different today than in Clausewitz's time, but the need for well-defined objectives and a consistent strategy is still essential. If we determine that a combat mission has become necessary for our vital national interests, then we must send forces capable to do the job—and not assign a combat mission to a force configured for peacekeeping.

(4) *Fourth*, the relationship between our objectives and the forces we have committed—their size, composition and disposition—must be continually reassessed and adjusted if necessary. Conditions and objectives invariably change during the course of a conflict. When they do change, then so must our combat requirements. We must continuously keep as a beacon light before us the basic questions: "*Is this conflict in our national interest?*" "Does our national interest require us to fight, to use force of arms?" If the answers are "yes", then we *must* win. If the answers are "no", then we should not be in combat.

(5) *Fifth*, before the U.S. commits combat forces abroad, there must be some reasonable assurance we will have the support of the American people and their elected representatives in Congress. This support cannot be achieved unless we are candid in making clear the threats we face; the support cannot be sustained without continuing and close consultation. We cannot fight a battle with the Congress at home while asking our troops to win a war overseas or, as in the case of Vietnam, in effect asking our troops *not* to win, but just to be there.

(6) *Finally*, the commitment of U.S. forces to combat should be a last resort.

I believe that these tests can be helpful in deciding whether or not we should commit our troops to combat in the months and years ahead. The point we must all keep uppermost in our minds is that if we ever decide to commit forces to combat, we must support those forces to the *fullest* extent of our national will for as long as it takes to win. So we must have in mind objectives that are clearly defined and understood and supported by the widest possible number of our citizens. And those objectives must be vital to our survival as a free nation and to the fulfillment of our responsibilities as a world power. We must also

be farsighted enough to sense when immediate and strong reactions to apparently small events can prevent lion-like responses that may be required later. We must never forget those isolationists in Europe who shrugged that “Danzig is not worth a war”, and “Why should we fight to keep the Rhineland demilitarized?”

These tests I have just mentioned have been phrased negatively for a purpose—they are intended to sound a note of caution—caution that we must observe prior to committing forces to combat overseas. When we ask our military forces to risk their very lives in such situations, a note of caution is not only prudent, it is morally required.

In many situations we may apply these tests and conclude that a combatant role is not appropriate. Yet no one should interpret what I am saying here today as an abdication of America’s responsibilities—either to its own citizens or to its allies. Nor should these remarks be misread as a signal that this country, or this administration, is unwilling to commit forces to combat overseas.

We have demonstrated in the past that, when our vital interests or those of our allies are threatened, we are ready to use force, and use it decisively, to protect those interests. Let no one entertain any illusions—if our vital interests are involved, we are prepared to fight. And we are resolved that if we *must* fight, we *must* win.

So, while these tests are drawn from lessons we have learned from the past, they also can—and should—be applied to the future. For example, the problems confronting us in Central America today are difficult. The possibility of more extensive Soviet and Soviet-proxy penetration into this hemisphere in months ahead is something we should recognize. If this happens we will clearly need more economic and military assistance and training to help those who want democracy.

The President will not allow our military forces to creep—or be drawn gradually—into a combat role in Central America or any other place in the world. And indeed our policy is designed to prevent the need for direct American involvement. This means we will need sustained Congressional support to back and give confidence to our friends in the region.

I believe that the tests I have enunciated here today can, if applied carefully, avoid the danger of this gradualist incremental approach which almost always means the use of insufficient force. These tests can help us to avoid being drawn inexorably into an endless morass, where it is not vital to our national interest to fight.

But policies and principles such as these require decisive leadership in both the Executive and Legislative Branches of government—and they also require strong and sustained public support. Most of all, these policies require national unity of purpose. I believe the United States now possesses the policies and leadership to gain that public

support and unity. And I believe that the future will show we have the strength of character to protect peace with freedom.

In summary, we should all remember these are the policies—indeed the *only* policies—that can preserve for ourselves, our friends, and our posterity, peace with freedom.

I believe we *can* continue to deter the Soviet Union and other potential adversaries from pursuing their designs around the world. We *can* enable our friends in Central America to defeat aggression and gain the breathing room to nurture democratic reforms. We *can* meet the challenge posed by the unfolding complexity of the 1980's.

We will then be poised to begin the last decade of this century amid a peace tempered by realism, and secured by firmness and strength. And it will be a peace that will enable all of us—ourselves at home, and our friends abroad—to achieve a quality of life, both spiritually and materially, far higher than man has even dared to dream.

220. Memorandum From Secretary of State Shultz to President Reagan¹

Washington, November 29, 1984

SUBJECT

U.S. Strategy on World War II Anniversaries

Background

1985 will mark the fortieth anniversary of the end of World War II and the many wartime and postwar events associated with it. These anniversaries will also highlight the several steps taken by the United

¹ Source: Reagan Library, European and Soviet Affairs Directorate, NSC Records, Subject File, U.S. Foreign Policy; NLR-170-13-47-8-9. Secret. Telegram Tosec 180030/348345 to Shultz, November 24, contains the text of an action memorandum to Shultz from Burt and Wolfowitz, recommending approval of "the general strategy" concerning the World War II commemorations discussed in the action memorandum and signature of Shultz's memorandum to the President. They noted: "To promote our own goals, we must use the anniversaries to offer a vision of the future to our allies, to the Soviets, and to world public opinion. Our themes should be peace, reconciliation, and—with the Soviets—the ability to work together despite the gulf that separates us. Our approach must recognize the sacrifice of Allied nations in the defeat of Hitler and Japanese militarism while at the same time celebrating the dynamic democratic order which emerged in the West and Japan." (Department of State, Central Foreign Policy File, Electronic Telegrams, N840013-0513)

States and other victorious powers to establish a postwar order. 1985 also happens to be the thirtieth anniversary of the Austrian State Treaty,² West German entry into NATO and establishment of the Warsaw Pact, and the tenth anniversary of the Helsinki Final Act—all major milestones in the political settlement which emerged from the war.

These anniversaries are already drawing considerable worldwide attention. The world's media will focus on US-Soviet relations and on our ties to the democratic states of Europe and Asia. In Europe, especially in the FRG, there will be debates over the historic decisions which divided Germany and created two military alliances. The West Germans are already nervous about being isolated from their Western allies in the anniversary festivities and the Japanese will probably be anxious as well. In the US, Congressional interest will be high, and various private veterans, Jewish or peace groups will wish to participate in these occasions to further their own causes.

The focal point of the anniversaries in Europe will be V-E Day—May 8. You and the leaders of all the major participants in the war except the Soviets and the Chinese will be in Bonn May 2–4 for the 1985 Economic Summit. Chancellor Kohl undoubtedly scheduled the Summit on these dates in order to draw a connection to the V–E Day anniversary. We will need to consult closely with our allies to ensure that an appropriate commemoration is arranged.

If well handled, events connected with these anniversaries can serve important American interests. We can use the public attention focussed on the commemorations to stress the unity of democratic nations which emerged from the war, while at the same time stressing our desire for reconciliation among all nations, East and West. However, without a well thought-out, positive and forward-looking approach we could find ourselves at odds with important allies and at a disadvantage vis-a-vis Soviet efforts to use the commemorations for their own purposes. The Soviets have already launched a major program at home and abroad, stressing their role and downplaying the contribution of the US and other Western allies. The Soviets are arguing that the postwar order is unchangeable and are attacking us for trying to alter it.

Policy Implications

Our policy concerning the anniversaries will take account of several basic questions, including:

—How to deal with the Soviet Union. Ideally, these anniversaries could provide an impulse to improved ties with the USSR, but

²See footnote 12, Document 8.

the Soviets must be willing to cooperate. If they concentrate their commemoration on anti-American or anti-German themes, we must reply. There is also likely to be considerable pressure for a US-Soviet summit in connection with these anniversaries. I am considering how best to approach the issue with the Soviets. My January meeting with Gromyko might provide an opportunity to broach this issue.³

—The best means to organize a Western commemoration. The Bonn economic summit is the most likely focus for a Western commemoration. Chancellor Kohl may wish to add a commemorative ceremony to summit activities. We should discuss this aspect in detail with the Germans and other allies. Kohl's visit this week could provide a chance for a first exchange.⁴

—Whether to add more events to your German trip. We can expect a German request that you visit Berlin again in May. Visiting Berlin would provide an excellent opportunity to stress our view of the meaning of V-E day. If we desire, it could also provide an opportunity for a joint commemoration with the Soviets, but managing the symbolism of such an event—the victorious Allies meeting in the still-divided German capital—would be difficult.

—How best to include Japan. We will of course work with the Japanese on the special V-J day aspects, but we should also seek to include Japan in the "Western" observance. Again, the economic summit provides an excellent vehicle. Japanese Prime Minister Nakasone's January visit could provide a chance for an initial exchange of views.⁵

³ Shultz was scheduled to meet with Gromyko in Geneva to discuss strategic arms, January 7–8, 1985. Documentation on their meeting is in *Foreign Relations, 1981–1988*, vol. IV, Soviet Union, January 1983–March 1985, Documents 355–358.

⁴ November 29–30. Documentation is scheduled for publication in *Foreign Relations, 1981–1988*, vol. VII, Western Europe, 1981–1984.

⁵ Nakasone was scheduled to make an official working visit to Los Angeles, January 1–2, 1985. Documentation on the President's January 2 meeting with Nakasone is scheduled for publication in *Foreign Relations, 1981–1988*, vol. XXXI, Japan; Korea, 1985–1988. Following their meeting, the President and Nakasone offered remarks to the press. For the text, see *Public Papers: Reagan, 1985*, Book I, pp. 2–4. Also, on January 2, Shultz paid a courtesy call on Nakasone at the Century Plaza Hotel. In telegram 4340 to Tokyo, January 5, the Department sent a summary of the meeting, indicating that Nakasone "noted that this year marks the 40th anniversary of the end of World War II. He would emphasize the progress Japan has made in developing a true democracy, and in connection with the ceremonies commemorating the 40th anniversary, he would also stress the importance of U.S.-Japanese friendship." (Department of State, Central Foreign Policy File, Electronic Telegrams, N850001–0105)

—Which themes to stress. The best way to turn the anniversaries into opportunities with our allies and with the USSR is to offer a positive message. A strong and attractive approach would be:

- We and our allies used the defeat of fascism and militarism to build a new world on the basis of democracy, reconciliation, freedom, prosperity and peace, while the Soviets did not;

- We have built further on these achievements at Helsinki and elsewhere to ease the tensions and hardships caused by Soviet rejection of a democratic course.

- While we are not seeking to revise the post-1945 territorial settlement in Europe, our goals remain to overcome the division of Europe and erase the danger of war between East and West. We intend to pursue this approach and invite the Soviets to join us in seeking mutual arrangements permitting reduction of tensions and peaceful change in Europe, to the betterment of all our peoples.

Our message to the Soviets should stress our desire for peace. To our allies, we should underline the important contribution our democratic experience has made in realizing our common goals. We should also underline our common conviction that peace and democracy must go together. Peace cannot be assured if human aspirations are not set free. We should not hide our cooperation with the Soviets during World War II, but we should stress the kind of world we had hoped to build and which we are still striving for. This is the positive lesson to be learned from World War II.

I have directed the Department's European and East Asian and Pacific Bureaus to take the lead in coordinating our official participation in these World War II commemorations, consistent with the general policy considerations outlined in this memorandum. We intend to commence discussions with major allies, especially the West Germans and the Japanese, as soon as possible. I will provide more detail to Bud McFarlane as our discussions progress and will keep you informed of policy issues as they arise.

221. Memorandum From the President's Assistant for National Security Affairs (McFarlane) to President Reagan¹

Washington, December 6, 1984

SUBJECT

U.S. Strategy on World War II Anniversaries

Secretary Shultz has sent you a memo (Tab A) outlining the various policy considerations that we must address in managing the series of anniversaries that will commemorate the 40th Anniversary of the end of World War II.² You will remember the German sensitivities that Chancellor Kohl expressed so eloquently last Friday,³ as well as his invitation for you to extend your stay in Germany for two days, beyond the Bonn Summit.

We have an approach in mind which would avoid embarrassing the Germans and would keep us from being in a defensive position should the Soviets invite us to their ceremonies. Subject to British, French and German agreement, we could invite the Soviets and East Germans to a joint commemoration ceremony celebrating the end of World War II and the defeat of Nazism—perhaps in Berlin (in both East and West). Our central theme would be reconciliation. The Soviets would likely reject such an invitation, but we would be better positioned to turn down a Soviet invitation designed to exclude the West Germans, and call attention to alleged German revanchism.

George will be seeing his colleagues at the NATO Ministerial meeting in Brussels next week, and I am asking him to consult with the British, French and Germans about their plans and their views on Soviet participation.⁴ Based on these consultations, I will ask George to

¹ Source: Reagan Library, European and Soviet Affairs Directorate, NSC Records, Subject File, U.S. Foreign Policy; NLR-170-13-47-9-8. Secret. Sent for information. A copy was sent to Bush. The President initialed the top right-hand corner of the memorandum. A stamped notation reads: "The President has seen." Under a December 3 covering memorandum, Matlock and Sommer sent McFarlane the copy of Shultz's November 29 memorandum (Document 220), noting that it "aptly outlines the various policy considerations, but is woefully short on specifics," and the memorandum to the President printed here, recommending that he sign it. (Ibid.)

² See Document 220.

³ November 30.

⁴ In a December 6 memorandum to Shultz, McFarlane wrote: "Your trip to Brussels offers an opportunity to begin consultations. Indeed, you may wish to inform the British and French in advance so they would be in a position to respond. If you consider the idea outlined above sound, you may inform the British and French that the President has asked if it would not be best to seize the high ground by inviting the Soviets and East Germans to participate in a joint ceremony. You could also inform the British and French of Kohl's invitation for the President to extend his stay in Germany, and that the President

(Footnote continues on next page)

make specific recommendations concerning your participation, Allied and Soviet participation, and the possible extension of your stay in Germany.⁵

is inclined to accept, schedule permitting. Following your discussion with the British and the French, we ask that you seek German views on proposals that might be made to the East.” (Reagan Library, European and Soviet Affairs Directorate, NSC Subject File, U.S. Foreign Policy; NLR–170–13–47–7–0)

⁵ In a memorandum to McFarlane, January 11, 1985, Matlock, Cobb, and Sommer expressed their concern that the United States had not “directed sufficient attention” toward the commemoration of the various anniversaries. They noted, “While State addressed the anniversaries in general terms during Shultz’s bilaterals on the margins of NATO’s Ministerial meeting in Brussels, the Department still has not sent us any specific policy recommendations. We have continued to voice our concern to EUR that the USG has no definitive plan for commemorating these anniversaries. The NSC staff members attached a memorandum addressed from Kimmitt to Platt, Executive Secretary of the Department of Defense Colonel R.J. Affourtit, and USIA Chief of the Executive Secretariat C. William LaSalle, directing them to provide the NSC with a “coordinated, specific plan” and “recommended policy guidelines” for the commemorations. McFarlane approved the recommendation that Kimmitt sign the memorandum. (Reagan Library, European and Soviet Affairs Directorate, NSC Records, Subject File, U.S. Foreign Policy; NLR–170–13–48–20–4) The undated copy of Kimmitt’s memorandum to Platt, Affourtit, and LaSalle is in the Reagan Library, European and Soviet Affairs Directorate, NSC Subject File, U.S. Foreign Policy; NLR–170–13–48–13–2.

222. Address by Secretary of State Shultz¹

New York, December 9, 1984

The Ethics of Power

Mr. President, Mr. Chairman, my dear friend Rabbi Israel Miller—of course, my colleague, Foreign Minister/Deputy Prime Minister Shamir. Probably all of you don’t quite realize the closeness that foreign ministers tend to feel for each other, and I have had quite an association with the Foreign Minister of Israel. He’s done wonders for the morale of those of us in the foreign ministry business because, you see, when he was promoted from Foreign Minister to Prime Minister, I wrote him a little note, and I said, “My friend, don’t forget your fellows still

¹ Source: Department of State *Bulletin*, February 1985, pp. 1–3. Shultz delivered the address at the convocation of Yeshiva University.

working down there in the foreign ministry business." And what did he do? He held on to that foreign minister portfolio. So he raised our standing tremendously. I'm very honored to receive this degree from Yeshiva University and, of course, in such special company and including, of course, the company of the Foreign Minister of Israel.

Tonight's Hanukkah dinner commemorates the miracle of 2,100 years ago. The flame has been a symbol for the Jewish people throughout history. Despite centuries of persecution, the spirit and the purpose of the Jewish people have burned brightly through the darkest times; today they are more vital and vibrant than ever. This is a miracle, too. But it derives in no small part from the Jewish people's faith and dedication to your vocation as people of the word and people of the book. Your courage and moral commitment are an inspiration and example to all of us who value our great common heritage of freedom and justice.

Today, as we meet, a terrible tragedy is taking place on the other side of the globe. The atrocity of the terrorist hijacking in Tehran continues—a brutal challenge to the international community as well as to the most elementary standards of justice and humanity.² One way or another, the law-abiding nations of the world will put an end to terrorism and to this barbarism that threatens the very foundations of civilized life.

Until that day comes, we will all have to wrestle with the dilemmas that confront moral people in an imperfect world. As a nation, we once again face the moral complexity of how we are to defend ourselves and achieve worthy ends in a world where evil finds safe haven and dangers abound.

Today's events make this topic especially relevant, but, in fact, it is an old issue. As you know so well, philosophers and sages have grappled with it for centuries, engaging the great questions of human existence: what is the relationship between the individual and his or her God, between the individual and his or her community, and between one's community and the rest of the world? How do we make the difficult moral choices that inevitably confront us as we seek to ensure both justice and survival? The Bible and the commentaries in the Talmud provide many answers; they also leave many questions unanswered, which accurately reflects the predicament of humankind.

As Americans, we all derive from our Judeo-Christian heritage the conviction that our actions should have a moral basis. For the true source of America's strength as a nation has been neither our vast

² Reference is to the December 4 hijacking of a Kuwait Airlines flight from Kuwait to Pakistan. The flight was diverted to Tehran. The hijackers killed two AID officials and released a number of hostages. Ultimately, on December 9, Iranian forces captured the hijackers and freed the remaining hostages.

natural resources nor our military prowess. It is, and has always been, our passionate commitment to our ideals.

Unlike most other peoples, Americans are united neither by a common ethnic and cultural origin nor by a common set of religious beliefs. But we *are* united by a shared commitment to some fundamental principles: tolerance, democracy, equality under the law, and, above all, freedom. We have overcome great challenges in our history largely because we have held true to these principles.

The ideals that we cherish here at home also guide us in our policies abroad. Being a moral people, we seek to devote our strength to the cause of international peace and justice. Being a powerful nation, we confront inevitably complex choices in how we go about it. With strength comes moral accountability.

Here, too, the intellectual contribution of the Jewish tradition has provided a great resource. The Talmud addresses a fundamental issue that this nation has wrestled with ever since we became a great power with international responsibilities: how to judge when the use of our power is right and when it is wrong. The Talmud upholds the universal law of self-defense, saying, "If one comes to kill you, make haste and kill him first." Clearly, as long as threats exist, law-abiding nations have the right and, indeed, the duty to protect themselves.

The Talmud treats the more complicated issue as well: how and when to use power to defend one's nation *before* the threat has appeared at the doorstep. Here the Talmud offers no definitive answer. But it is precisely this dilemma that we most often confront and must seek to resolve.

The Need to Combine Strength and Diplomacy

For the world's leading democracy, the task is not only immediate self-preservation but our responsibility as a protector of international peace, on whom many other countries rely for their security.

Americans have always believed deeply in a world in which disputes were settled peacefully—a world of law, international harmony, and human rights. But we have learned through hard experience that such a world cannot be created by good will and idealism alone. We have learned that to maintain peace we had to be strong, and, more than that, we had to be willing to use our strength. We would not seek confrontation, but we learned the lesson of the 1930s—that appeasement of an aggressor only invites aggression and increases the danger of war. Our determination to be strong has always been accompanied by an active and creative diplomacy and a willingness to solve problems peacefully.

Americans, being a moral people, want our foreign policy to reflect the values we espouse as a nation. But, being a practical people, we also want our foreign policy to be effective. And, therefore, we are constantly

asking ourselves how to reconcile our morality and our practical sense, how to relate our strength to our purposes—in a word, how to relate power and diplomacy.

How do we preserve peace in a world of nations where the use of military power is an all-too-common feature of life? Clearly, nations must be able to protect themselves when faced with an obvious threat. But what about those gray areas that lie somewhere between all-out war and blissful harmony? How do we protect the peace without being willing to resort to the ultimate sanction of military power against those who seek to destroy the peace?

Americans have sometimes tended to think that power and diplomacy are two distinct alternatives. This reflects a fundamental misunderstanding. The truth is, power and diplomacy must always go together, or we will accomplish very little in this world. Power must always be guided by purpose. At the same time, the hard reality is that diplomacy not backed by strength will always be ineffectual at best, dangerous at worst.

As we look around the world, we can easily see how important it is that power and diplomacy go hand in hand in our foreign policies.

In the Middle East, for instance, the United States is deeply and permanently committed to peace. Our goal has been to encourage negotiation of a peaceful settlement of the Arab-Israeli conflict. At the same time we have an ironclad commitment to the security of Israel. We believe that Israel must be strong if a lasting peace in the region is to be achieved. The Israeli people must be sure of their own security. They must be sure that their very survival can never be in danger, as has happened all too often in the history of the Jewish people. And everyone in the region must realize that violence, aggression, and extremism cannot succeed, that negotiations are the only route to peace.

In Central America, aggression supported by Nicaragua, Cuba, and the Soviet Union threatens the peace and mocks the yearning of the people for freedom and democracy. Only a steady application of our diplomatic and military strength offers a real hope for peace in Central America and security for the hemisphere. We have sought a dialogue with the Nicaraguan leadership. We have given full support to the Contadora peace efforts. We have provided political and economic support to those in the region who are working for peace and freedom. But we have also provided defense assistance to the region to help establish a shield behind which effective diplomacy can go forward.

I don't know whether any of you have looked closely at the Great Seal of our country that shows the eagle with its two talons. In one is an olive branch, and the eagle is looking at the olive branch, signifying our desire for peace and reconciliation. But in the other are arrows,

symbolizing just this point that I have made, right in the Great Seal of our Republic.

It is as true in our relations with the Soviet Union, and on the issue of arms control, that diplomacy alone will not succeed. We have actively sought negotiation with the Soviet Union to reduce the nuclear arsenals of both sides, but we have also continued to modernize our own forces to ensure our security and that of our friends and allies. No arms control negotiation can succeed in conditions of inequality. Only if the Soviet leaders see the West as determined to modernize its own forces will they see an incentive for agreements setting equal, verifiable, and lower levels of armament.

The Legitimate Use of Power

The need to combine strength and diplomacy in our foreign policies is only one part of the answer. There are agonizing dilemmas inherent in any decision to use our power. But we do not have to look hard to find examples where the use of power has been both moral and necessary.

A week ago, an election was held on the island of Grenada—the first free election held in that country since 1976.³ If we had not shown the will to use our strength to liberate Grenada, its people would yet be under the tyrant's boot, and freedom would be merely a dream.

Grenada is a tiny country. Although there were some tough actions, as military campaigns go, it was quickly done. But the *moral* issue it posed was of enormous importance for the United States.

What we did was liberate a country, turn it back to its own people, and withdraw our forces. We left—even though Grenadians begged us to stay. The American people understood immediately that we had done something good and decent in Grenada—something we could be proud of—even if a few Americans were so mistrustful of their own society that they feared *any* use of American power. I, for one, am thankful that the President had the courage to do it. Yes, Grenada was a tiny island and relatively easy to save. But what would it have meant for this country—or for our security commitments to other countries—if we were afraid to do *even that*?

We have to accept the fact that often the moral choices will be much less clearly defined than they were in Grenada. Our morality, however, must not paralyze us. Our morality must give us the strength to act in difficult situations. This is the burden of statesmanship.

And while there may be no clear resolutions to many of the moral dilemmas we will be facing in the future, neither should we be seduced

³ Elections took place in Grenada on December 3.

by moral relativism. I think we *can* tell the difference between the use and abuse of power. The use of power is legitimate:

- *Not* when it crushes the human spirit and tramples human freedom, but when it can help liberate a people or support the yearning for freedom;
- *Not* when it imposes an alien will on an unwilling people, but when its aim is to bring peace or to support peaceful processes; when it prevents others from abusing *their* power through aggression or oppression; and
- *Not* when it is applied unsparingly, without care or concern for innocent life, but when it is applied with the greatest efforts to avoid unnecessary casualties and with a conscience troubled by the pain unavoidably inflicted.

Our great challenge is to learn to use our power when it can do good, when it can further the cause of freedom and enhance international security and stability. When we act in accordance with our principles and within the realistic limits of our power, we can succeed. And on such occasions we will be able to count on the full support of the American people. There is no such thing as guaranteed public support in advance. Grenada shows that a president who has the courage to lead will *win* public support if he acts wisely and effectively. And Vietnam shows that public support can be frittered away if we do not act wisely and effectively.

Americans will always be reluctant to use force. It is the mark of our decency. And, clearly, the use of force must always be a last resort, when other means of influence have proven inadequate. But a great power cannot free itself so easily from the burden of choice. It must bear responsibility for the consequences of its inaction as well as for the consequences of its action. In either case, its decision will affect the fate of many other human beings in many parts of the world.

One need only consider, again, the tragic result of the failure to use military force to deter Hitler before 1939. If the democracies had used their power prudently and courageously in the early stages of that European crisis, they might have avoided the awful necessity of using far greater force later on, when the crisis had become an irreversible confrontation.

Those responsible for making American foreign policy must be prepared to explain to the public in clear terms the goals and the requirements of the actions they advocate. And the men and women who must carry out these decisions must be given the resources to do their job effectively, so that we can count on success. If we meet these standards, if we act with wisdom and prudence, and if we are guided by our nation's most fundamental principles, we will be a true champion of freedom and bulwark of peace.

If one were looking for a model of how nations should approach the dilemmas of trying to balance law and justice with self-preservation, one need look no further than Israel. It is not that Israel has made no mistakes in its history. In this world, that is too much to ask of any nation. But the people of Israel, in keeping with their tradition, have engaged in open, continual, and enlightened debate over the central question of when it is just and necessary to use power. It is all the more praiseworthy when one considers the great perils to its survival that Israel has faced throughout its history. Its need for strength should be self-evident; yet Israelis never consider the issues of war and peace without debating in terms of right and wrong.

We in America must be no less conscious of the moral responsibility inherent in our role as a great power and as a nation deeply devoted to justice and freedom. We look forward to the day when empire and tyranny no longer cast a shadow over the lives of men and women. We look forward to the day when terrorists, like the hijackers in Tehran, can find not one nation willing to tolerate their existence. But until that day comes, the United States will fulfill the role that history has assigned to us.

The United States must be a tireless sentinel of freedom. We must confront aggression. We must defend what is dear to us. We must keep the flame of liberty burning forever, for all mankind.

Our challenge is to forge policies that keep faith with our principles. We know, as the most powerful free nation on Earth, that our burden is great, but so is our opportunity to do good. We must use our power with discretion, but we must not shrink from the challenges posed by those who threaten our ideals, our friends, and our hopes for a better world.

223. Editorial Note

On December 19, 1984, Secretary of Defense Caspar Weinberger delivered remarks at the Foreign Press Center. Weinberger noted that prior to President Ronald Reagan's reelection, the President "told the American people where he stood on the most important issue before us: how to prevent nuclear war and build a more secure world, so that this generation—and future generations—will live in peace with freedom.

"President Reagan has made it clear that he wants to reduce the threat of all nuclear weapons, particularly the most dangerous

ones—the nuclear-tipped ballistic missiles. By strengthening conventional forces—through both traditional and new technologies—he has begun with our allies to restore a balanced deterrent and to reduce reliance on nuclear arms in Europe. And now, by initiating a research and technology program on defenses against ballistic missiles, he has opened the door to a future in which nuclear missiles will become less and less capable of their awful mission, until we could hope for the day when the threat of nuclear weapons could be removed entirely.

“The American people have overwhelmingly endorsed these objectives. In the second Reagan administration, the President is determined to meet his commitment to the American people . . . and to America’s allies. For in presenting the challenge of strategic defense, he said of our global allies: ‘their safety and ours are one; no change in technology can, or will, alter that reality.’

“This journey to a safer world will not be easy, . . . nor short. The strategic defense research program will have to bear fruit before we will be in a position to make any decisions on deployment options. I am confident, though, that we can master the technical task before us, as we have accomplished so many other technical miracles in the past.

“For twenty years now, the Soviet nuclear missile forces that threaten our nation and our allies have grown relentlessly. I am afraid they will continue to do so, unless we can convince the Soviet leadership that we can mutually agree to reduce the nuclear ballistic arsenals through negotiations. We are also embarked on a program that we, and I am sure all men and women of good will, hope will render these missiles impotent and obsolete. The President’s Strategic Defense Initiative can contribute to curbing strategic arms competition by devaluing nuclear missiles and thus imposing prohibitively high costs on the Soviets, if they continued in their quest for missile superiority.

“In the 1960’s and early 1970’s, we had different expectations. For example, one of my predecessors even predicted the Soviets would be satisfied with a few hundred ballistic missiles. He said they had given up trying to match, much less surpass, our strategic force. We thought our self-restraint in offensive nuclear forces, combined with a ban on missile defenses, would lead the Soviets also to restrain *their* offensive arms, abandon defenses, and accept mutual nuclear deterrence between our countries for the indefinite future. The United States acted on this expectation.

“Through the 1960’s until the end of the 1970’s, we cut the budget for nuclear forces every year. Today, the total megatonnage of the U.S. stockpile is only one-fourth the size of our 1959 stockpile. Seventeen years ago, we had one-third more nuclear warheads than we do today. We thought this would induce the Soviets to restrain the growth of their nuclear forces.

“We also thought we could reinforce Soviet restraint and facilitate limits on offensive arms by guaranteeing our own total vulnerability to a Soviet ballistic missile attack. We unilaterally gave up all defense, not only of our cities, but of our Minuteman silos as well. We did so even though the ABM Treaty permitted each side one ABM site. Advocates of this policy reasoned that if the Soviets could easily strike American cities, they would have no incentive to deploy more missiles.

“In the mid-1970’s, however, the scope and vigor of the Soviet build-up became apparent. Once more, we tried to restore stability by negotiating the SALT II Treaty. Despite the lessons of SALT I, American negotiators again expected that the Soviets would curb their build-up if we continued to deny ourselves protection against Soviet missiles.

“Again, we were wrong. Improvements and additions to the Soviet missile force continue at a frightening pace, even though we have added SALT II restraints on top of the SALT I agreements. The Soviet Union has now built more warheads capable of destroying our missile silos than we had initially predicted they would build, even without any SALT agreement. We now confront precisely the condition that the SALT process was intended to prevent. That is why the President and I have always criticized the SALT II agreement so vigorously. It will *not* reduce arsenals. And the so called ‘limitation’ of arms permitted, and indeed accepted, the Soviets build-up of nuclear arms.

“Moreover, as the President reported to Congress, the Soviet Union has violated several important SALT provisions, including a ban on concealing telemetry of missile tests. Since that provision was designed to allow verification of the SALT Agreement, even President Carter stressed that ‘a violation of this part of the agreement—which we would quickly detect—would be just as serious as a violation on strategic weapons themselves.’

“The vast majority of Americans are deeply concerned about this pattern of Soviet violations. Yet some people who pride themselves on their expertise and concern for arms control have taken an upside down view. Instead of recognizing the problem of Soviet violations, they have criticized President Reagan for informing Congress about those violations. They argue that this showed he was ‘not sincere’ about arms control; as if sincerity required that we ignored Soviet violations.

“I do not wish to be captious about past mistakes. My point here is that we must learn from experience. Some people who refused to learn from the past now assert that President Reagan must choose between having his initiative on strategic defense, or trying to obtain set arms reductions. Yes, a choice is necessary. But the choice is between a better defense policy that offers hope and safety and which could bring us genuine and significant reductions, or to continue with only disproven strategic dogmas that have put us in a far less secure position.

“The real choice is between strategic defense which will facilitate genuine reductions in offensive arms with greater security for East and West; or a perpetuation of our total vulnerability to any attacking missiles—whether launched by accident or by design—in the hope, twice proven vain, that this would slow the Soviet arms build-up.

“We are all agreed that nuclear war must be prevented. This is the overriding imperative for our defense policy today, and has been for decades. However, we need to recall the United States and the Soviet Union have experienced vast changes in their relative strength, in their basic strategies, and in the types and number of weapons each possesses.

“During the first four years of the nuclear era, there was no *mutual* nuclear deterrence—we had a monopoly. Because the monopoly was ours, no one seriously feared nuclear war. Even Stalin—often described as defensive minded—violated the Yalta Agreement on Poland, crushed democracy in Czechoslovakia, blockaded Berlin, and encouraged North Korea’s attack on South Korea. He had no fear, paranoid or otherwise, that the U.S. would use its nuclear monopoly to maintain compliance with Yalta, much less to launch an unprovoked attack.

“Later, when the Soviet Union also built nuclear weapons, there was still no mutual deterrence based on absolute vulnerability. For during the 1950’s we spent some \$100 billion (in current dollars) to defend against Soviet strategic bombers—then the only nuclear threat to the United States. At that time, some of today’s loudest critics of strategic defense advocated a large expansion of defensive systems against the bomber threat, and urged development and deployment of a ballistic missile defense for both our cities and our critical military forces.

“It was not until the Kennedy and Johnson administrations that we began to abandon our efforts to defend against nuclear attack, and instead base our entire security on the odd theory that you are safe only if you have no defense whatsoever. It came to be known as Mutual-Assured Destruction, or MAD. It has played a central role in the U.S. approach to arms control for the past 20 years; even though for many years now, actual U.S. strategy has adjusted to the fact that the original MAD concept was flawed. Our strategy has moved well beyond this to the point that it now seeks to avoid the targeting of populations.

“Today, supporters of the traditional simplistic MAD concept supply most of the criticisms of the President’s Strategic Defense Initiative. Sometimes they admit that if both sides could protect themselves perfectly the world would be better off, but they oppose any effort, including seeking major arms reductions, that could move the world in that direction.

“True believers in the disproven MAD concept hold that the prime, if not the only, objective of the strategic nuclear forces of both the United States and the Soviet Union is the ability to destroy each other’s cities. They believe that any U.S. defense against this threat is ‘destabilizing.’ It will, they say, inevitably provoke an overwhelming increase in Soviet forces and will increase Soviet incentives to strike preemptively in a crisis. They fail to appreciate the deterrent value of missile defenses, because they wrongly project upon the Soviet military their own irrational idea of the purpose of a Soviet attack. In fact, the Soviet military have designed their offensive forces to be capable of destroying Allied and U.S. military forces, in particular our silo-based missiles and military targets in Europe. At the same time, the Soviet Union has never abandoned its objective of defending its homeland against nuclear attack.

“The ABM Treaty never blinded the Soviets to the need for effective defenses. They have continued to place great emphasis on aid defense. They are now ready to deploy a defense system with capabilities against both aircraft and many ballistic missiles. They have a massive program of underground shelters. They have built five ABM radars, with another one under construction, that give them double coverage of all ICBM approaches to the Soviet Union; and they have exploited fully the provisions of the ABM treaty and—what is more—almost certainly violated it, as they advance their capacity for deployment of a widespread ballistic missile defense. Since the signing of the ABM Treaty, the Soviet Union has spent more on strategic defensive forces than on strategic offensive forces. Clearly, the Soviets do not share the MAD philosophy that defenses are bad.

“So, it is quite wrong to argue that the President’s initiative on strategic defense would ‘upset 35 years of mutual deterrence,’ and spoil a successful approach to arms control and stability. On the contrary, the President’s initiative will finally correct the conventional wisdom, which is so often wrong.

“As we proceed, we will of course not give up our triad of deterrent offensive systems. Rather, we continue to maintain deterrence, and indeed strengthen and modernize all three elements of our triad, because we do not know when we will actually be in a position to put our strategic defense system in place. But reliance exclusively on these offensive systems, without pursuing effective defenses, condemns us to a future in which our safety is based only on the threat of avenging aggression. Our safety and that of our allies should be based on something more than the prospect of mutual terror.

“Another mistake critics of strategic defense make is to contend that effective defense is technically unobtainable. History is filled with flat predictions about the impossibility of technical achievements that we have long since taken for granted. Albert Einstein predicted in 1932:

'There is not the slightest indication that [nuclear] energy will ever be obtainable. It would mean that the atom would have to be shattered at will.'

"Based on our research so far, we cannot now say how soon we will be in a position to make decisions on defensive options; nor can we today describe all the specific forms of such defenses. But clearly, the Soviet military and their scientists at least are confident that strategic missile defenses will be effective. Their extensive effort to acquire such defenses gives ample evidence of their conviction, as does their major effort to stop us from proceeding with our defense initiative.

"We all recognized from the outset that a complete system, or combination of systems, for strategic defenses could not be deployed overnight. There could be a transition period when some defenses would be deployed and operating before others would be ready. Some have argued that this transition would be particularly dangerous, that it would upset the present deterrent system without putting an adequate substitute in its place.

"The opposite is the case. If properly planned and phased, the transitional capabilities would strengthen our present deterrent capability, which is one of President Reagan's high priorities. In fact, they could make a major contribution to the prevention of nuclear war, even before a fully effective system is deployed.

"If the Soviet leaders ever contemplated initiating a nuclear attack, their purpose would be to destroy U.S. or NATO military forces that would be able to oppose the aggression. Defenses that could deny the Soviet missiles the military objectives of their attack, or deny the Soviets confidence in the achievement of those objectives, would discourage them from even considering such an attack, and thus be a highly effective deterrent.

"But we would not want to let efforts towards a transitional defense exhaust our energies, or dilute our efforts to secure a thoroughly reliable, layered defense that would destroy incoming Soviet missiles at *all* phases of their flight. Such a system would be designed to destroy weapons not people. With such a system we do not even raise the question of whether we are trying to defend missiles or cities. We would be trying to destroy Soviet missiles by non-nuclear means. And I emphasize again—by non-nuclear means—before the Soviet missiles get near any targets in this country or in the Alliance. The choice is not between defending people or weapons. Even the early phases in deployment of missile defenses can protect people. Our goal is to destroy *weapons* that kill people.

"Thus, based on a realistic view of Soviet military planning, the transition to strategic defense would not be destabilizing. In fact, initial defense capabilities would offer a combination of benefits. They would

contribute to deterrence by denying Soviet attack goals. And should deterrence ever fail, they would save lives by reducing the scope of destruction that would result from a Soviet military attack. The more effective the defenses, the more effective this protection would be. This objective is far more idealistic, moral, and practical than the position taken by those who still adhere to the Mutual-Assured Destruction theory, namely that defenses must be totally abandoned.

“I know that some Europeans fear that our pursuit of the defense initiative would tend to ‘decouple’ America from Europe. This is quite wrong. The security of the United States is inseparable from the security of Western Europe. As we vigorously pursue our strategic defense research program, we work closely with all our allies to ensure the program benefits our security as a whole.

“In addition to strengthening our nuclear deterrent, such defenses would also enhance NATO’s ability to deter Soviet aggression in Western Europe by reducing the ability of Soviet ballistic missiles to put at risk those facilities essential to the conventional defense of Europe—airfields, ports, depots, and communications facilities, to name just a few examples. An effective strategic defense would create great uncertainties in the mind of the aggressor, reduce the likelihood of a successful conventional attack on Western Europe, and thereby reduce the chance the Soviet Union would contemplate such an attack in the first place.

“Yet some of the discussions of the President’s initiative, are based on the assumption that the United States can prevent indefinitely Soviet deployment of defenses merely by abstaining from *our* research and technology program.

“Soviet history, the doctrines elaborated by their military leadership, and their current programs amply show that the Soviet leaders do not feel they are restrained by the ABM Treaty’s prohibition against a widespread defense against ballistic missiles. If the Soviets develop such a system from their intensive research program, in all probability they will deploy it.

“Recent political comment on the relationship of arms control and strategic defense fails to confront that reality. Our Strategic Defense Initiative truly is a bold program to examine a broad range of advanced technologies to see if they can provide the United States and its allies with greater security and stability in the years ahead by rendering ballistic missiles obsolete. We have approached this program from the beginning according to the principle that SDI and arms control should work together . . . that each can make the other more effective. SDI is a research and development program that is being conducted completely within the ABM Treaty.

“In the near term, our initiative on strategic defense also provides a powerful deterrent to a Soviet breakout from the ABM Treaty, a

prospect made more worrisome by recent compliance questions—such as the new Soviet radar which is almost certainly in violation of the ABM Treaty. Our strategic defense research program also makes clear that we take seriously the Soviet build-up in offensive arms. We have reminded the Soviet Union that both sides agreed to the ABM Treaty in the first place, with the understanding that it would be followed by effective limitations on offensive arms. The Strategic Defense Initiative is not only the strongest signal we can send that we mean what we agreed to, it is the only real hope for a future without nuclear weapons. So we cannot accept the refusal of the Soviet Union to agreed to real reductions in offensive arms, as we pursue the Strategic Defense Initiative.

“In the long term, strategic defense may provide the means by which both the United States and the Soviet Union can safely agree to very deep reductions and, someday, even the elimination of nuclear arms. Many *talk* about such reductions, but we are *working* on the means by which they could actually come about without creating dangerous instabilities. We have sought to engage the Soviet Union in comprehensive discussions on how to make arms reductions more effective in the near term and on how to provide a safer future for all mankind.

“This is not a process that will be aided by partisan or uninformed rhetoric aimed at forcing unilateral restraint upon the United States, as the history of the ABM Treaty itself has shown us that.

“Progress toward a more secure future will, instead, require both a determined strategic defense R&D effort, and persistent and patient dialogue with the Soviet Union in the months and years ahead.

“Of course, we must negotiate with the Soviet Union—not for the purpose of freezing forever the vast numbers of existing warheads or permitting more and more of them—as SALT II did—with their hideous threat of total destruction and mutual vulnerability. No, we should negotiate with them to find a path to escape from that horror. That is why President Reagan holds before us the vision of a future world free from the threat of nuclear destruction. We must try to get the Soviet Union to join us in making such threats impotent, so that we can someday rid the world of the nuclear arms that underly such threats. This goal may seem far away, but difficulties should never cloud an inspired vision, nor slow us in our constant striving to realize that vision for all humanity. Let us move on to the bright, sunny upland where there is hope for a better future for all, of which we all dream.” (News Release, Office of Assistant Secretary of Defense (Public Affairs), No. 648-84, December 19, 1984; *Public Statements of Caspar W. Weinberger, Secretary of Defense, 1984*, volume IV, pages 2524-2529; all brackets are in the original.)

Foundations of Foreign Policy, 1985

224. Memorandum From Donald Fortier and Stephen Sestanovich of the National Security Council Staff to the President's Assistant for National Security Affairs (McFarlane)¹

Washington, January 2, 1985

SUBJECT

Yalta

This year's World War II anniversaries will affect our Soviet policy, our alliance management, and our public diplomacy. The most important of these—VE Day—has already surfaced in the Bonn Summit preparations.² But we also need an approach to the anniversary of Yalta,³ which raises issues like the division of Europe, Soviet compliance with agreements, etc. It is only a month off. How we position ourselves on this first case will make later anniversaries that much easier (or harder) to handle.

We have three audiences—domestic (Polish and other groups will sound the cry to “renounce Yalta”); allied (before agreeing to include the Soviets in VE Day observances, the FRG may want to see we won't sacrifice German interests for superpower atmospherics); and the Soviets themselves. Our message to all three audiences must reflect the ambivalence of the anniversaries: *they recall both an era of US-Soviet cooperation and the collapse of cooperation in the face of unacceptable Soviet actions.*

Our established line on Yalta—that it must be *observed*, not discarded—sends the right message. Shultz has said this often (even to Gromyko) and has a strong interest in the issue. The anniversary, in short, doesn't require a new line, but it does challenge us to show that the old line isn't just an evasion.

¹ Source: Reagan Library, European and Soviet Affairs Directorate, NSC Records, Subject File, U.S. Foreign Policy; NLR-170-13-48-11-4. Confidential. Sent for information. Copies were sent to Matlock, Sommer, and Dobriansky.

² The G-7 Economic Summit meeting was scheduled to take place in Bonn, May 2-4.

³ See footnote 5, Document 168 and Documents 220 and 221.

Brzezinski's recent articles (his *Times* piece is at Tab A)⁴ offer an agenda of general but interesting suggestions for meeting this challenge. His proposals cover both the short-term (commemorating the anniversary with a joint statement by Western heads of government) and the long (encouraging European defense, bringing East Europeans into European institutions). We'll hear more such ideas, from him and others.

Our concern now is with short-term commemorative measures, but we need to coordinate them with our planning for 1985 as a whole. There are obviously many possibilities: e.g., CDE speeches by Western reps, a Shultz or Kirkpatrick address in the Security Council, a White House statement, Bush to the European Parliament, etc. Some of these would take quite a lot of advance work, and may not be feasible at this late date; others may be possible now, but only if we get to work immediately. Our intention is to form a subcommittee of the NSC summit review group to ensure that treatment of these important related events is imaginative and consistent. I'll have some recommendations for you after Geneva.⁵

⁴ Attached but not printed is Zbigniew Brzezinski, "To End Yalta's Legacy," *New York Times*, December 27, 1984, p. A21.

⁵ See footnote 3, Document 220.

225. Memorandum From Donald Fortier, Stephen Rosen, and Stephen Sestanovich of the National Security Council Staff to the President's Assistant for National Security Affairs (McFarlane)¹

Washington, January 11, 1985

SUBJECT

State of the Union—Foreign and Defense Policy²

In the attached outline of the State of the Union³ we've tried to do three things:

—*Highlight the key issues that will dominate our legislative agenda (MX, SDI, contras).* There are questions, in the Congress and elsewhere, about the President's commitment to all three, and if he intends to protect them he has to indicate their importance to him right off.

—*Show how our policy hangs together as a whole.* Above all, this means emphasizing that, even during arms talks, we have to counter Soviet policy in the Third World. A good strong statement on Afghanistan would undo continuing concern that the President is beginning to de-emphasize this issue.

—*Identify some broad "legacy" themes.* Rather than state our goal as "Improving East-West relations", we speak of "Lifting the threat of nuclear war." And rather than "Strengthening alliances", we say "Extending democracy." These are familiar themes with which the President is comfortable, and they give a more positive, less anti-Soviet cast to his proposals.

Finally, we think the use of Yalta is important and should be retained. It helps us to get the World War II anniversaries off on the right foot—evoking the possibility of Soviet-American cooperation without seeming to ignore the Soviet actions that caused the Cold War.

Bob Linhard has done a more extensive defense section. We have tried to compress Bob's work, without changing much substance. In the event you wish to compare, or go with a longer version, we have attached Bob's work at Tab II.⁴ We have also gotten comments from all of the senior directors.

¹ Source: Reagan Library, Donald Fortier Files, Subject File, Policy Planning (Second Term) I: [01/01/1984–06/12/1984]. Secret. Sent for action. Rosen initialed for both Fortier and Sestanovich.

² The President delivered his State of the Union address on February 6; see Document 231.

³ Not attached.

⁴ Not attached.

Last year only two and a half pages, out of a fifteen page speech, were devoted to national security policy.⁵ Hopefully, we will do better this time around. The key, though, is to avoid giving the speechwriters too much, so that they are unable to distinguish between our main points and our rhetoric. In passing this formally to the speechwriters, you should probably re-emphasize what it is critical to have preserved.

Recommendation

That you forward the attachment at Tab I to the Speechwriters.⁶

⁵ See Document 177 and footnote 2 thereto and Document 184.

⁶ McFarlane did not approve or disapprove the recommendation.

226. Editorial Note

On January 21, 1985, President Ronald Reagan emphasized both the desirability of eliminating nuclear weapons and the advance of global freedom in his second inaugural address: "Today, we utter no prayer more fervently than the ancient prayer for peace on Earth. Yet history has shown that peace does not come, nor will our freedom be preserved, by good will alone. There are those in the world who scorn our vision of human dignity and freedom. One nation, the Soviet Union, has conducted the greatest military buildup in the history of man, building arsenals of awesome offensive weapons.

"We've made progress in restoring our defense capability. But much remains to be done. There must be no wavering by us, nor any doubts by others, that America will meet her responsibilities to remain free, secure, and at peace.

"There is only one way safely and legitimately to reduce the cost of national security, and that is to reduce the need for it. And this we're trying to do in negotiations with the Soviet Union. We're not just discussing limits on a further increase of nuclear weapons; we seek, instead, to reduce their number. We seek the total elimination one day of nuclear weapons from the face of the Earth.

"Now, for decades, we and the Soviets have lived under the threat of mutual assured destruction—if either resorted to the use of nuclear weapons, the other could retaliate and destroy the one who had started it. Is there either logic or morality in believing that if one side threatens

to kill tens of millions of our people our only recourse is to threaten killing tens of millions of theirs?

“I have approved a research program to find, if we can, a security shield that will destroy nuclear missiles before they reach their target. It wouldn’t kill people; it would destroy weapons. It wouldn’t militarize space; it would help demilitarize the arsenals of Earth. It would render nuclear weapons obsolete. We will meet with the Soviets, hoping that we can agree on a way to rid the world of the threat of nuclear destruction.

“We strive for peace and security, heartened by the changes all around us. Since the turn of the century, the number of democracies in the world has grown fourfold. Human freedom is on the march, and nowhere more so than in our own hemisphere. Freedom is one of the deepest and noblest aspirations of the human spirit. People, worldwide, hunger for the right of self-determination, for those inalienable rights that make for human dignity and progress.

“America must remain freedom’s staunchest friend, for freedom is our best ally and it is the world’s only hope to conquer poverty and preserve peace. Every blow we inflict against poverty will be a blow against its dark allies of oppression and war. Every victory for human freedom will be a victory for world peace.

“So, we go forward today, a nation still mighty in its youth and powerful in its purpose. With our alliances strengthened, with our economy leading the world to a new age of economic expansion, we look to a future rich in possibilities. And all of this is because we worked and acted together, not as members of political parties but as Americans.” (*Public Papers: Reagan, 1985*, Book I, pages 57–58)

The full text of the President’s inaugural address is *ibid.*, pages 55–58.

Due to inclement weather, President Reagan spoke at 11:49 a.m. in the Rotunda of the Capitol. Immediately before the address, the President repeated the oath of office, administered by Chief Justice of the United States Warren E. Burger, which he had taken originally on January 20. The address was broadcast live on radio and television.

227. **Memorandum From the Executive Secretary of the Department of State (Platt) to the President's Assistant for National Security Affairs (McFarlane)**¹

Washington, January 24, 1985

SUBJECT

Commemoration of Yalta Anniversary

As requested in the NSC's memorandum of January 17,² the Department of State has coordinated with other agencies to develop an agreed United States government approach to the upcoming Yalta anniversary. This memorandum reflects the joint views.

The 40th anniversary of Yalta has already generated considerable press coverage. We also expect various emigre groups to issue statements condemning Soviet behavior and accusing the West of acquiescing in the Soviet actions. The Polish American Congress is planning a press release, public meetings, and a lunch with select Congressmen. The USSR and the East European states will probably issue statements accusing the West of trying to overturn Yalta. They will charge that FRG revanchism, backed by the United States, seeks to undo the post-war boundaries.

USG silence in the face of these expected charges and press attention would be unwise. Rather than allow the dialogue to be dominated by such views, we suggest the attached press statement putting forth our interpretation of the significance of Yalta along the lines of the President's statement last August, with particular attention to the meaning of the agreements for Eastern Europe.³ The Department Spokesman

¹ Source: Reagan Library, European and Soviet Affairs Directorate, NSC Records, Subject File, U.S. Foreign Policy; NLR-170-13-49-17-7. Secret.

² Not found.

³ In remarks made at a White House luncheon, held on August 17, 1984, marking the 40th anniversary of the Warsaw Uprising, the President stated that U.S. policy regarding "Poland and other captive nations" was based on "a set of well-established principles. First, let me state emphatically that we reject any interpretation of the Yalta agreement that suggests American consent for the division of Europe into spheres of influence. On the contrary, we see that agreement as a pledge by the three great powers to restore full independence and to allow free and democratic elections in all countries liberated from the Nazis after World War II, and there is no reason to absolve the Soviet Union or ourselves from this commitment. We shall continue to press for full compliance with it and with the Charter of the United Nations, the Helsinki Final Act, and other international agreements guaranteeing fundamental human rights." Reagan added, "Passively accepting the permanent subjugation of the people of Eastern Europe is not an acceptable alternative." (*Public Papers: Reagan, 1984*, Book II, p. 1143)

should issue the statement, since any higher level official risks opening old political wounds and drawing more attention than warranted.

The State Department Historian is also updating a 1982 reference paper concerning Yalta which will provide needed background information for US officials and public speakers.⁴

We believe that a joint statement by Western heads of government, as has been proposed by Dr. Brzezinski, will not only draw too much attention to the event, but would in all likelihood magnify conflicting historical interpretations and transform the matter into a divisive alliance issue.⁵ We propose to inform NATO of our planned statement, but do not intend to seek a unified Alliance statement. However, we have incorporated some of Dr. Brzezinski's points into our draft statement.⁶

Nicholas Platt⁷

⁴ The Historian, William Z. Slany. In February the Office of the Historian released the updated 6-page version, entitled "The Yalta Conference," as Historical Issues No. 1. In telegram 32454 to all diplomatic posts, February 2, the Department sent the text of the paper, indicating: "In connection with forthcoming 40th anniversary of Yalta Conference of February 4–11, 1945, Office of the Historian (PA/HO) has prepared the following historical reference paper intended to provide background useful to Dept and Emboffs." (Department of State, Central Foreign Policy File, Electronic Telegrams, D850075–0028)

⁵ See footnote 4, Document 224. In a February 1 memorandum to McFarlane, Sestanovich wrote: "State is probably right about Brzezinski's idea, but given the attention that the anniversaries are getting, we think a Presidential statement is appropriate. The meaning of Yalta has more to do with postwar history than with the celebration of the World War II victory. As such, it's an occasion to show the FRG that this year's observances won't be directed simply against them." (Reagan Library, European and Soviet Affairs Directorate, NSC Records, Subject File, U.S. Foreign Policy; NLR–170–13–49–16–8)

⁶ Attached but not printed is the undated Department statement. In a February 2 memorandum to Platt, Kimmitt indicated that the NSC staff had received Platt's January 24 memorandum and agreed "that a public statement is necessary to mark the Yalta anniversary." Kimmitt attached a draft Presidential statement prepared by the NSC staff, indicating that he expected that the White House would release it on February 4. He also noted the NSC's support for "the Department's proposal to issue an updated review of Yalta by the Historian's office." (Reagan Library, European and Soviet Affairs Directorate, NSC Records, Subject File, U.S. Foreign Policy; NLR–170–13–49–15–9) The White House released the President's statement on February 5. For the text, see *Public Papers: Reagan, 1985*, Book I, p. 119.

⁷ McKinley signed for Platt above Platt's typed signature.

228. Editorial Note

In his January 29, 1985, testimony before the Subcommittee on Western Hemisphere Affairs of the House Foreign Affairs Committee, chaired by Representative Michael Barnes (D–Maryland), Assistant Secretary of State for Inter-American Affairs Langhorne Motley provided an overview of “the principles, strategy, and tactics” informing on the Ronald Reagan administration’s “policy formulation and its implementation in Latin America”: “I would like to concentrate on the future rather than recite past events, although I think they are worthy of note in the testimony.

“First, I will state a basic principle that guides us. I think Americans expect their Government to stand firmly on principle. That first principle is the defense of U.S. national interests. Americans expect, I think, in applying this principle, certain fundamentals of their Government. These are:

“First, that we stand firmly by our friends.

“Second, that the United States must provide leadership. Latin America has grown too much for the United States to attempt to act on its own or without consultation. There are limits to U.S. power, but these limits must not be taken as an excuse for abdication. The defense of U.S. interests cannot be left to others. It requires active U.S. diplomacy backed by power, resources, and imagination.

“Third, leadership must be exercised wisely.

“And fourth, leadership must be consistent.

“In talking about leadership, I am talking about the combined leadership of the executive and legislative branches.

“With respect to leadership being consistent, the many swings in the pendulum due to partisanship and shifts in attention that have taken place in the past generation sometimes generate confusion and cynicism. The national interest is not the property of any particular group or ideology. And I think as we go along, we will find examples where this subcommittee and certainly the full committee have avoided those traps.

“In carrying out these fundamentals, I think there are two other traps that we must avoid. First, getting bogged down in single-issue politics. Our relations with countries consist of a series of issues that are important to us, and single-issue politics makes it difficult to deal with this complex picture.

“And second, we try to avoid conducting the meat and potatoes of American policy via airwaves or through the printing presses. That is, to resist saying things publicly just to make ourselves feel good without

evaluating the medium- and long-range impact they may have on what we are trying to achieve.”

Motley continued, “And finally, and specifically toward Central America, I think there are two things that certainly President Reagan and I believe the American people and Congress don’t want. They do not want a second Cuba, and they do not want a second Vietnam. By a second Cuba, I mean the institutionalization of another well-armed Communist state, this time on the mainland, supported by the Soviet Union and working actively against U.S. interests and friends who depend on us. And by a second Vietnam, I mean a prolonged conflict involving U.S. combat troops with no clear goal and no end in sight consistent with the protection of strategic American interests.

“We can now examine quickly how we have done in the recent past. I would like to emphasize three areas.

“One is the struggle for democracy.

“The second is economic health.

“And the third is a rising tandem problem—drug trafficking and terrorism.”

Motley spoke first of democracy: “You are familiar with the numbers on democracy. They have been the subject of testimony in the past. Over 90 percent of the people in my area of responsibility live in transition governments or in governments that we consider to be democratic. The numbers change. In the past 4 years, there have been some 37 elections in some 26 countries involving hundreds of millions of people. It is easier in fact to tick off the countries which have not been affected by this trend toward democracy: Paraguay, Chile, Suriname, Guyana, Cuba, and Nicaragua. And so if you look at all 33 countries, it is easier to go down the list at those with only a limited impact.

“Five years ago, if President Carter had addressed the heads of government or heads of state in the five Central American countries, he would have addressed four of them as general and one of them as President. The one exception being, of course, the President of Costa Rica, the oldest democracy in Latin America. Today, he would address a civilian elected President not only in Costa Rica, but also in El Salvador, in Honduras, and hopefully in July in Guatemala. And so we have seen a definite change in Central America.

“As a point of trivia, I have been at more inaugurations of democratically elected presidents in the last 20 months than any of my predecessors since Charlie Meyers, and he served for 4 years. Come March 1, I will exceed his record. So there has been a trend towards democracy that I think is significant over the last 4 years.

“But it is more than elections when you talk about democracies. It is democratic tranquility. It is justice. And I think that the lack of headlines

about nuns being killed and death squad activities—the numbers are all provided to your committees—shows a dramatic decrease in those activities.”

He then turned to economics: “In the economic area, it is difficult to generalize about 33 countries because they have different problems. But generally speaking you can say they are coming back. Across the board in the region, we can expect to see real per capita income that fell 3 percent in 1982 and 5.3 percent in 1984, increase a modest 0.02 percent in 1985.

“The debt rescheduling is going well in most countries. Looking to the future, you can see that according to our calculations, \$47 billion of what bankers call new money, money in addition to rollover loans, needed to sustain a 5-percent growth rate throughout the region. Bankers will also tell you that it will be difficult for commercial banks to come up with \$47 billion. The gap will not be filled by bilateral or multilateral official lending institutions. And so the gap that is left must be filled by private, in this case foreign investment capital. The countries need to establish the climate to attract that capital, and I think to a modest degree that is being done by different measures in different countries.

“These countries have taken some difficult measures themselves. Some still need to take more. Most recently we saw the Dominican Republic taking some tough internal measures and saw some civil strife. Happily, a week ago they took some tough domestic measures and there was no domestic strife. We saw also in Jamaica some civil strife as a result of this belt-tightening.”

Motley then spoke about narcotics and terrorism: “The third area, is narcotics and terrorism. First, narcotics. I think that the awareness of the problem has shifted. Historically, when you discussed this with Latin leaders, and I did, we would get into this debate that ‘If the U.S. didn’t have a consumption problem, we wouldn’t have a production problem.’ So you spend all your time worrying about whether the problem was production or consumption.

“Happily, in the last 6 months, we have seen a change in the attitude of our neighbors to the south. It is the result of factors. One is that their societies are starting to consume, this is creating social and economic problems, in addition to the other problems, when it attacks the structure of government, and corrupts public officials.

“The second point is that we have seen a recent marriage of convenience between the drug traffickers and terrorism. They are both different problems, both serious problems, but when they form this marriage of convenience, it creates a greater problem. As outlined in the written testimony, we have seen examples in Colombia twice in 1982, in Nicaragua in 1984, and recently in Miami, we unhatched a

plot to assassinate the civilian elected President of Honduras. The plot was fueled by drug money.

“And so we are working with our neighbors on this problem. Their realization that it is not a consumption versus production problem has given a positive light to this whole issue.

“The last thing I would like to do, and looking forward, Mr. Chairman, it is one of the things one should do, is to see what lessons we have learned. I think we have learned several. I think we have learned that most of our policies have been working in the democracy, justice, and economic areas and in the military.”

Motley continued: “Skeptics about the policy in El Salvador were wrong. They were also wrong about Grenada, and I think they are wrong about Nicaragua. They are wrong for the same reason. We have learned consistency and the ability to sustain a policy is difficult but vital. As an example, Mr. Chairman, the President in April 1983, in an unusual address to the Congress, laid out the parameters of the policy that we are sustaining today. That was followed by the bipartisan Kissinger Commission and by the Jackson plan. And that is what I mean that his committee and certainly the full committee joined together and arrived at a consensus. You did it three times in 1984, and I remind you that in 1984, it took both sides of the aisle to pass a Foreign Assistance Act. The Jackson plan was part and parcel of that act.

“I think we have learned to be realistic on two fronts. First, to be realistic about goals and timetables, and to deal with our frustrations about deadlines that are not met.

“And second, I think we have learned that the clear alternatives and easy choices are about as rare as practicing Democrats among the Sandanistas comandantes.

“There is a lesson we have not learned. That is, there is nothing mysterious or magical about diplomatic negotiations. The common sense and fundamental principles that we use daily in domestic or personal dispute resolutions apply as well to labor-management disputes and to diplomatic negotiations. Consider these accepted principles of domestic negotiations and let’s see why they apply to diplomatic negotiations.

“First, the agenda has to have something in it for each of us, otherwise, why negotiate? I think we saw that in the negotiations in 1983. Because of a plummeting international image and because of the successes of the armed opposition, the Sandinistas saw that it was in their interest to negotiate. And that is when Contadora really took off on its first leg.

“Second, nobody bargains for something he expects to get for free. If the Nicaraguans in the armed resistance are abandoned, why should the Sandinistas negotiate with them?

"Third, pressure outside of the formal negotiations is a normal part of the process. People and nations do not move to the negotiating table simply because it is a nice piece of furniture. What some call coercive diplomacy has been part of history since the first diplomats and the first soldiers. What negotiators say publicly, I think, is part of the negotiation process, and an unenforceable and unverifiable agreement is worse than no agreement at all.

"A new announcement, a headline that says, 'Peace Today' without a means to assure compliance makes the solution even more difficult if this agreement fails.

"And finally, if the negotiations fail, the problems continue, as seems possible in the case of the Sandinistas.

"In summary, on Central America, I am struck by the similarities in public and congressional debates today on the anti-Sandinista funding issue and the debates 1 year ago in El Salvador. Given the success of the past year, it is easy to forget that there was widespread opposition to El Salvador funding a year ago. 'Pouring money down a rat hole,' I believe is how it was described by one former Congressman. The pundits said that the Salvadoran aid would lose by 50 to 60 votes at best. Yet, 2 months later, the aid was voted by you, the Congress. You voted the money after a long debate. One that showed convincingly that although more aid could not guarantee success, no aid would mean certain failure. You voted to help the Salvadorans despite your discomfort with the situation there because it was the only hope of success.

"It was not a perfect solution, but then there rarely is one. It was the best available. And when you think of the Foreign Assistance Act, which was a milestone, I think for the Congress and the members of this committee that participated in getting it passed in the House last year, I think you will agree with me, Mr. Chairman, that many Republicans who had never voted for foreign assistance before had to swallow hard and many Democrats who did not like the military aspect of the aid to El Salvador, also had to swallow hard. The combination first passed the measure by four votes and late in other forums passed it by a greater margin.

"The point is that there are no perfect solutions, only bits and pieces that we have to put together.

"Today there is a new debate and new discomfort. This time it is on Nicaragua. The doomsayers say that Congress will walk away from the problem just as they predicted defeat a year ago. I do not accept that judgment. You will debate the issues and I believe you will see that we have developed a policy, the only possible policy, that can succeed with a state like Nicaragua. I cannot guarantee you success, but if you

allow the anti-Sandinistas to falter, I think we can guarantee failure—failure for our interests, for democracy, failure for negotiations and failure for peace.

“As in the case of El Salvador, I am confident that you will reach the right decision.

“The same realism must apply to policy throughout the hemisphere. The bottom line is real improvements over time in economic well being and human freedom, not short cut, and invariably short-lasting solutions, headlines, dramatic pronouncements, and single issue politics. The bottom line is effective action against the real dangers of Cuban/Soviet encroachments, Nicaraguan regional aggression, economic collapse, and narco-terrorist anarchy, not posturing to make ourselves feel good.” Motley concluded his remarks by indicating his openness to comments. (*U.S. Policy on Latin America—1985: Hearing Before the Subcommittee on Western Hemisphere Affairs of the Committee on Foreign Affairs, House of Representatives, Ninety-Ninth Congress, First Session, January 29, 1985, pages 42–46*)

229. Address by the Under Secretary of State for Political Affairs (Armacost)¹

New York, January 29, 1985

The Asia-Pacific Region: A Forward Look

As the Reagan Administration begins its second term, it is a timely moment to take stock, to identify salient trends and notable developments in the Pacific, and to examine their implications for American interests. Let me begin with three general observations.

First, the growing interest of the United States in East Asia and the Pacific is widely acknowledged. The reasons are clear. Our trade with the Pacific Basin exceeds our trade with Europe and is growing more rapidly. Political cooperation with Asian friends is growing apace. We have learned through bitter experience that a balance of forces in the region is indispensable to our own security and that no equilibrium can be achieved without our active participation. A growing

¹Source: Department of State *Bulletin*, April 1985, pp. 34–37. All brackets are in the original. Armacost spoke before the Far East-America Council/Asia Society.

appreciation of the importance of Asia has been buttressed in recent years by the influx of hundreds of thousands of Asian immigrants, who are making an extraordinary contribution to our national life in every field of human endeavor.

Second, there is a growing national consensus regarding the importance of our ties to the Pacific and, I might add, the efficacy and advisability of the policies we are pursuing there. This consensus was evident in last year's election campaign which, for the first time in a generation, provoked no partisan debate or controversy over Asia policy.

Third, the growing American interest in Asia need not come at the expense of our interests in other regions. My predecessor, Larry Eagleburger, suggested about a year ago that the center of gravity in American politics was shifting westward and that our interests would shift increasingly toward the Pacific as a result of the economic and technological dynamism of that part of the world. His remarks greatly alarmed many Europeans, whose worst fears, I suspect, were confirmed by my appointment to succeed Larry.²

These fears are groundless. As we have consistently reminded our European friends, a strong American strategic presence in East Asia contributes directly to European security by confronting the Soviets with the prospect of a two-front war if they undertake aggressive moves on the Continent. By the same token, our efforts to liberalize access to the Asian market afford European as well as American entrepreneurs expanded trading opportunities.

But it is not my purpose to speak about European fears concerning a "Pacific era." I wish, rather, to speak of the policy opportunities and problems which face the United States in that region—so let me turn to recent developments in Asia.

Regional Developments

I would single out these items of major consequence, beginning with the good news.

First, I'd mention the extraordinary economic dynamism of the region. Although America's recovery has been the engine of growth for the world economy during the last 2 years, the East Asia-Pacific economies have, year-in and year-out, displayed the greatest resilience and the world's highest rates of growth. Our trade with the region is immense. Preliminary data indicate that, in calendar year 1984, U.S. exports to the East Asia-Pacific region were valued at \$54.6 billion; our imports from that region, \$114 billion. U.S. investments in the Pacific

²See Document 188 and footnote 2 thereto.

are conservatively valued at over \$30 billion. Since East Asian economies generally pursue export-led growth, periods of U.S. expansion inevitably lead to large increases in our imports from the Pacific, and we pile up huge trade deficits. Asia now accounts for more than 50% of our global deficit. This pattern will presumably continue, though hopefully at a lower level in 1985.

Second, Japan continues to assume a political role more commensurate with its economic power. Prime Minister Nakasone has continued his predecessor's search for a policy of "comprehensive security"; he is associating Japan more closely with the West through his determination that Japan shall be seen and accepted as a "full partner with the West"; he is promoting Tokyo's accomplishment of defensive military roles and missions; and he is further expanding the scope and strategic importance of Japan's economic aid contributions.

Third, China is redoubling its modernization efforts and has embarked on a stunning program of economic reform. While China remains a planned, socialist economy, market forces are playing an expanding role, and the Chinese—while praising Marx—are openly questioning his relevance. The most dramatic results of reform are apparent in the countryside in increased productivity and higher peasant incomes. Reform of the industrial sector will be more difficult, but [Chairman of the Central Military Commission] Deng [Xiaoping] appears determined to press ahead. To spur technological change, China's policy of opening to the outside encourages imports of foreign products, capital, and management skills, and promotes investment in joint ventures. The Chinese are permitting localities and provinces broader autonomy in dealing with the outside world.

We have a strong interest in a modernized China which is open to foreign trade and investment and which, consequently, creates economic opportunities for the United States and other developed countries. This process strengthens China's resolve to broaden and deepen cooperative arrangements with the West, even as it gives it parallel incentives for reducing the risks of conflict with the Soviet Union.

In the recent negotiations on the future of Hong Kong, both Beijing and London displayed an admirable combination of pragmatism and patience in working toward a satisfactory agreement. The detail of the transitional arrangements plus the lengthy period of the post-1997 transition should provide investors with ample reason for sustained confidence in the future of Hong Kong as an attractive and thriving commercial center.

Fourth, there have been some hints of change in the relations between North and South Korea. One round of direct economic talks were held in mid-November, as was a preparatory round of North-South Red Cross talks on family reunification and other humanitarian

issues.³ Regrettably, North Korea postponed scheduled talks in December and seized on the annual U.S. "Team Spirit" military exercise with the R.O.K. [Republic of Korea] to postpone economic talks that had been scheduled in January.⁴ We hope these discussions will resume in the spring.

Other developments have a less sanguine appearance.

First, the Soviet Union continues its military buildup in East Asia and the Pacific. Its Pacific fleet is now its largest. Its facilities in Vietnam continue to expand, thus extending the "reach" of Soviet naval forces in the west Pacific and Indian Oceans. It is deploying its most advanced equipment to forces along China's frontier.

Fortunately, the Soviet Union has not yet been able to translate this growing military power into effective political influence. Its ideological appeal in Asia remains negligible, its economic leverage limited. Territorial disputes with Japan and China limit prospects of accommodation with its most important Asian neighbors, and its support for Vietnam fuels the suspicion with which all ASEAN [Association of Southeast Asian Nations] states regard Moscow.

Second, the Vietnamese show no signs of reducing their military pressure on Cambodia. Nor, despite more moderate rhetoric recently, do they seem willing to negotiate a political solution to the problem. The coalition embracing Prince Sihanouk and Son Sann as well as the Khmer Rouge has earned Cambodia's resistance greater international support. However, the sustainability of the coalition and its acceptability to the Cambodian people require that the noncommunist factions increase their strength relative to the Khmer Rouge.

Third, East Asia's relative stability is tempered by the reality of human mortality and the prospect of political transitions in several important countries. Chiang Ching-kuo, Lee Kuan Yew, Suharto, and Marcos [leaders of Taiwan, Singapore, Indonesia, and the Philippines,

³North and South Korean officials met in Panmunjom November 15, 1984, to outline goals for continued talks on economic issues. (Clyde Haberman, "North and South Korea Hold Talks on Economic Contacts," *New York Times*, November 16, 1984, p. A6) Meeting in Panmunjom on November 20, North and South Korean officials agreed to resume talks on family reunification, to be conducted by their respective Red Cross societies. The talks would begin in Seoul and then, if necessary, reconvene in Panmunjom. (John Burgess, "Koreans Agree to Talks On Reuniting Families," *Washington Post*, November 21, 1984, p. A10)

⁴On January 9, the North Koreans called off both the economic and Red Cross talks scheduled to take place during January, citing the annual U.S.-South Korean joint exercise scheduled to take place beginning February 1. The North Korean message "conveyed to the South over a special telephone hotline, called 'Team Spirit' a 'provocative act and an insult to us who made a peaceful proposition.' Conducting it during the talks served to create an 'artificial obstacle' to progress, it said." (John Burgess, "N. Korea Cancels Talks, Citing U.S. Exercises," *Washington Post*, January 10, 1985, p. A24)

respectively] have all exercised power for many years. Much attention has already been directed to Deng Xiaoping's efforts to ensure the continuation of his policies in China. Kim Il-sung has groomed his son to succeed him in North Korea. Vietnam's collective leadership has seen little new blood for decades. As these leaders age, succession politics becomes a source of uncertainty and potential instability in those countries whose political institutions are weak. At the same time, there is hope in some countries that changes could bring about increased popular participation in the political and economic process.

Fourth, antinuclear sentiment is rising in the South Pacific. An allergy to nuclear weapons has existed there for some time, sustained by regional concerns about current nuclear testing by France, along with the more general problem of disposing of radioactive wastes. The election of a Labor government in New Zealand committed to banning from its ports and territorial waters all nuclear-powered and nuclear-armed ships has brought this issue to the fore and is imposing strains on ANZUS [Australia, New Zealand, United States Security Treaty]—one of our oldest alliances.⁵

These then are the most salient developments—favorable and otherwise. They bring opportunities for the United States to:

- Expand commercial and investment opportunities;
- Associate Japan even more closely with the West;
- Propel China toward patterns of closer cooperation with us;
- Work constructively with regional groupings in the area, particularly ASEAN; and
- Foster a North-South dialogue on the Korean Peninsula.

There are also risks:

- That burgeoning trade deficits will stimulate increased protectionist sentiment and protectionist trade measures in the Congress;
- That succession crises could lead to political instability adversely affecting our financial flows, economic development, and strategic interests;
- That antinuclear sentiment could check our naval access to New Zealand and vitiate a key alliance;
- That failure to address the imbalance within the Cambodian resistance could undermine future possibilities for a political solution; and

⁵ In general elections held on July 14, 1984, the New Zealand Labor Party defeated the conservative National Party. David Lange became the next Prime Minister of New Zealand. (Bernard Gwertzman, "Conservatives Ousted in New Zealand Voting," *New York Times*, July 15, 1984, pp. 2, 17)

- That the Soviet Union will continue to build its military strength in Asia while playing for any diplomatic and political breaks that may come along.

The Major Policy Challenges

Let me comment briefly on our major policy challenges in the period ahead.

Our growing trade deficit with Asia highlights the need for a new trade round which the Administration—along with the Japanese—endorsed at the last London summit.⁶ A new round not only would help in checking protectionist pressures but could extend liberalization into the important fields of agricultural trade, the service sector, and high technology. Pending the initiation of a general round of trade negotiations, we will be focusing particular attention on opening Japan's market further. Talks are now being held in Tokyo to kick off sectoral negotiations in the fields of electronics, telecommunications, forest products, medical equipment, and pharmaceuticals.⁷ Progress in these negotiations will be the subject of our subcabinet consultations in March.⁸

In addition, we have an intensive round of consultations coming up with ASEAN. U.S. Special Trade Representative Bill Brock will meet with the ASEAN trade ministers in Malaysia in early February.⁹ One focus of his talks will be proposals for a U.S.-ASEAN reciprocal trading arrangement, as well as a new multilateral trade negotiating round. We will meet in Washington in late March or early April with ASEAN economic and trade ministers for our periodic high-level dialogue covering both policy and practical trade and investment

⁶ See footnote 5, Document 198.

⁷ Wallis led the delegation to the initial round of talks in Tokyo, January 28–29. In telegram 2170 from Tokyo, January 31, the Embassy summarized the talks. (Department of State, Central Foreign Policy File, Electronic Telegrams, D850069–0012) Documentation on the talks is scheduled for publication in *Foreign Relations, 1981–1988*, vol. XXXI, Japan; Korea, 1985–1988.

⁸ The economic sub-cabinet consultations took place in Tokyo, March 14–15. In telegram 5690 from Tokyo, March 19, the Embassy provided a summary of the consultations, noting that they “began with a frank opening statement in which Undersecretary Wallis warned of the crisis in U.S.-Japan trade relations and urged rapid marketing opening as a solution.” (Department of State, Central Foreign Policy File, Electronic Telegrams, D850185–0549)

⁹ In telegram 1268 from Kuala Lumpur, February 11, the Embassy noted that the February 7–9 ASEAN economic ministers conference “provided an excellent opportunity for Ambassador Brock to hold consultations on a wide range of trade issues with ASEAN ministers.” (Department of State, Central Foreign Policy File, Electronic Telegrams, D850094–0634)

matters.¹⁰ And Secretary Shultz will again lead our delegation to the ASEAN Post Ministerial consultations to be held this year in mid-July in Kuala Lumpur.¹¹

I have mentioned the Philippines, where we face significant problems. Since the assassination of Ninoy Aquino,¹² the United States has consistently pressed for a thorough, impartial, and complete investigation of the killing and urged Philippine authorities to open up the political process and rely more heavily upon market forces to stimulate a revival of economic growth.

During the last year, there has been some progress. A forthright report was produced by the Agrava Board; indictments have been brought against key military leaders for participation in a conspiracy to murder Aquino and cover up their involvement. Restrictions on press freedoms have been relaxed; political activity has been resumed by opposition groups; the procedures for succession have been altered; relatively free elections held; opposition representation in the legislature increased; constraints on the arbitrary power of the government multiplied; an IMF [International Monetary Fund] agreement initialed; and a restructuring of Philippine debt negotiated.

We shall continue to encourage the further democratization of Philippine politics, the opening up of the Philippine economy to the freer interplay of market forces, and reform of the military—which requires, above all, unsullied leadership—to enable the Philippine Armed Forces to counter a growing insurgency in rural areas.

Much remains to be done, but we should neither exaggerate our capacity to shape internal developments in the Philippines nor offer gratuitous public criticism and counsel. Nonetheless, we do have significant influence and should continue to exercise it to promote the strengthening of democratic institutions. We shall try to be helpful both through the advice we extend quietly to the regime and through the contacts we maintain with the opposition.

Vis-a-vis Japan, our policies are well defined. The President's meeting with Prime Minister Nakasone earlier this month¹³ resulted in a renewed commitment by both sides to work closely together on a variety of global issues. There was also agreement to address promptly the problems in our economic relationship—the urged need for more balanced trade and extension of the role of the yen as an

¹⁰ The sixth annual ASEAN-U.S. dialogue was scheduled to take place in Washington, April 2–3. For the text of Shultz and Wallis's April 2 statements and a joint statement released on April 3, see Department of State *Bulletin*, June 1985, pp. 41–45.

¹¹ Scheduled to take place July 10–12.

¹² Aquino was assassinated at Manila International Airport on August 21, 1983.

¹³ See footnote 5, Document 220.

international currency. We shall continue to urge Japan to assume a larger responsibility for its own conventional defense while extending the range of its surveillance and patrolling capabilities along its sealanes to the south. We will not, however, encourage Japan's assumption of regional military security responsibilities.

We will consult with the Japanese on how best to coordinate our growing foreign assistance efforts, not only in Asia but throughout the world. Japan is already a leading donor not only to East Asia but also countries like Pakistan, Turkey, Egypt, and Sudan—countries which the Japanese consider important to the security of the West. In close coordination with us, Japan has also provided significant support for Afghan and Cambodian refugees and has responded generously to the emergency situation in Africa.

With China, we shall continue to nurture an expanding economic relationship. China's economic modernization will contribute to regional stability and progress, even as it will generate new issues in our bilateral relationship and place China in competition with several of its Asian neighbors for access to our market. Care will be necessary to ensure that our own trade policies encourage the Chinese to continue to look to us for the technology, products, and capital they need.

On the military side, our help—in the form of technology transfer and sales of equipment—can help Beijing bolster its defenses along the northern border. As we expand cooperative arrangements in the military field as in others, we must remain sensitive to the views of our other friends and allies in the region, and that will counsel close consultations and caution in helping China strengthen its defensive capabilities.

As we continue to expand and improve our ties with the People's Republic of China, we will maintain our unofficial links with Taiwan. We have a continued interest in the well-being and prosperity of the people of Taiwan and note that our economic ties, though troubled by a large deficit, have grown dramatically in the past decade.

In Korea, we should sustain close cooperation with the R.O.K. as it explores the potential for direct North-South talks. In the past the North has sought to ignore the South in order to resolve basic issues with us. We shall resist being drawn into talks with Pyongyang at the South's expense. There can be no durable reduction of tension on the peninsula until North and South Korea resolve through direct negotiations the basic issues which divide them. South Korea consistently has proposed that Pyongyang join in agreeing to various confidence-building measures. That is a sensible strategy and deserves our support. Indeed, all regional powers share a responsibility to do whatever they can to promote stability and ensure peace on the peninsula.

With regard to the other friendly nations of Southeast Asia and ASEAN collectively, we will continue our unambiguous support of efforts to achieve a political settlement in Cambodia as part of our fundamental policy of upholding the national integrity of these peaceful and free countries. Thailand, as the “front-line” state, plays a crucial role in those efforts, and its security will remain a paramount concern to us. We want to further our close economic cooperation with ASEAN—as typified by the extensive range of consultations I mentioned earlier—and we will do everything possible to combat protectionism in the interest of long-term mutual benefit, investment, and trade expansion. We will also continue to consult closely with ASEAN on other matters of common interest.

We must sustain our support for the noncommunist resistance elements in Cambodia. Our support is essentially humanitarian and political, and that should be increased. They need our help, and without it the growing Khmer Rouge dominance within the resistance will harden Vietnamese intransigence, undercut Sihanouk’s role, and reduce prospects for a future political accommodation.

In addition to our objective of seeking a Cambodia free from Vietnamese domination, we will continue to work with the nations of Southeast Asia in our efforts to manage the human problems created by the continuing flow of refugees from Indochina. On the question of refugees—and in the important effort to seek additional information on U.S. personnel still missing in action from the Vietnamese war—we will continue to engage Hanoi, both directly and through appropriate international organizations.

In the South Pacific, if the Lange government in New Zealand continues to challenge nuclear-powered warship visits or insists upon no visits by nuclear-armed ships, the future of our alliance relationship with New Zealand is in jeopardy. It is scarcely possible to maintain a defensive alliance without the regular interaction between military establishments which gives practical meaning to such an alliance. Thus, we have worked for the removal of barriers and efforts to discriminate among our forces according to their weaponry or propulsion. We have sought to give the Lange government time to alter the consensus within the governing party. But we have also insisted that we need concrete indications that progress is being made and that a restoration of normal access is possible within a reasonable timeframe.

The problem with New Zealand underlines the importance of our ties with Australia. Prime Minister Hawke will be visiting Washington, February 5–7.¹⁴ The security situation in Asia and the Pacific, along

¹⁴ Documentation on Hawke’s visit is scheduled for publication in *Foreign Relations, 1981–1988*, vol. XXXII, Southeast Asia; Pacific.

with East-West issues, will be high on the agenda. We will be discussing with the Prime Minister the key contribution that Western strength and unity have made to the resumption of U.S.-Soviet arms control discussions. I am sure that we will also be discussing ways in which we can both seek to convince the Government of New Zealand to restore its full cooperation in the ANZUS alliance.

During the months ahead, we will be following through in completing the transition to free association with the Federated States of Micronesia and the [Republic of the] Marshall Islands, and we will continue to work with the elected leadership on Palau as it likewise seeks to work out a future relationship with us under the Compact of Free Association. The Northern Mariana Islands have already opted to enter into a commonwealth status with us upon termination of the trust.

As for Soviet ambitions in Asia and the Pacific, we need not be obsessed with their prospects in the region. They are playing with a weak hand politically and have regularly displayed the kind of cultural insensitivity which undercuts their prospects for gains. But we cannot ignore their growing military strength and must work to counteract it by maintaining a strong presence of our own and by bolstering mutual defense arrangements with our friends.

Conclusion

You will note that I have avoided any grand design for American policy in the next 4 years. The hallmark of our approach is the patient tending of policy lines that have already been well laid. This is an approach more akin to gardening than to architecture. The roots of our policy, I believe, are strong. Our prospects are good. The current requirement is patience, attentiveness, and perseverance rather than dramatic new initiatives.

230. Editorial Note

On January 31, 1985, the Senate Foreign Relations Committee held the first of a series of hearings on the future of U.S. foreign policy. In opening the hearings, Committee Chair Richard Lugar (R–Indiana) asserted: “The need for a restoration of consensus behind American foreign policy is great.” He also argued, “If a new consensus is to develop behind American foreign policy, we must go back to basics. We need to deal with first principles. We need to define vital interests with greater precision. We need to formulate our objectives more clearly. We need to work together in the development of a strategy for pursuing those objectives. And finally, we need to debate and consult over appropriate means for achieving foreign policy objectives. These are the prerequisites of forging a new foreign policy consensus.” Lugar yielded the floor to Senator Claiborne Pell (D–Rhode Island), the ranking minority member of the Committee, for an opening statement, before introducing Secretary of State George Shultz.

Shultz began his remarks with an overview of the post-World War II era, noting the various geopolitical changes and commenting that the United States continued to experience change and “new realities”: “But we are not just observers. We are participants and we are engaged. America is again in a position to have a major influence over the trend of events, and America’s traditional goals and values have not changed. Our duty must be to help shape the evolving trends in accordance with our ideas and our interests; to help build a new structure of international stability that will ensure peace, prosperity, and freedom for coming generations. This is the real challenge of our foreign policy over the coming years.”

After identifying several “broad trends” in world politics and the global economy, Shultz stated that “two very important and very basic conclusions” stemmed from them:

“First, the agenda for the immediate future seems to me to be an agenda on which the American people are essentially united. These are goals that are widely shared and tasks that are likely to reinforce another important trend: namely, the reemergence of a national consensus on the main elements of our foreign policy.

“This, indeed, may be the most important positive trend of all, because so many of our difficulties in recent decades have been very much the product of our own domestic divisions. I hope, Mr. Chairman, that our two parties and our two branches of Government will find ways to cooperate in this spirit, which would enormously strengthen our country in the face of the new opportunities and challenges I have described.

“Second, Mr. Chairman, all the diverse topics I have touched upon are, in the end, closely interrelated. President Reagan made this point

in his speech to the United Nations last September. The United States seeks peace and security. We seek economic progress. We seek to promote freedom, democracy, and human rights. The conventional way of thinking is to treat these as discrete categories of activity. In fact, as we have seen, it is now more and more widely recognized that there is a truly profound connection among them, and this has important implications for the future.

"It is no accident, for example, that America's closest and most lasting relationships are its alliances with its fellow democracies. These ties with the Atlantic Community, Japan, and other democratic friends have an enduring quality precisely because they rest on a moral base, not only a base of strategic interest.

"When George Washington advised his countrymen to steer clear of permanent alliances, his attitude was colored by the fact that there were hardly any other fellow democracies in those days. We were among the first, and we had good reason to be wary of entanglements with countries that did not share our democratic principles. In any case, we now define our strategic interests in terms that embrace the safety and well-being of the democratic world.

"Similarly, as I have discussed, it is more and more understood that economic progress is related to a political environment of openness and freedom. It used to be thought in some quarters that socialism was the appropriate model for developing countries because central planning was better able to mobilize and allocate resources in conditions of scarcity. The historical experience of Western Europe and North America, which industrialized in an era of limited government, was not thought to be relevant.

"Yet the more recent experience of the Third World shows that a dominant government role in developing economies has done more to stifle the natural forces of production and productivity and to distort the efficient allocation of resources.

"The real engine of growth, in developing as well as industrialized countries, turns out to be the natural dynamism of societies that minimize central planning, open themselves to trade with the world, and give free rein to the talents and efforts and risk taking and investment decisions of individuals.

"Finally, there is almost certainly a relationship between economic progress, freedom, and world peace. Andrei Sakharov has written:

"I am convinced that international trust, mutual understanding, disarmament, and international security are inconceivable without an open society with freedom of information, freedom of conscience, the right to publish, and the right to travel and choose the country in which one wishes to live. I am also convinced that freedom of conscience, together with other civic rights, provides both the basis for scientific progress and a guarantee against its misuse to harm mankind.'

“The implication of all of this is profound. It is that the Western values of liberty and democracy, which some have been quick to write off as culture bound, or irrelevant, or *passe*, are not to be so easily dismissed. Their obituary is premature. These values are the source of our strength, economic as well as moral, and they turn out to be more central to the world’s future than many have realized.

“After more than a century of fashionable Marxist mythology about economic determinism and the crisis of capitalism, the key to human progress turns out to be those very Western concepts of political and economic freedom that Marxists claimed were obsolete. They were wrong. Today—the supreme irony—it is the Communist system that looks bankrupt, morally as well as economically. The West is resilient and resurgent.

“And so, in the end, the most important new way of thinking that is called for in this decade is our way of thinking about ourselves. Civilizations thrive when they believe in themselves. They decline when they lose this faith. All civilizations confront massive problems, but a society is more likely to master its challenges, rather than be overwhelmed by them, if it retains this bedrock self-confidence that its values are worth defending. This is the essence of the Reagan revolution and of the leadership the President has sought to provide in America.

“The West has been through a difficult period in the last decade or more. But now we see a new turn. The next phase of the industrial revolution, like all previous phases, comes from the democratic world, where innovation and creativity are allowed to spring from the unfettered human spirit. By working together, we can spread the benefit of the technological revolution to all.

“And on every continent, from Nicaragua to Cambodia, from Poland, to South Africa, to Afghanistan, we see that the yearning for freedom is the most powerful political force all across the planet.

“So, as we head toward the 21st century, it is time for the democracies to celebrate their system, their beliefs, and their success. We face challenges, but we are well poised to master them. Opinions are being revised about which system is the wave of the future. The free nations, if they maintain their unity and their faith in themselves, have the advantage—economically, technically, morally.

“History is on freedom’s side.” (*Commitments, Consensus and U.S. Foreign Policy: Hearings Before the Committee on Foreign Relations, United States Senate, Ninety-Ninth Congress, First Session, January 31, February 4, 5, 6, 7, 20, 25, 26, October 31, November 7 and 12, 1985, pages 2–3, 5, 17–18*)

231. Editorial Note

On February 6, 1985, at 9:05 p.m., President Ronald Reagan delivered his State of the Union address before both Houses of Congress at the Capitol. His remarks were broadcast live on nationwide radio and television. After an introduction by Speaker of the House of Representatives Thomas "Tip" O'Neill (D-Massachusetts), the President began his remarks by describing several of the changes the United States had undergone during the previous 4 years and then asserted that the United States would pursue even greater achievements: "We honor the giants of our history not by going back but forward to the dreams their vision foresaw. My fellow citizens, this nation is poised for greatness. The time has come to proceed toward a great new challenge—a second American Revolution of hope and opportunity; a revolution carrying us to new heights of progress by pushing back frontiers of knowledge and space; a revolution of spirit that taps the soul of America, enabling us to summon greater strength than we've ever known; and a revolution that carries beyond our shores the golden promise of human freedom in a world of peace."

The President devoted the first portion of the address to domestic issues, before emphasizing the major themes of his administration's foreign policy and the objectives his administration planned to pursue during the next four years:

"Just as we're positioned as never before to secure justice in our economy, we're poised as never before to create a safer, freer, more peaceful world. Our alliances are stronger than ever. Our economy is stronger than ever. We have resumed our historic role as a leader of the free world. And all of these together are a great force for peace.

"Since 1981 we've been committed to seeking fair and verifiable arms agreements that would lower the risk of war and reduce the size of nuclear arsenals. Now our determination to maintain a strong defense has influenced the Soviet Union to return to the bargaining table. Our negotiators must be able to go to that table with the united support of the American people. All of us have no greater dream than to see the day when nuclear weapons are banned from this Earth forever.

"Each Member of the Congress has a role to play in modernizing our defenses, thus supporting our chances for a meaningful arms agreement. Your vote this spring on the Peacekeeper missile will be a critical test of our resolve to maintain the strength we need and move toward mutual and verifiable arms reductions.

"For the past 20 years we've believed that no war will be launched as long as each side knows it can retaliate with a deadly counterstrike. Well, I believe there's a better way of eliminating the threat of nuclear

war. It is a Strategic Defense Initiative aimed ultimately at finding a nonnuclear defense against ballistic missiles. It's the most hopeful possibility of the nuclear age. But it's not very well understood.

"Some say it will bring war to the heavens, but its purpose is to deter war in the heavens and on Earth. Now, some say the research would be expensive. Perhaps, but it could save millions of lives, indeed humanity itself. And some say if we build such a system, the Soviets will build a defense system of their own. Well, they already have strategic defenses that surpass ours; a civil defense system, where we have almost none; and a research program covering roughly the same areas of technology that we're now exploring. And finally some say the research will take a long time. Well, the answer to that is: Let's get started.

"Harry Truman once said that, ultimately, our security and the world's hopes for peace and human progress 'lie not in measures of defense or in the control of weapons, but in the growth and expansion of freedom and self-government.'

"And tonight, we declare anew to our fellow citizens of the world: Freedom is not the sole prerogative of a chosen few; it is the universal right of all God's children. Look to where peace and prosperity flourish today. It is in homes that freedom built. Victories against poverty are greatest and peace most secure where people live by laws that ensure free press, free speech, and freedom to worship, vote, and create wealth.

"Our mission is to nourish and defend freedom and democracy, and to communicate these ideals everywhere we can. America's economic success is freedom's success; it can be repeated a hundred times in a hundred different nations. Many countries in east Asia and the Pacific have few resources other than the enterprise of their own people. But through low tax rates and free markets they've soared ahead of centralized economies. And now China is opening up its economy to meet its needs.

"We need a stronger and simpler approach to the process of making and implementing trade policy, and we'll be studying potential changes in that process in the next few weeks. We've seen the benefits of free trade and lived through the disasters of protectionism. Tonight I ask all our trading partners, developed and developing alike, to join us in a new round of trade negotiations to expand trade and competition and strengthen the global economy—and to begin it in this next year.

"There are more than 3 billion human beings living in Third World countries with an average per capita income of \$650 a year. Many are victims of dictatorships that impoverished them with taxation and corruption. Let us ask our allies to join us in a practical program of trade

and assistance that fosters economic development through personal incentives to help these people climb from poverty on their own.

“We cannot play innocents abroad in a world that’s not innocent; nor can we be passive when freedom is under siege. Without resources, diplomacy cannot succeed. Our security assistance programs help friendly governments defend themselves and give them confidence to work for peace. And I hope that you in the Congress will understand that, dollar for dollar, security assistance contributes as much to global security as our own defense budget.

“We must stand by all our democratic allies. And we must not break faith with those who are risking their lives—on every continent, from Afghanistan to Nicaragua—to defy Soviet-supported aggression and secure rights which have been ours from birth.

“The Sandinista dictatorship of Nicaragua, with full Cuban-Soviet bloc support, not only persecutes its people, the church, and denies a free press, but arms and provides bases for Communist terrorists attacking neighboring states. Support for freedom fighters is self-defense and totally consistent with the OAS and U.N. Charters. It is essential that the Congress continue all facets of our assistance to Central America. I want to work with you to support the democratic forces whose struggle is tied to our own security.

“And tonight, I’ve spoken of great plans and great dreams. They’re dreams we can make come true. Two hundred years of American history should have taught us that nothing is impossible.”

After highlighting the accomplishments of two Americans in attendance, Reagan concluded his address by saying that their “lives tell us that the oldest American saying is new again: Anything is possible in America if we have the faith, the will, and the heart. History is asking us once again to be a force for good in the world. Let us begin in unity, with justice, and love.” (*Public Papers: Reagan, 1985*, Book I, pages 130, 134–136)

232. Address by Secretary of State Shultz¹

San Francisco, February 22, 1985

America and the Struggle for Freedom

A revolution is sweeping the world today—a democratic revolution. This should not be a surprise. Yet it is noteworthy because many people in the West lost faith, for a time, in the relevance of the idea of democracy. It was fashionable in some quarters to argue that democracy was culture bound; that it was a luxury only industrial societies could afford; that other institutional structures were needed to meet the challenges of development; that to try to encourage others to adopt our system was ethnocentric and arrogant.

In fact, what began in the United States of America over two centuries ago as a bold new experiment in representative government has today captured the imagination and the passions of peoples on every continent. The Solidarity movement in Poland; resistance forces in Afghanistan, in Cambodia, in Nicaragua, in Ethiopia and Angola; dissidents in the Soviet Union and Eastern Europe; advocates of peaceful democratic change in South Africa, Chile, the Republic of Korea, and the Philippines—all these brave men and women have something in common: they seek independence, freedom, and human rights—ideals which are at the core of democracy and which the United States has always championed.²

¹ Source: Department of State *Bulletin*, April 1985, pp. 16–21. All brackets are in the original. Shultz spoke before the Commonwealth Club of California. For the text of a question-and-answer session following the address, see *ibid.*, pp. 21–23.

² In a January 23 action memorandum to Shultz, Rodman wrote: “For the Commonwealth Club date, I would suggest that we make a pitch for Contra funding, because I am convinced the political/psychological balance in Central America will tilt irretrievably against us if we lose that battle. I mentioned to you Mark Palmer’s idea of a speech on the subject of today’s anti-Communist freedom fighters—in Afghanistan, Nicaragua, Cambodia, Angola, etc. We would invoke the long-standing American tradition of support for those fighting for democracy against repressive governments, harking back to Bolivar and the Polish patriots of the 19th century. Thus the issue of covert action can be tackled on a higher moral plane. Mark is going to write up some of his thoughts on this theme, and I think it would make a good speech.” (Reagan Library, Peter Rodman Files, NSC Subject File, Reagan Doctrine: 1985) In his memoir, Shultz recalled: “I continued to work on the conceptual side of our approach to the Soviet Union and on February 22, 1985, at the Commonwealth Club in San Francisco, spoke on ‘America and the Struggle for Freedom,’ a statement that enunciated what came to be known as the Reagan Doctrine. I had gone over my speech carefully with the president, who approved wholeheartedly, and had shown it to Bill Casey, Cap Weinberger, and Bud McFarlane at one of our Family Group lunches. Casey said, ‘Don’t put this into the interagency clearance process; don’t let anyone change a word.’ I considered the speech an important complement to my June 1983 Senate testimony, which initially set out our four-part agenda, and my October 1984 RAND/UCLA speech calling for us to move beyond the concept of linkage in our policy toward the Soviet Union.” (Shultz, *Turmoil and Triumph*, p. 525) See Documents 158 and 209, respectively.

The American Tradition

All Americans can be proud that the example of our Founding Fathers has helped to inspire millions around the globe. Throughout our own history, we have always believed that freedom is the birthright of all peoples and that we could not be true to ourselves or our principles unless we stood for freedom and democracy not only for ourselves but for others.

And so, time and again in the last 200 years, we have lent our support—moral and otherwise—to those around the world struggling for freedom and independence. In the 19th century Americans smuggled guns and powder to Simon Bolivar, the Great Liberator; we supported the Polish patriots and others seeking freedom. We well remembered how other nations, like France, had come to our aid during our own revolution.

In the 20th century, as our power as a nation increased, we accepted a greater role in protecting and promoting freedom and democracy around the world. Our commitment to these ideals has been strong and bipartisan in both word and deed. During World War I, the Polish pianist Paderewski and the Czech statesman Masaryk raised funds in the United States; then Woodrow Wilson led the way at war's end in achieving the independence of Poland, Czechoslovakia, and other states.

At the height of World War II, Franklin Roosevelt set forth a vision of democracy for the postwar world in the Atlantic Charter and Four Freedoms. The United States actively promoted decolonization. Harry Truman worked hard and successfully at protecting democratic institutions in postwar Western Europe and at helping democracy take root in West Germany and Japan. At the United Nations in 1948 we supported the Universal Declaration of Human Rights³—which declares the right of every nation to a free press, free assembly and association, periodic and genuine elections, and free trade unions. John F. Kennedy drew upon the very essence of America with his call to “pay any price . . . to assure the survival and success of liberty.”⁴

The March of Democracy

The struggle for liberty is not always successful. But those who once despaired, who saw democracy on the decline, and who argued that we must lower our expectations were, at best, premature. Civilizations decline when they stop believing in themselves; ours has thrived because we have never lost our conviction that our values are worth defending.

³ See footnote 9, Document 104.

⁴ Reference is to Kennedy's January 20, 1961, inaugural address; see footnote 2, Document 191.

When Indira Gandhi, the Prime Minister of the world's largest democracy, was assassinated, we were shocked and saddened.⁵ But our confidence in the resilience of democracy was renewed as millions of India's people went to the polls freely to elect her successor. As Rajiv Gandhi leads his nation to new greatness, he demonstrates more clearly than any words or abstract scientific models that democracy is neither outmoded nor is it the exclusive possession of a few, rich, Western nations. It has worked for decades in countries as diverse as Costa Rica and Japan.

In the Western Hemisphere, over 90% of the population of Latin America and the Caribbean today live under governments that are either democratic or clearly on the road to democracy—in contrast to only one-third in 1979. In less than 6 years, popularly elected democrats have replaced dictators in Argentina, Bolivia, Ecuador, El Salvador, Honduras, Panama, Peru, and Grenada. Brazil and Uruguay will inaugurate civilian presidents in March. After a long twilight of dictatorship, this hemispheric trend toward free elections and representative government is something to be applauded and supported.

The Challenge to the Brezhnev Doctrine

Democracy is an old idea, but today we witness a new phenomenon. For many years we saw our adversaries act without restraint to back insurgencies around the world to spread communist dictatorships. The Soviet Union and its proxies, like Cuba and Vietnam, have consistently supplied money, arms, and training in efforts to destabilize or overthrow noncommunist governments. "Wars of national liberation" became the pretext for subverting any noncommunist country in the name of so-called "socialist internationalism."

At the same time, any victory of communism was held to be irreversible. This was the infamous Brezhnev doctrine, first proclaimed at the time of the invasion of Czechoslovakia in 1968. Its meaning is simple and chilling: once you're in the so-called "socialist camp," you're not allowed to leave. Thus the Soviets say to the rest of the world: "What's mine is mine. What's yours is up for grabs."

In recent years, Soviet activities and pretensions have run head on into the democratic revolution. People are insisting on their right to independence, on their right to choose their government free of outside control. Where once the Soviets may have thought that all discontent was ripe for turning into communist insurgencies, today we see a new and different kind of struggle: people around the world

⁵Gandhi was shot and killed by two members of her security detail on October 31, 1984.

risking their lives against communist despotism. We see brave men and women fighting to challenge the Brezhnev doctrine.

In December 1979, the Soviets invaded *Afghanistan* to preserve a communist system installed by force a year and a half earlier. But their invasion met stiff resistance, and the puppet government they installed has proved incapable of commanding popular support. Today, the Soviets have expanded their occupation army and are trying to devastate the population and the nation they cannot subdue. They are demolishing entire Afghan villages and have driven one out of every four Afghans to flee the country. They have threatened neighboring countries like Pakistan and have been unwilling to negotiate seriously for a political solution.

In the face of this Soviet invasion, the Afghans who are fighting and dying for the liberation of their country have made a remarkable stand. Their will has not flagged; indeed, their capacity to resist has grown. The countryside is now largely in the hands of the popular resistance, and not even in the major cities can the Soviets claim complete control. Clearly, the Afghans do not share the belief of some in the West that fighting back is pointless, that the only option is to let one's country be "quietly erased," to use the memorable phrase of the Czech writer, Milan Kundera.

In *Cambodia*, the forces open to democracy, once all but annihilated by the Khmer Rouge, are now waging a similar battle against occupation and a puppet regime imposed by a Soviet ally, communist Vietnam. Although Vietnam is too poor to feed, house, or care for the health of its own population adequately, the Stalinist dictators of Hanoi are bent on imperial domination of Indochina—much as many had predicted before, during, and after the Vietnam war. But 6 years after its invasion, Vietnam does not control Cambodia. Resistance forces total over 50,000; of these, noncommunist forces have grown from zero to over 20,000. The Vietnamese still need an occupation army of 170,000 to keep order in the country; they even had to bring in two new divisions to mount the recent offensive. That offensive, while more brutal than previous attacks, will prove no more conclusive than those before.

In *Africa*, as well, the Brezhnev doctrine is being challenged by the drive for independence and freedom. In Ethiopia, a Soviet-backed Marxist-Leninist dictatorship has shown indifference to the desperate poverty and suffering of its people. The effects of a natural disaster have been compounded by the regime's obsession with ideology and power. In classical Stalinist fashion, it has ruined agricultural production through forced collectivization; denied food to starving people for political reasons; subjected many thousands to forced resettlement; and spent vast sums of money on arms and "revolutionary" spectacles. But the rulers cannot hide the dimensions of the tragedy from their people.

Armed insurgencies continue, while the regime persists in relying on military solutions and on expanding the power and scope of the police and security apparatus.

In Angola, a Marxist regime came into power in 1975 backed and sustained by 30,000 Cuban troops and substantial numbers of Soviet and East European “advisers.” The continuation of this Soviet/Cuban intervention has been a major impediment to the achievement of independence for Namibia under the terms of UN Security Council Resolution 435;⁶ it is also a continuing challenge to African independence and regional peace and security—thus our sustained diplomatic effort to achieve a regional settlement addressing the issues of both Angola and Namibia. In Angola, UNITA [National Union for the Total Independence of Angola] has waged an armed struggle against the regime’s monopoly of power and in recent years has steadily expanded the territory under its control. Foreign forces, whether Cuban or South African, must leave. At some point there will be an internal political settlement in Angola that reflects Angolan political reality, not external intervention.

Finally, an important struggle is being waged today closer to home in *Central America*. Its countries are in transition, trying to resolve the inequities and tensions of the past through workable reforms and democratic institutions. But violent antidemocratic minorities, tied ideologically and militarily to the Soviet Union and Cuba, are trying to prevent democratic reform and to seize or hold power by force. The outcome of this struggle will affect not only the future of peace and democracy in this hemisphere but our own vital interests.

In Nicaragua, in 1979 the Sandinista leaders pledged to the Organization of American States (OAS) and to their own people to bring freedom to their country after decades of tyranny under Somoza. The Sandinistas have betrayed these pledges and the hopes of the Nicaraguan people; instead, they have imposed a new and brutal tyranny that respects no frontiers. Basing themselves on strong military ties to Cuba and the Soviet Union, the Sandinistas are attempting, as rapidly as they can, to force Nicaragua into a totalitarian mold whose pattern is all too familiar. They are suppressing internal dissent; clamping down on the press; persecuting the church; linking up with the terrorists of Iran, Libya, and the PLO [Palestine Liberation Organization]; and seeking to undermine the legitimate and increasingly democratic governments of their neighbors.

This betrayal has forced many Nicaraguans who supported the anti-Somoza revolution back into opposition. And while many resist peacefully, thousands now see no choice but to take up arms again, to

⁶See footnote 10, Document 63.

risk everything so that their hopes for freedom and democracy will not once again be denied.

The Sandinistas denounce their opponents as mercenaries or former National Guardsmen loyal to the memory of Somoza. Some in this country seem all too willing to take these charges at face value, even though they come from the same Sandinista leaders whose word has meant so little up to now. But all you have to do is count the numbers: more people have taken up arms against the Sandinistas than ever belonged to Somoza's National Guard. In fact, most of the leaders of the armed resistance fought in the revolution against Somoza; and some even served in the new government until it became clear that the *comandantes* were bent on communism, not freedom; terror, not reform; and aggression, not peace. The new fighters for freedom include peasants and farmers, shopkeepers and vendors, teachers and professionals. What unites them to each other and to the other thousands of Nicaraguans who resist without arms is disillusionment with Sandinista militarism, corruption, and fanaticism.

Despite uncertain and sporadic support from outside, the resistance in Nicaragua is growing. The Sandinistas have strengthened their Soviet and Cuban military ties, but their popularity at home has declined sharply. The struggle in Nicaragua for democracy and freedom, and against dictatorship, is far from over, and right now may well be a pivotal moment that decides the future.

America's Moral Duty

This new phenomenon we are witnessing around the world—popular insurgencies *against* communist domination—is not an American creation. In every region, the people have made their own decision to stand and fight rather than see their cultures and freedoms “quietly erased.” They have made clear their readiness to fight with or without outside support, using every available means and enduring severe hardships, alone if need be.

But America also has a moral responsibility. The lesson of the postwar era is that America must be the leader of the free world; there is no one else to take our place. The nature and extent of our support—whether moral support or something more—necessarily varies from case to case. But there should be no doubt about where our sympathies lie.

It is more than mere coincidence that the last 4 years have been a time of both renewed American strength and leadership and a resurgence of democracy and freedom. As we are the strongest democratic nation on earth, the actions we take—or do not take—have both a direct and an indirect impact on those who share our ideals and hopes all around the globe. If we shrink from leadership, we create a vacuum

into which our adversaries can move. Our national security suffers, our global interests suffer, and, yes, the worldwide struggle for democracy suffers.

The Soviets are fond of talking about the “correlation of forces,” and for a few years it may have seemed that the correlation of forces favored communist minorities backed by Soviet military power. Today, however, the Soviet empire is weakening under the strain of its own internal problems and external entanglements. And the United States has shown the will and the strength to defend its interests, to resist the spread of Soviet influence, and to protect freedom. Our actions, such as the rescue of Grenada, have again begun to offer inspiration and hope to others.

The importance of American power and leadership to the strength of democracy has not been the only lesson of recent history. In many ways, the reverse has also proven true: the spread of democracy serves American interests.

Historically, there have been times when the failure of democracy in certain parts of the world did not affect our national security. In the 18th and 19th centuries, the failure of democracy to take root elsewhere was unfortunate and even troubling to us, but it did not necessarily pose a threat to our own democracy. In the second half of the 20th century, that is less and less true. In almost every case in the postwar period, the imposition of communist tyrannies has led to an increase in Soviet global power and influence. Promoting insurgencies against noncommunist governments in important strategic areas has become a low-cost way for the Soviets to extend the reach of their power and to weaken their adversaries, whether they be China or the democracies of the West and Japan. This is true in Southeast Asia, Southwest Asia, Africa, and Central America.

When the United States supports those resisting totalitarianism, therefore, we do so not only out of our historical sympathy for democracy and freedom but also, in many cases, in the interests of national security. As President Reagan said in his second inaugural address: “America must remain freedom’s staunchest friend, for freedom is our best ally and it is the world’s only hope to conquer poverty and preserve peace.”⁷

In many parts of the world we have no choice but to act, on both moral and strategic grounds.

⁷ See Document 226.

How To Respond?

The question is: How should we act? What should America do to further both its security interests and the cause of freedom and democracy? A prudent strategy must combine different elements, suited to different circumstances.

First, as a matter of fundamental principle, the United States supports human rights and peaceful democratic change throughout the world, including in noncommunist, pro-Western countries. Democratic institutions are the best guarantor of stability and peace, as well as of human rights. Therefore, we have an interest in seeing peaceful progress toward democracy in friendly countries.

Such a transition is often complex and delicate, and it can only come about in a way consistent with a country's history, culture, and political realities. We will not succeed if we fail to recognize positive change when it does occur—whether in South Africa, or the Republic of Korea, or the Philippines. Nor will we achieve our goal if we ignore the even greater threat to the freedom of such countries as South Korea and the Philippines from external or internal forces of totalitarianism. We must heed the cautionary lessons of both Iran and Nicaragua, in which pressures against rightwing authoritarian regimes were not well thought out and helped lead to even more repressive dictatorship.

Our influence with friendly governments is a precious resource; we use it for constructive ends. The President has said that “human rights means working at problems, not walking away from them.” Therefore, we stay engaged. We stay in contact with all democratic political forces, in opposition as well as in government. The historic number of transitions from authoritarian regimes to democracy in the last decade, from southern Europe to Latin America, demonstrates the effectiveness of this approach—as well as the essential difference between authoritarian and totalitarian regimes. There are no examples of a communist system, once consolidated, evolving into a democracy.

In June 1982, addressing the British Parliament, President Reagan endorsed a new effort—including leaders of business, labor, and both the Democratic and Republican Parties—to enlist the energies of American private citizens in helping to develop the skills, institutions, and practices of democracy around the world. Today, the National Endowment for Democracy, the concrete result of that initiative, is assisting democratic groups in a wide variety of countries. The endowment represents practical American support for people abroad working for our common ideals.

Second, we have a moral obligation to support friendly democratic governments by providing economic and security assistance against a variety

of threats. When democratic friends are threatened by externally supported insurgencies, when hostile neighbors try to intimidate them by acquiring offensive arms or sponsor terrorism in an effort to topple their governments, international security is jeopardized. The more we can lend appropriate help to others to protect themselves, the less need will there be for more direct American involvement to keep the peace.

Americans have always responded with courage when overwhelming danger called for an immediate, all-out national effort. But the harder task is to recognize and meet challenges before they erupt into major crises, before they represent an immediate threat, and before they require an all-out effort. We have many possible responses that fall between the extremes of inaction and the direct use of military force—but we must be willing to use them, or else we will inevitably face the agonizing choice between those two extremes.

Economic and security assistance is one of those crucial means of avoiding and deterring bigger threats. It is also vital support to those friendly nations on the front line—like Pakistan, Thailand, or Honduras and Costa Rica—whose security is threatened by Soviet and proxy efforts to export their system.

Third, we should support the forces of freedom in communist totalitarian states. We must not succumb to the fashionable thinking that democracy has enemies only on the right, that pressures and sanctions are fine against rightwing dictators but not against leftwing totalitarians. We should support the aspirations for freedom of peoples in communist states just as we want freedom for people anywhere else. For example, without raising false hopes, we have a duty to make it clear—especially on the anniversary of the Yalta conference—that the United States will never accept the artificial division of Europe into free and not free. This has nothing to do with boundaries and everything to do with ideas and governance. Our radios will continue to broadcast the truth to people in closed societies.

Fourth, and finally, our moral principles compel us to support those struggling against the imposition of communist tyranny. From the founding of this nation, Americans have believed that a people have the right to seek freedom and independence—and that we have both a legal right and a moral obligation to help them.

In contrast to the Soviets and their allies, the United States is committed to the principles of international law. The UN and OAS Charters reaffirm the inherent right of individual and collective self-defense against aggression—aggression of the kind committed by the Soviets in Afghanistan, by Nicaragua in Central America, and by Vietnam in Cambodia. Material assistance to those opposing such aggression can be a lawful form of collective self-defense. Moral and

political support, of course, is a longstanding and honorable American tradition—as is our humanitarian assistance for civilians and refugees in war-torn areas.

Most of what we do to promote freedom is, and should continue to be, entirely open. Equally, there are efforts that are most effective when handled quietly. Our Founding Fathers were sophisticated men who understood the necessity for discreet actions; after the controversies of the 1970s, we now have a set of procedures agreed between the President and Congress for overseeing such special programs. In a democracy, clearly, the people have a right to know and to shape the overall framework and objectives that guide all areas of policy. In those few cases where national security requires that the details are better kept confidential, Congress and the President can work together to ensure that what is done remains consistent with basic American principles.

Do we really have a choice? In the 1970s, a European leader proposed to Brezhnev that peaceful coexistence should extend to the ideological sphere. Brezhnev responded firmly that this was impossible, that the ideological struggle continued even in an era of detente, and that the Soviet Union would forever support “national liberation” movements. The practical meaning of that is clear. When Soviet Politburo member Gorbachev was in London recently, he affirmed that Nicaragua had gained independence only with the Sandinista takeover.⁸ The Soviets and their proxies thus proceed on the theory that any country not Marxist-Leninist is not truly independent, and, therefore, the supply of money, arms, and training to overthrow its government is legitimate.

Again: “What’s mine is mine. What’s yours is up for grabs.” This is the Brezhnev doctrine.

So long as communist dictatorships feel free to aid and abet insurgencies in the name of “socialist internationalism,” why must the democracies, the target of this threat, be inhibited from defending their own interests and the cause of democracy itself?

How can we as a country say to a young Afghan, Nicaraguan, or Cambodian: “Learn to live with oppression; only those of us who already have freedom deserve to pass it on to our children.” How can we say to those Salvadorans who stood so bravely in line to vote: “We may give you some economic and military aid for self-defense, but we will also give a free hand to the Sandinistas who seek to undermine your new democratic institutions.”

Some try to evade this moral issue by the relativistic notion that “one man’s freedom fighter is another man’s terrorist.” This is

⁸Gorbachev paid a week-long visit to London in December 1984.

nonsense. There is a self-evident difference between those fighting to impose tyranny and those fighting to resist it. In El Salvador, procommunist guerrillas backed by the Soviet bloc are waging war against a democratically elected government; in Nicaragua and elsewhere, groups seeking democracy are resisting the tightening grip of totalitarians seeking to suppress democracy. The essence of democracy is to offer means for peaceful change, legitimate political competition, and redress of grievances. Violence directed against democracy is, therefore, fundamentally lacking in legitimacy.

What we should do in each situation must, of necessity, vary. But it must always be clear whose side we are on—the side of those who want to see a world based on respect for national independence, for freedom and the rule of law, and for human rights. Wherever possible, the path to that world should be through peaceful and political means; but where dictatorships use brute power to oppress their own people and threaten their neighbors, the forces of freedom cannot place their trust in declarations alone.

Central America

Nowhere are both the strategic and the moral stakes clearer than in Central America.

The Sandinista leaders in Nicaragua are moving quickly, with Soviet-bloc and Cuban help, to consolidate their totalitarian power. Should they achieve this primary goal, we could confront a second Cuba in this hemisphere, this time on the Central American mainland—with all the strategic dangers that this implies. If history is any guide, the Sandinistas would then intensify their efforts to undermine neighboring governments in the name of their revolutionary principles—principles which Fidel Castro himself flatly reaffirmed on American television a few weeks ago.⁹ Needless to say, the first casualty of the consolidation of Sandinista power would be the freedom and hopes for democracy of the Nicaraguan people. The second casualty would be the security of Nicaragua's neighbors and the security of the entire region.

I do not believe anyone in the United States wants to see this dangerous scenario unfold. Yet there are those who would look the other way, imagining that the problem will disappear by itself. There are those who would grant the Sandinistas a peculiar kind of immunity in our legislation—in effect, enacting the Brezhnev doctrine into American law.

⁹ Possible reference to Robert MacNeil's interview of Castro, conducted in Cuba on February 9, 1985, and broadcast in segments on the PBS *MacNeil-Lehrer Newshour* public affairs program the week of February 11.

The logic of the situation in Central America is inescapable.

- The Sandinistas are committed Marxist-Leninists; it would be foolish of us and insulting to them to imagine that they do not believe in their proclaimed goals. They will not modify or bargain away their position unless there is compelling incentive for them to do so.
- The only incentive that has proved effective thus far comes from the vigorous armed opposition of the many Nicaraguans who seek freedom and democratic government.
- The pressures of the armed resistance have diverted Sandinista energies and resources away from aggression against its neighbor El Salvador, thus helping to disrupt guerrilla plans for a major offensive there last fall.
- If the pressure of the armed resistance is removed, the Sandinistas will have no reason to compromise; all U.S. diplomatic efforts—and those of the Contadora group—will be undermined.

Central America's hopes for peace, security, democracy, and economic progress will not be realized unless there is a fundamental change in Nicaraguan behavior in four areas.

First, Nicaragua must stop playing the role of surrogate for the Soviet Union and Cuba. As long as there are large numbers of Soviet and Cuban security and military personnel in Nicaragua, Central America will be embroiled in the East-West conflict.

Second, Nicaragua must reduce its armed forces, now in excess of 100,000, to a level commensurate with its legitimate security needs—a level comparable to those of its neighbors. The current imbalance is incompatible with regional stability.

Third, Nicaragua must absolutely and definitively stop its support for insurgents and terrorists in the region. All of Nicaragua's neighbors, and particularly El Salvador, have felt the brunt of Sandinista efforts to destabilize their governments. No country in Central America will be secure as long as this continues.

And fourth, the Sandinistas must live up to their commitments to democratic pluralism made to the OAS in 1979. The internal Nicaraguan opposition groups, armed and unarmed, represent a genuine political force that is entitled to participate in the political processes of the country. It is up to the Government of Nicaragua to provide the political opening that will allow their participation.

We will note and welcome such a change in Nicaraguan behavior no matter how it is obtained. Whether it is achieved through the multilateral Contadora negotiations, through unilateral actions taken by the Sandinistas alone or in concert with their domestic opponents,

or through the collapse of the Sandinista regime is immaterial to us. But without such a change of behavior, lasting peace in Central America will be impossible.

The democratic forces in Nicaragua are on the front line in the struggle for progress, security, and freedom in Central America. Our active help for them is the best insurance that their efforts will be directed consistently and effectively toward these objectives.

But the bottom line is this: those who would cut off these freedom fighters from the rest of the democratic world are, in effect, consigning Nicaragua to the endless darkness of communist tyranny. And they are leading the United States down a path of greater danger. For if we do not take the appropriate steps now to pressure the Sandinistas to live up to their past promises—to cease their arms buildup, to stop exporting tyranny across their borders, to open Nicaragua to the competition of freedom and democracy—then we may find later, when we can no longer avoid acting, that the stakes will be higher and the costs greater.

Whatever options we choose, we must be true to our principles and our history. As President Reagan said recently:

It behooves all of us who believe in democratic government, in free elections, in the respect for human rights to stand side by side with those who share our ideals, especially in Central America. We must not permit those heavily armed by a far away dictatorship to undermine their neighbors and to stamp out democratic alternatives at home. We must have the same solidarity with those who struggle for democracy, as our adversaries do with those who would impose communist dictatorship.¹⁰

We must, in short, stand firmly in the defense of our interests and principles and the rights of peoples to live in freedom. The forces of democracy around the world merit our standing with them, to abandon them would be a shameful betrayal—a betrayal not only of brave men and women but of our highest ideals.

¹⁰ The President offered these remarks at the Western Hemisphere Legislative Leaders Forum, co-sponsored by the Western Hemisphere Affairs Subcommittee of the House Foreign Affairs Committee, Boston University, and the Center for Democracy, held on January 24 at the Old Executive Office Building. For the text of the remarks, see *Public Papers: Reagan, 1985*, Book I, pp. 66–68.

233. Telegram From the Department of State to all Diplomatic and Consular Posts¹

Washington, February 26, 1985, 0520Z

57043. This is a joint USIA, DOD, State message. Subject: US Policy on Observance of World War II Anniversaries.

1. Summary. On the basis of contributions from interested USG agencies, the National Security Council approved on February 11 a basic strategy on commemoration of World War II and postwar anniversaries. This cable discusses that strategy, which will serve as the framework for US public diplomacy efforts, and provides general guidance to posts.

2. We recognize that several posts have already been called upon to participate in commemorative events and wish to commend the initiative and sensitivity with which they have responded (Brussels 1485 and the Hague 511, Notal).² We encourage addressees to continue to exercise their own judgment as to whether invitations to participate in local bilateral or multilateral commemorations are generally in keeping with the guidance provided below. We believe there is much to be gained in terms of goodwill toward the US and the alliance through participation in appropriately positive observances. Posts should draw on this cable when discussing anniversaries with host governments. Instructions concerning specific outstanding requests for guidance will be sent septels. End Summary.

¹ Source: Department of State, Central Foreign Policy File, Electronic Telegrams, D850129–0272. Confidential; Priority. Sent for information Priority to the Department of Defense, Defense Intelligence Agency, and CINCPAC Honolulu. Sent for information to USNAMR SHAPE, USCINCEUR Vaihingen, CINCUSAFE Ramstein, CINCUSAREUR Heidelberg, USDOCOSOUTH Naples, and CINCUSNAVEUR London. Drafted by David Jones (EUR/CE); cleared by Simons, John Campbell (P), Lowenkron, Michael Klossen (EUR/RPM), Palmer, Dale Herspring (EUR/EEY), John McCarthy (PA), Kimmit, Pearson, R. Bell (DOD/ISP), John Sandstrom (USIA–P/G), Cobbs, Dobriansky, Louise McNutt (EAP), Joyce Lasky Shub (P), Philip Wilcox (ARA/IAI), Thompson (JCS), McKinley, and Krebs; approved by Burt.

² In telegram 1485 from Brussels, January 29, the Embassy summarized its “participation in the fortieth anniversary celebrations in Belgium, with particular emphasis on the reconciliation mass held Christmas Eve in Bastogne.” (Department of State, Central Foreign Policy File, Electronic Telegrams, D850063–0482) In telegram 511 from The Hague, the Embassy noted the various celebrations scheduled to take place in the Netherlands in 1985, adding: “These activities are meant to commemorate liberation and not victory over the Germans. The Dutch people, including the government officials and the Royal Family, are sponsoring these commemorations to remember the hardships they endured to insure their freedom and to thank representatives of the military forces and countries which liberated them.” (Department of State, Central Foreign Policy File, Electronic Telegrams, D850049–0806)

3. Commemoration of key anniversaries this year provides opportunities to:

—Reaffirm the goals and principles which were pursued in establishing the new, democratic community of Atlantic and Asian nations during the immediate postwar years;

—Draw attention to the unparalleled achievements and benefits resulting from post-war reconciliation and cooperation;

—Strengthen our coalition of allied and friendly countries by stressing the community of values and common interests which unite us today;

—Point to the job that remains to be done in expanding freedom and economic opportunity in parts of the world where they are not enjoyed;

—Mitigate the offensive and divisive thrust of the commemorative campaign the Soviets and their East European allies have underway;

—In the case of appropriate commemorative events, facilitate participation by individuals and groups with a legitimate personal or historical interest;

—Make available documentation from the period which illustrates and clarifies US and allied policies.

—Counteract contemporary pacifist sentiments by demonstrating that the values being commemorated were and are worth fighting for.

4. Themes. Starting from the broad, positive themes of peace and reconciliation articulated by President Reagan in a January 26 radio interview (see below, para 18), the United States views the many anniversaries being observed this year as an opportunity to rededicate ourselves to the goals and ideals which, under US leadership, the West followed in establishing a new, secure Atlantic and Asian democratic community, aimed at avoiding future wars.

5. In so doing, special emphasis should be given to the emergence of thriving democracies, dedicated to free enterprise, individual liberty and material well-being, in the very nations defeated in World War II, as well as to the creation of the most successful collective security organizations of modern times: NATO, ANZUS and the Treaty of Mutual Cooperation and Security with Japan. (ANZUS references must, of course, take account of current political difficulties).

6. Conversely, our celebration of these achievements must be balanced by emphasis on the unacceptability of the division of Europe which emerged from World War II. We should stress Soviet responsibility for this division and underline the fact that, contrary to the USSR, the United States does not believe that history has spoken its final word on the political organization of the continent. Our main themes should be self-determination of peoples, overcoming the human costs of the

division and the rightful goals of nations in both Eastern and Western Europe to restore full national sovereignty. Particular emphasis should be placed on the human rights aspect of the division. Posts should note that human aspirations cannot be suppressed forever and stress that until freedom of movement and expression is made possible, tensions will threaten. This aspect of the anniversaries was addressed in the President's February 5 statement on the Yalta Conference, repeated in State 35382.³

7. Dealing with the Soviets. The Soviet/Eastern European campaign is focused on the "overwhelming role" of the USSR in victory over Germany and Japan, adherence to the postwar status quo, familiar distortions of US and Soviet contributions to the war, and the vilification of the FRG. Soviet attacks on Bonn and Tokyo could, if responded to skillfully, further US interests by underscoring clearly the real differences between the respective US and Soviet approaches to Europe and Asia. In particular, the vicious "revanchism" campaign against the Federal Republic should be described as a clear demonstration of true Soviet goals towards Germany which belie much of the peace rhetoric of the past two years.

8. In the absence of a common approach, we should consider cooperation and joint participation in events with the Soviets only if the USSR demonstrates a willingness to redirect its approach. It now appears that the Soviets will risk alienating the West rather than pass up the opportunity afforded by the V-E day anniversary to rally domestic support for their policies, and reaffirm the status quo in Europe. This fact should not cause us to abandon our basic theme of reconciliation. We should, however, not expect a marked softening in the Soviet approach.

9. Eastern European Observances. As noted in para 19 below, posts in Eastern Europe are requested to explain our approach to East European governments, stressing its incompatibility with the Soviet revanchism theme. If the public line of these governments proves significantly more congenial to our own we should consider reciprocating—and encouraging our allies to do the same—by joining at an appropriate level in their national observances, or in other appropriate ways.

10. V-E Day. The White House envisages a major Presidential address on May 8 during the President's trip to Europe.⁴ As a general rule, we would suggest treating May 8 as the day when peace came to

³In telegram 35382 to all diplomatic and consular posts, February 5, the Department transmitted the text of the White House statement on Yalta (see footnote 6, Document 227). (Department of State, Central Foreign Policy File, Electronic Telegrams, D850082-0649)

⁴See Document 240.

Europe, a situation which has prevailed since, thanks to NATO, with the exception of periodic Soviet assaults on one or another of its “allies.”

11. Events in Asia. Reflecting the sensitivities of the Japanese in particular, we plan a low-key approach for the end-of-war anniversaries. As Prime Minister Nakasone told Secretary Shultz in California, commemorations should be cast in positive, forward-looking terms, stressing the progress Japan has made in developing a true democracy and the postwar importance of US-Japanese friendship.⁵ Contacts between Japanese and American veterans’ groups are under way and should receive appropriate encouragement. We should also acknowledge the important wartime roles of Australia and New Zealand in defending freedom while taking into account the current political difficulties in the ANZUS alliance. We are also aware of the need to commemorate the roles of friendly countries in both the European and Pacific theaters, including the Benelux and Scandinavian countries, Greece, the Philippines and Korea. Following the lead of individual host governments interested in appropriate commemorations and starting from a positive, forward-looking posture, we should stress the progress made in the postwar West and seek to emphasize the celebration of freedom as a common theme.

12. China. We should continue to assess the feasibility of participating in Chinese anniversary ceremonies. Bearing in mind our wartime alliance with Chiang Kai-shek and the complications of the Taiwan issue, such participation may not be advisable.

13. Veterans’ Groups. Without endorsing joint participation with Soviet veterans’ groups, we plan to cooperate with US veterans’ groups to the extent possible. NSC has recommended that DOD designate one of the services as the executive agent for WWII anniversaries. That service in turn will set up a central office primarily for informational purposes to provide coordinated responses to veterans’ groups’ inquiries.

14. We support the concept of a formal German-American veterans’ commemoration, stressing homage to those who fell in battle as well as the high degree of mutual respect and cooperation between the two armed forces today. As suggested in para 19 below, we wish to begin consultations on a NATO observance at NATO Headquarters, Brussels. Any veterans activities in Europe should be done in coordination with and, if possible, under the supervision of USCINCEUR. Requests for participation by any US active duty troops in any ceremony or activity should be forwarded to the Department of State for coordination with DOD. Consideration will also be given to the possibility of a national ceremony in the US to commemorate Americans who died in battle and in concentration camps. In addition to elaborating themes mentioned

⁵ See footnote 5, Document 220.

above, such a ceremony would also aim to bolster American internationalism and counter neo-isolationist pressures.

15. Events in Israel. Israel is hosting May 5–9 a world assembly commemorating the 40th anniversary of the defeat of Nazi Germany and its satellites. While we understand that most of the program is designed for Israeli participation only, our embassy has been invited to attend, with the rest of the diplomatic corps, a ceremony on May 8 in honor of the allied victory. We believe that Embassy Tel Aviv can best judge whether participation in this ceremony would be consistent with the themes of peace and reconciliation we are seeking to emphasize. Representatives of the Department of Justice's Office of Special Investigations (responsible for war crimes investigations) have also been invited to attend the assembly. No other official US participation is planned at this time, although a Presidential message is being sent for inclusion in a brochure to be published by the world assembly.

16. Consultations. All agencies are agreed on the importance of continued close consultations with our allies, particularly the FRG, the UK, France, Japan and Australia. In addition to contacts through our embassies, we plan to use NATO POLADs as appropriate. An action request is contained in para 19 below.

17. Next Steps. An interagency group on World War II anniversaries was formed in November, 1984, and will continue to meet regularly. The Office of the Historian in the Bureau of Public Affairs is currently working on a series of background papers on major anniversaries, which we intend to use as part of a general briefing package for USG officials and public speakers. The first such paper, on the Yalta Conference, was sent to posts in State 32454.⁶ Other topics include V-E Day, the Potsdam Conference and V-J Day.

18. Excerpt from President Reagan's comments on WWII anniversaries from his January 26 radio interview. Begin text: I have to tell you that I hope that, world wide, the observance of the end of World War II will not be the rejoicing of a victory and recalling all of the hatred that went on at the time. I hope we'll recognize it now as the, day that democracy and freedom and peace and friendship began between erstwhile enemies. End text.

19. Action requested:

A. For All Diplomatic Posts: Please draw on above guidance as appropriate in discussing overall US approach to V-E Day and V-J commemorations with host governments. Please report any significant reactions, especially those which reflect special support or criticism of US goals. All requests for US participation in commemorative events should be reported immediately.

⁶ See footnote 4, Document 227.

B. For Bonn, London, Paris: As posts are aware, Department has been in close touch with these allies concerning V-E Day and President's trip. Please present above views as reflection of overall inter-agency guidance and note that we will also raise the subject at NATO. Please stress our continuing desire for the closest possible consultation on V-E Day issues.

C. For USNATO: Please draw on above guidance in presenting the general outlines of US goals to POLADs and note that the US is interested in the closest possible consultation with all allies on V-E Day issues. You should note that details of specific events are still being considered and should request detailed views of other allies on major issues.

D. For Warsaw Pact Capitals: As noted in para. 9 above, Department wishes to provide Warsaw Pact countries with a comprehensive description of our approach. This description should stress our desire to pursue reconciliation and should suggest that if EE countries wish also to adopt this theme, we are prepared to discuss joint observance of various events such as liberation of cities or camps, etc. Presentation should be tailored to posts' judgment of local situation. It should be low-key and objective and should not hold out hopes for major US participation. We do not believe that Warsaw Pact countries will stray from the Soviet line, but wish to offer them the opportunity to adopt a more moderate approach.

E. For Bonn: One possibility raised in Washington is that of a joint military ceremony at NATO Headquarters. We would be interested in your assessment of this idea as well as reactions of the Germans before taking it up in NATO.

Shultz

234. Editorial Note

On March 1, 1985, President Ronald Reagan offered remarks at the annual dinner of the Conservative Political Action Conference. The President began his remarks by commenting that the United States currently faced "an especially dramatic turning point in American history" and proceeded to discuss some of the recent history of the Republican Party. After discussing several domestic political issues, the President stated: "But the domestic side isn't the only area where we need your help. All of us in this room grew up, or came to adulthood, in a time when the doctrine of Marx and Lenin was coming to divide the world.

Ultimately, it came to dominate remorselessly whole parts of it. The Soviet attempt to give legitimacy to its tyranny is expressed in the infamous Brezhnev doctrine, which contends that once a country has fallen into Communist darkness, it can never again be allowed to see the light of freedom.

“Well, it occurs to me that history has already begun to repeal that doctrine. It started one day in Grenada. We only did our duty, as a responsible neighbor and a lover of peace, the day we went in and returned the government to the people and rescued our own students. We restored that island to liberty. Yes, it’s only a small island, but that’s what the world is made of—small islands yearning for freedom.

“There’s much more to do. Throughout the world the Soviet Union and its agents, client states, and satellites are on the defensive—on the moral defensive, the intellectual defensive, and the political and economic defensive. Freedom movements arise and assert themselves. They’re doing so on almost every continent populated by man—in the hills of Afghanistan, in Angola, in Kampuchea, in Central America. In making mention of freedom fighters, all of us are privileged to have in our midst tonight one of the brave commanders who lead the Afghan freedom fighters—Abdul Haq. Abdul Haq, we are with you.

“They are our brothers, these freedom fighters, and we owe them our help. I’ve spoken recently of the freedom fighters of Nicaragua. You know the truth about them. You know who they’re fighting and why. They are the moral equal of our Founding Fathers and the brave men and women of the French Resistance. We cannot turn away from them, for the struggle here is not right versus left; it is right versus wrong.

“Now, I am against sending troops to Central America. They are simply not needed. Given a chance and the resources, the people of the area can fight their own fight. They have the men and women. They’re capable of doing it. They have the people of their country behind them. All they need is our support. All they need is proof that we care as much about the fight for freedom 700 miles from our shores as the Soviets care about the fight against freedom 5,000 miles from theirs. And they need to know that the U.S. supports them with more than just pretty words and good wishes. We need your help on this, and I mean each of you—involved, active, strong, and vocal. And we need more.

“All of you know that we’re researching nonnuclear technologies that may enable us to prevent nuclear ballistic missiles from reaching U.S. soil or that of our allies. I happen to believe—logic forces me to believe—that this new defense system, the Strategic Defense Initiative, is the most hopeful possibility of our time. Its primary virtue is clear. If anyone ever attacked us, Strategic Defense would be there to protect us. It could conceivably save millions of lives.

“SDI has been criticized on the grounds that it might upset any chance of an arms control agreement with the Soviets. But SDI is arms control. If SDI is, say, 80 percent effective, then it will make any Soviet attack folly. Even partial success in SDI would strengthen deterrence and keep the peace. And if our SDI research is successful, the prospects for real reduction in U.S. and Soviet offensive nuclear forces will be greatly enhanced.

“It is said that SDI would deal a blow to the so-called East-West balance of power. Well, let’s think about that. The Soviets already are investing roughly as much on strategic defenses as they are on their offensive nuclear forces. This could quickly tip the East-West balance if we had no defense of our own. Would a situation of comparable defenses threaten us? No, for we’re not planning on being the first to use force.

“As we strive for our goal of eventual elimination of nuclear weapons, each side would retain a certain amount of defensive—or of, I should say, destructive power—a certain number of missiles. But it would not be in our interest, or theirs, to build more and more of them.

“Now, one would think our critics on the left would quickly embrace, or at least be openminded about a system that promises to reduce the size of nuclear missile forces on both sides and to greatly enhance the prospects for real arms reductions. And yet we hear SDI belittled by some with nicknames, or demagogued with charges that it will bring war to the heavens.

“They complain that it won’t work, which is odd from people who profess to believe in the perfectability of man—machines after all. [Laughter] And man—machines are so much easier to manipulate. They say it won’t be 100 percent effective, which is odd, since they don’t ask for 100 percent effectiveness in their social experiments. [Laughter] They say SDI is only in the research stage and won’t be realized in time to change things. To which, as I said last month, the only reply is: Then let’s get started.

“Now, my point here is not to question the motives of others. But it’s difficult to understand how critics can object to exploring the possibility of moving away from exclusive reliance upon nuclear weapons. The truth is, I believe that they find it difficult to embrace any idea that breaks with the past, that breaks with consensus thinking and the common establishment wisdom. In short, they find it difficult and frightening to alter the status quo.

“And what are we to do when these so-called opinion leaders of an outworn philosophy are out there on television and in the newspapers with their steady drumbeat of doubt and distaste? Well, when all you have to do to win is rely on the good judgment of the American people, then you’re in good shape, because the American people have

good judgment. I know it isn't becoming of me, but I like to think that maybe 49 of our 50 States displayed that judgment just a few months ago. [Laughter]

"What we have to do, all of us in this room, is to get out there and talk about SDI. Explain it, debate it, tell the American people the facts. It may well be the most important work we do in the next few years. And if we try, we'll succeed. So, we have great work ahead of us, big work. But if we do it together and with complete commitment, we can change our country and history forever.

"Once during the campaign, I said, 'This is a wonderful time to be alive.' And I meant that. I meant that we're lucky not to live in pale and timid times. We've been blessed with the opportunity to stand for something—for liberty and freedom and fairness. And these are things worth fighting for, worth devoting our lives to. And we have good reason to be hopeful and optimistic.

"We've made much progress already. So, let us go forth with good cheer and stout hearts—happy warriors out to seize back a country and a world to freedom." (*Public Papers: Reagan, 1985*, Book I, pages 226–230; brackets are in the original)

235. Memorandum From the Executive Secretary of the Department of State (Platt) to the President's Assistant for National Security Affairs (McFarlane)¹

Washington, March 8, 1985

SUBJECT

Proposals for Speeches by the President during His May 1–10 trip to Europe²

As currently planned, President Reagan's schedule in Europe includes three major addresses. They are:

¹ Source: Reagan Library, White House Office of Speechwriting, Research Office; NLR-533-1-120-1-4. Confidential. A notation in an unknown hand in the top left-hand corner of the memorandum reads: "Ben—For our 3:00 meeting. Bill."

² The President was scheduled to visit the Federal Republic of Germany, May 1–6, attend the G-7 Economic Summit meeting in Bonn, May 2–4, and then take part in ceremonies commemorating the 40th anniversary of the end of World War II in Europe. He would then travel to Madrid to meet with King Juan Carlos I and President Gonzalez, May 6–7; to Strasbourg to address the European Parliament on May 8; and to Lisbon to meet with President Eanes and Prime Minister Soares and address the National Assembly, May 8–10.

—May 6—*Hambach Castle Germany*: Remarks to an assembled group of German youth.³

—May 8—*Strasbourg*: A major address at the European Parliament to members of the parliament and other assembled dignitaries.⁴

—May 9—*Lisbon*: A speech at the Portuguese Parliament to members of the parliament.⁵

Despite chronic uncertainty in Europe, especially about the economic situation, the President's trip presents an important opportunity for the United States and for the Alliance. American optimism is starting to infect Europe as well. The President's image in Europe is increasingly characterized by his record of success in restoring American economic, military and political strength, both at home and abroad.

This record of success will be the President's most important asset in communicating with the Europeans. Impressed by his achievements, the Europeans are beginning to look for ways to emulate his methods. Traditional European *desires* for American leadership are thus reinforced by the *expectation* that the American model again provides the best hope for a brighter, more secure future.

The President's speeches in Europe will provide a superb means to send a message both to our friends and adversaries in Europe and to the people of the United States. Especially through his speeches, he has an opportunity to establish a framework which could guide US-European and East-West relations for the next decade or even longer.

The sequence of three speeches in three countries in four days sets a grueling pace—but it also presents an excellent opportunity. A series of speeches allows us to establish a few basic themes and then focus each speech on specific subject areas, tailored to the audience to which it is delivered. Our aim should be a comprehensive statement of US intentions across the entire scope of US-European and East-West relations which cumulatively provide a "Reagan vision" for the Atlantic world. In the current propitious climate, this vision could rival the Marshall Plan⁶ or the Kennedy Berlin speech⁷ in setting the tone for US engagement in Europe.

Basic Themes

The President's message will be most relevant to the Europeans if he builds his speeches around a few basics which are of highest concern

³ The text of the address is printed in *Public Papers: Reagan, 1985*, Book I, pp. 569–573.

⁴ See Document 240.

⁵ The text of the address is printed in *Public Papers: Reagan, 1985*, Book I, pp. 590–594.

⁶ See footnote 3, Document 177.

⁷ For Kennedy's June 26, 1963, remarks in the Rudolph Wilde Platz, Berlin, see *Public Papers: Kennedy, 1963*, pp. 524–525.

to European public opinion. By hitting these framework points in each speech, the President can relate American goals directly to Europeans' needs. We would recommend concentrating on the following three themes:

—*Security*: How can the achievements of the past forty years be protected? Europeans are uncertain that they will be able to maintain the economic prosperity, the social equilibrium and the freedom from outside threat which they have enjoyed since the end of World War II. Despite renewed faith in US leadership, they remain unsure about the continuity of US protection in years to come.

—*Change*: Recent years have brought home the painful realization that the comfortable postwar world which Europeans constructed for and around themselves is beginning to change. They are struggling to understand the changes and to cope with them. Europeans are looking for a *positive* concept of change which will equip them for the future while not endangering the gains of the past.

—*Partnership*: Younger Europeans especially are increasingly frustrated by a sense that they have lost control of their own fate. Modern technology, atomic weapons and the "superpowers" are all seen as contributing to the increased impotence of individual and state in Europe. With the United States in particular, the Europeans seek a sense of partnership, where their views are taken into account and where Europeans are accepted as full participants in deciding the future of the Western world.

The President's Message

The message which the President has delivered at home during the past four years is also well suited for Europe. We are past the point where the United States can provide complete solutions to European problems. What Europeans need most is a sense of self-confidence and trust in their ability to face the future with courage and optimism. Our offer should not focus on what the US can do for the Europeans, but on what we can help them *do for themselves*. Our goal should be to help further *European* initiatives to deal with their specific concerns and to join the United States in a deeper partnership.

Our basic message should be a simple one—*Freedom Works*. The Western example demonstrates that societies can both provide for their citizens and master the challenges of the future by allowing the freest expression of individual human aspirations.

The economic component of American success will be especially important. America has again proven that by freeing personal initiative and productive capacities, difficult problems such as unemployment, environmental damage, inflation and the challenges of modern technology can be dealt with successfully.

The second message should be a call for unity and partnership. No country, even the United States, can maintain freedom and prosperity alone. But we cannot be expected to treat the Europeans as full equals if they are not willing to accept the burdens that true partnership entails. A clear statement on the requirements of partnership would help considerably to make clear what we expect from the Europeans in the Atlantic relationship.

A key aspect of this message will be our approach to East-West relations. Simplistic demands of 1982 and 1983 for maintenance of detente at any price have all but disappeared. Europeans are growing increasingly skeptical about Soviet behavior, but are still unsure about how to proceed. They are awaiting a signal from Washington. The Soviets will also listen carefully to the President's message, as will the countries of Eastern Europe.

An important task will be to send such a signal to allies and adversaries alike. The President will have an excellent opportunity to seize the initiative on East-West relations and to set forth a framework which could focus discussion in both East and West.

A Division of Labor

Against this background, we would suggest the following division of subject matter among the three speeches:

—*Hambach—Youth, Democracy, Human Rights*: Chancellor Kohl pushed hard for a speech at this old castle which was the site of one of the first rallies for democracy in post-Napoleonic Germany. He wants the speech to be aimed at German youth.

This focus reflects concerns in both Germany and abroad that young people in Germany are beginning to drift. The Chancellor hopes that the President will deliver a strong statement on the meaning of democracy and on its relevance to the lives of German young people.

Hambach is the ideal place to set the basic theme—"Freedom Works." The President can set forth a democratic and dynamic concept which provides security while allowing each individual to work within the system to pursue his own goals. The democratic approach could be contrasted with centrally organized systems which allow change only when dictated from above.

Here is also an excellent spot to emphasize the importance of personal courage and initiative. Young people in Germany have lost confidence in their ability to affect society. As a result they are not willing to assume responsibility for their own fate. Reference to the courage shown by Germans immediately after World War II and to the American experience during the past four years could underline the

point. The President could also make reference to the spread of democracy in Europe and in the Western hemisphere.

This speech would also be the occasion to stress the concept of change—another theme which is especially vital to Germany. The President could note that American society has always been at the forefront of change, at home and abroad. He could stress our support for democratic change throughout the world, in Europe as well as in the less developed countries. But in Europe and throughout the world, we will continue to resist efforts to impose repressive regimes in the name of “revolution.”

The President could note the clear lesson of history. Repressive regimes cannot master the challenges of a changing world. So too, must changes occur in the inhumane division of Europe. The Hambach speech could include the basic reiteration of our traditional rejection of the postwar division of Europe, including in Germany. The United States is committed to pursuing efforts to ameliorate the human costs of the division. While making clear that we do not wish to change existing borders, he should contrast our views with those of the Soviet Union, which is claiming that the last word has been written about the “fruits of World War II.”

—*Strasbourg—Atlantic Relations, European Unity, American Concept for East-West Relations*: This speech should be the major policy statement of the trip. Against the background of the Hambach speech, the President should set forth in detail basic elements of American policy towards Europe in the past, present and future. He should trace a clear line of continuity through our efforts and reaffirm the basic principles of unity, security and freedom.

Strasbourg provides an excellent venue to give a ringing endorsement to a united, dynamic Europe. The President should directly refute the view that the United States opposes European unification. This speech should also address fears that the US is turning away from Europe in favor of the Pacific. We should chide the Europeans somewhat for fearing competition from the Pacific. The most important fact is that the Pacific basin is increasingly becoming a part of a dynamic community of nations of which Europe is a part. Nations of the Pacific area have adopted important elements of our system and our values. That strengthens the West, but also brings challenges.

Finally, Strasbourg should feature the major statement on East-West relations. The President should stress the comprehensive proposals which we have put forward and underline the progress represented by commencement of the Geneva talks. He should restate the principles which have guided his approach to East-West relations and stress the continuity of the US approach to the East.

A major focus should be SDI, and US concepts for long term Alliance defense. The President should present a detailed description of SDI and its benefits for the future of the Alliance. It will be especially important to relate SDI to questions of technological development in Europe and the US.

This speech provides an excellent opportunity to debate head-on the problem of how best to secure change in the Soviet Union and in Eastern Europe, and—by inference—how to deal with the human side of the division of Europe.

The original concept of detente, still supported in Europe, suggested that engagement and dialogue with the East were good in themselves. This concept suggests that if government-to-government relations improve, positive and controlled change will follow.

The President could note that experience has demonstrated almost the opposite. Developments in Poland are an excellent example. Years of Western support for Gierek resulted in catastrophe. Poland demonstrates that change will also come to the East. Our task is to help stimulate controlled change which serves the interests of individuals in both East and West.

The vehicle for this controlled change should be the President's message to the West—"Freedom Works." If the West remains united in pursuit of its values, we can use our dynamic societies to stimulate change on issues of pressing importance such as military security, human contacts, freedom of expression etc.

The President should again make clear that we are not talking about changing borders or overthrowing regimes. But at the same time, we cannot limit our efforts to cultivating relations with those in power. We must think of the future. One of the greatest threats to world peace remains the suppression of human aspirations in the Soviet Union and Eastern Europe. The West should focus its dialogue with the East increasingly on areas where change is taking place rapidly and where our joint interest in both *security* and *change* requires more openness from the Soviet side.

This would not be a new sort of convergence theory. It would also not require abandonment of our existing policy of differentiation. Governmental behavior would be an important criterion in judging our overall relations with a country. But in addition to official relations, the President should seek to offer a *vision* of how both parts of Europe could become more secure, more prosperous and more democratic through steady spread of individual initiative and openness in the East.

We would use institutions such as the CSCE to concentrate more directly on the social and political implications of such problems as the environment, health care, displacement of workers through automation etc. These are all fields where the West is far ahead of the East.

Our solutions can be applied in the East, to the benefit of all. Unstated would be the assumption that if the East does not liberalize, prospects for stability in Europe could be bleak.

With such a message, the President could engage Europeans in a joint effort to promote change in Europe through a positive, controlled process of engagement. We would set forth a concept of engagement for change in Europe which would replace the original theory of detente. Our goal would be to make clear to the Europeans that hoping only to improve relations with an outmoded system which does not enjoy the confidence of its people cannot in the long run serve Western interests. Change must come in the East. It is in the interest of the West to convince Soviet leaders of this fact before it is too late.

A unifying element in the message to both Eastern and Western Europe is science and technology. Again, the SDI example will be important. The President could note that we are on the threshold of a new technological era, but that full application of new methods is possible only in an atmosphere of individual freedom. We are optimistic about chances for reducing barriers—the East must loosen controls if it is to survive. The US wishes to work closely with its European allies to ensure that new technologies are used for the good of mankind. They should unify rather than divide.

This approach would also offer an opportunity to speak directly to an issue which continues to cause friction between the US and Western Europe—export controls. The President could stress the US desire to apply its technological skills to the good of mankind. However, if we see our technology perverted by repressive systems or turned against us by military opponents, we must focus even more attention to controls. The solution is to remove the need for controls by removing the internal repression or military threat which caused them in the first place.

—*Lisbon—Portuguese Example of Democratic Change, Relations with Third World, Personal Statement on Europe*: The Lisbon speech can tie the threads together. As a nation which only recently returned to democracy, Portugal is a prime example that “Freedom Works.” Portugal is also a country which provided much of the early impulse for the discovery of America. Its long ties to the New World and to other Third World areas provide an excellent background for discussion of worldwide interests. In particular, the President could pick up themes from the Hambach and Strasbourg speeches and apply them to relations between the industrialized countries and the Third World. He could contrast our approach with that of the Soviet Union, and speak directly to problems in Central America, Southern Africa and elsewhere.

Finally, the President should conclude his trip with a very personal vision of democracy, the American role in the world and his hopes for the future.

Next Steps

The Department would be grateful for your initial response to the above proposals as soon as possible. Once we have your guidance, we will begin preparing drafts of the major speeches.

Nicholas Platt⁸

⁸ Printed from a copy that bears this typed signature.

236. Talking Points Prepared in the Department of State¹

Washington, undated

WHY WE MUST HAVE A RELATIONSHIP
WITH THE SOVIETS

There are some serious people who think we should *not* have a better relationship:

—we should focus on strengthening our domestic economy and society and leave the Soviets in our wake;

¹ Source: Reagan Library, George Shultz Papers, Secretary's Meeting with the President (03/11/1985). No classification marking; Sensitive. No drafting information appears on the talking points. Shultz met with the President and Regan on March 11 in the Oval Office from approximately 2 until approximately 2:30 p.m. (Reagan Library, President's Daily Diary) In his personal diary entry for March 11, the President wrote: "Awakened at 4 A.M. to be told Chernenko is dead. My mind turned to whether I should attend the funeral. My gut instinct said no. Got to the office at 9. George S. had some arguments that I should—he lost. I dont think his heart was really in it. George B. is in Geneva—he'll go & George S. will join him leaving tonight." (Brinkley, ed., *The Reagan Diaries*, vol. I, January 1981–October 1985, p. 434) In his memoir, Shultz wrote of the March 11 meeting: "I went to the White House to see President Reagan to go over ideas for the meeting our delegation would have with Gorbachev. There wasn't a thought in his mind of going to Moscow. I recommended that Vice President Bush deliver a letter to Gorbachev inviting him to the United States. The president agreed." (Shultz, *Turmoil and Triumph*, p. 527) The March 11 letter from the President to Gorbachev, which Bush delivered in Moscow on January 13, is in *Foreign Relations, 1981–1988*, vol. V, Soviet Union, March 1985–October 1986, Document 1.

—to try to get a better relationship means “detente”, and detente is another word for appeasement;

—we *should not* negotiate from a position of weakness (our situation in the 1970’s); and we *need not* negotiate from a position of relative strength (our position today), because negotiation just leads us to give things away.

Our answer should be:

—we *are* building our domestic strength. Nothing can stop us;

—we reject “detente”. It has been tried and it doesn’t work;

—we have brought a new *realism* to our foreign policy. We are not going to give positions away in negotiations, nor sign on to flawed agreements as other Administrations did in the past. We do not *have* to have an agreement; we are not panting after a treaty. This self-confident attitude has worked to our advantage in the Middle East, in Central America, and with the Soviets. Indeed, it is a major reason why the Soviets have come back to the table.

So we are better placed and more prepared than any American Administration has been *in decades* to achieve a new basis for global stability. We have the beginning of a new *Reagan Doctrine*:

—The *Rand* speech: a wholly new approach to dealing with the Soviets.²

—The *Commonwealth Club* speech: drawing the lines in our own neighborhood, Central America.³

—And we have taken the initiative to reverse decades-long trends in the Third World economies (march toward the market) and approach key regional issues creatively (southern Africa, the Pacific Basin).

To turn inward and isolate ourselves or stay aloof would be to repeat a mistake that the U.S. has made in the past.

Our job is to end the cycle of intervention/withdrawal that has characterized U.S. foreign policy historically—and to establish a new basis for global security and progress that can last well into the next century.

² See Document 209.

³ See Document 232.

237. Paper Prepared in the Department of State¹

Washington, March 22, 1985

PRIORITIES/OPPORTUNITIES FOR 1985

—This year we see ferment and diplomatic movement in a number of areas. This is very much a product of the strengthened US position in the world, and it presents us with opportunities in 1985 to shape events in accordance with our goals. We have tried to develop a game plan that sketches out how we will want to handle these issues over the rest of the year, including initiatives we may want to take and problems that are likely to confront us.

—The obvious major issues are US-Soviet relations, Central America, the Middle East, and Southern Africa.

US-Soviet Relations/Arms Control

—Gorbachev is bound to be more active and more formidable than his predecessors. He will present a superficial image of flexibility, as part of an aggressive strategy of wooing our allies and the Chinese while possibly confronting us boldly in Afghanistan/Pakistan, the Middle East, and even Central America. He may at the same time be willing to engage us and meet with you before the end of the year.

—We need a firm and imaginative strategy of our own to protect our interests [in] whatever course Gorbachev selects. Indeed, an effective US strategy can influence his basic decisions:

- We should make clear *our* willingness to deal constructively.
- We should make equally clear that we are prepared to resist Soviet challenges.

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons 3/1–31/85. Secret; Sensitive. Shultz's stamped initials appear at the top of the memorandum. Rodman sent the memorandum to Shultz under a March 22 typewritten covering note: "Attached is a 'game plan' paper covering the four main issues: US-Soviet, Central America, Middle East, and Southern Africa. Attached also are copies of the papers done by EUR, ARA, NEA, and AF, which I drew upon in doing the 'game plan' paper." Shultz's stamped initials appear on the covering note; Quinn initialed the covering note and wrote "3/22." (Ibid.) The attached papers to which Rodman referred in his covering note are an undated paper "Soviet and Alliance Talking Points," an undated action memorandum from Motley to Shultz, a March 22 paper "Notional Scenario," an undated paper "Israeli-Jordanian Secret Talks with U.S. Participation," and a March 6 information memorandum from Wisner to Armacost; all are *ibid*. A March 8 draft of Rodman's paper, which Platt sent to Shultz under a March 8 covering memorandum, is in the Reagan Library, Donald Fortier Files, Subject File, Foreign Policy.

—The key to our success will be to maintain a solid base here and to keep the Alliance solidly together. We will need to be nimble in the negotiations—having defensible positions always on the table—in order to maintain this domestic and allied solidarity.

—Our game plan would be the following:

- We should take the initiative to use Dobrynin as a Presidential channel to Gorbachev, perhaps meeting with him in a White House setting.

- We should lay out for Dobrynin a schedule for progress over the coming year, aiming at a well-prepared summit.

- We will continue our all-out effort in the Congress to maintain support for the MX, SDI, and overall defense spending.

- Your trip to Europe in May will be a crucial event in Alliance management. We will have to blunt European concerns over SDI and use the other two Geneva arms control forums creatively. We want Bonn (and the NATO meetings that will follow in June) to be a powerful display of Western solidarity.²

- I will see Gromyko in Vienna in mid-May.³ If the Soviets have shown a willingness to engage us by then, we could use this to begin preparing for a summit.

- At the end of July is the 10th anniversary of CSCE in Helsinki.⁴ If all foreign ministers go to Helsinki—which I hope they won't—Gromyko and I will be there.

- The Soviets may see the UNGA in September (and the 40th anniversary of the UN in October) as the right context for Gorbachev to come to the U.S. to meet with you. Or they may send Gromyko, and you may want to meet with him yourself to do preparatory work.

² See footnote 2, Document 235. The NATO meeting was scheduled to take place in Brussels, June 6–7.

³ Shultz was scheduled to attend ceremonies in Vienna commemorating the 30th anniversary of the Austrian State Treaty (see footnote 12, Document 8), May 13–15. Shultz met with Gromyko on May 14. For the text of Shultz's May 15 remarks while in Vienna, see Department of State *Bulletin*, July 1985, pp. 37–38. Documentation on Shultz's Vienna meeting with Gromyko is in *Foreign Relations*, 1981–1988, vol. V, Soviet Union, March 1985–October 1986, Documents 28–30.

⁴ Scheduled to take place from July 29 to August 1. For Shultz's address delivered at the ceremonies on July 30, see Department of State *Bulletin*, October 1985, pp. 30–33. While in Helsinki, Shultz met with Shevardnadze. Documentation is in *Foreign Relations*, 1981–1988, vol. V, Soviet Union, March 1985–October 1986, Documents 71 and 72.

- Other events: Ottawa Human Rights Experts meeting (May 7);⁵ Baldrige visit to Moscow (May 20–21);⁶ decision point in our interim restraints/no-undercut policy re Trident sea trials (summer/fall);⁷ Decisions to be made in light of circumstances; opportunities to keep the pressure on the Soviets.

—Wild card: (Mid-summer:) Possible guilty verdict in Antonov papal assassination trial.⁸

Central America

—Our main task is to sustain our leverage over Nicaragua and the other main elements of our strategy (contras; military/economic/psychological pressures; Jackson plan; diplomatic efforts). Many of the key battles will be at home.

—Battle over contra funding is crucial. Setback will have damaging psychological/political effect, demoralizing our friends and emboldening the Sandinistas.

—You and I have already begun a public diplomacy campaign on behalf of the freedom fighters. This is having an impact on the public discussion, but it is probably not going to be enough to win the Congressional vote.

—A major Presidential effort will be needed, including a major speech to the nation or to the Congress.

—The centerpiece of the speech should be a new political initiative including a dramatic peace plan that can command widespread support. This would turn a vote for the contras into a vote for a peace plan, fundamentally altering the terms of the debate. The speech would include the following elements:

- Laying out the background of our policy, its main elements, and the successes we have achieved.

- Pointing to Nicaragua as the remaining problem, describing how we have tried to deal with it.

- Paramilitary action always poses a dilemma but it is wholly legitimate in this case; sometimes we need policy instruments that fall between diplomatic notes and US troops.

⁵ Reference is to the CSCE Human Rights Experts Meeting scheduled to take place in Ottawa during May and June.

⁶ Documentation on the Baldrige visit is in *Foreign Relations, 1981–1988*, vol. V, Soviet Union, March 1985–October 1986, Document 32.

⁷ Documentation on the Trident sea trials is scheduled for publication in *Foreign Relations, 1981–1988*, vol. XLIV, Part 2, National Security Policy, 1985–1988.

⁸ See footnote 11, Document 172.

• Our preferred objective is a peaceful, negotiated solution. To unblock Contadora and restore peace, we would:

—Call on the Nicaraguan democratic opposition (Cruz, Robelo, Calero) to extend for 60 days their offer to engage in a direct dialogue with the Sandinistas on peace and pluralism. (Offer now due to expire April 20.)⁹

—Call on the Sandinistas to accept the Opposition offer;
 —Call on the Nicaraguan Church (the Pope?) to preside over the dialogue;
 —Call on Contadora and the OAS to lend their good offices.

• If the Nicaraguans go to dialogue, we would be ready to respond by:

—resuming Manzanillo¹⁰ to see if a Contadora treaty is attainable,

—not obligating new contra funds for 60 days (but insist that Congress remove the restrictions) while we give the Sandinistas a chance to think over our offer, and

—cancelling maneuvers of over 500 men in Central America during the 60-day period.

• You would appeal to Nicaragua to live up to its OAS promises and accept this offer. You would call on Congress not to undercut your effort.

—The speech would be accompanied by vigorous public diplomacy, demarches in capitals, etc.

—Best timing would be:

- Go to Congress with Nicaragua report on or about April 15,
- Speech before April 20 expiry date of present Opposition offer,
- Vote on or about April 30.

⁹ In a March 2 statement, the Nicaraguan opposition "issued an ultimatum to the Sandinistas, giving the government until April 20 to agree to a 'national dialogue' under the sponsorship of Nicaragua's Catholic Bishops Conference. The group warned that failure to reach an agreement would preclude the 'possibility for a peaceful resolution of the national crisis.'" (George D. Moffett III, "Nicaraguan rebels press US for more funds," *Christian Science Monitor*, March 6, 1985, p. 3)

¹⁰ Reference is to the Mexican Pacific coast resort town where the bilateral talks between the United States and Nicaragua, conducted by Shlaudeman and Nicaraguan Deputy Foreign Minister Victor Hugo Tinoco, had taken place. The first of nine rounds of talks began June 25–26, 1984. In January 1985, the Reagan administration made the decision not to schedule any further meetings at Manzanillo.

Middle East Peace Process

—Developments are forcing this to the front burner in 1985, whether or not they ultimately lead to a breakthrough. Our task is to nurture progress and seize the opportunity if it presents itself; to deflect pressures and manage events if Hussein's effort runs out of steam.

—Arabs are on the verge of turning to us with a request for some US move (procedure or substance) that they will say is crucial for success of Hussein's effort: E.g., meeting with Jordanian-Palestinian delegation, or commitment to "self-determination," as prelude to further steps to woo PLO to accept 242.

—Our strategy must be to keep the ball in their court, stressing our stake in King Hussein (not the PLO), insisting that burden is on PLO to accept 242, emphasizing that bottom-line is to get a negotiation started with Israel (not the U.S.).

—Game plan if progress continues:

- Mid-April: Murphy trip to explore workability of various ideas being discussed.¹¹

- April: Israeli-Egyptian package deal (Taba, etc.) agreed upon, resulting in date certain for Peres-Mubarak summit.

- April: US-Egypt-Jordan/Palestinian meeting, presupposing Hussein's agreement to date certain for inclusion of Israelis.

- Early May: US-Egypt-Israel meeting to symbolize engagement of Israelis and to promote progress of Egyptian-Israeli package deal.

- May: Perhaps secret Israeli-Jordanian-US meeting.

- Mid-May: Peres-Mubarak summit, coinciding with announcement of Taba arbitration and return of Egyptian ambassador.

- Late May: Hussein visit to Washington.¹²

- Summer: Israel completes withdrawal from Lebanon.

- Fall: PLO accepts 242 and Israel's right to exist;

US makes statement on self-determination;

¹¹ In testimony before the Subcommittee on Europe and the Middle East of the House Foreign Affairs Committee on April 4, Murphy explained the purpose of his April trip to the Middle East: "To go over the discussions we have had with each individual leader, to compare notes on how the other parties see it possible to move, to stimulate new thinking, further thinking. We do not think, do not consider that all of the ideas are in hand as yet." (*Developments in the Middle East, April 1985: Hearing Before the Subcommittee on Europe and Middle East of the Committee on Foreign Affairs, House of Representatives, Ninety-Ninth Congress, First Session, April 4, 1985* (Washington: Government Printing Office, 1985), p. 6) Documentation on Murphy's trip is scheduled for publication in *Foreign Relations, 1981–1988*, vol. XIX, Arab-Israeli Dispute.

¹² Hussein visited Washington, May 28–31. Documentation on his meetings with U.S. officials is scheduled for publication *ibid.*

US opens dialogue with PLO;
Hussein declares entry with agreed joint delegation.

OR

US makes statement on self-determination;
Hussein declares entry on basis of 242;
Arafat makes public statement of support.

OR

Hussein declares entry even without PLO support.

- By Oct. 31: US-Egypt-Israel-Jordan/Palestinian meeting.

—Negotiations begin.

—If Hussein does come forward, US would be obligated to protect him against Syrian pressures (working with Saudis, Israelis, allies; Congressional action on arms sales for Jordan; crisis contingency planning, etc.).

Southern Africa

—Our aim is to push hard so that this promising diplomatic effort might produce an agreement in 1985. The key to success will be to show staying power, so that the parties know they cannot evade decisions. At home, we will need to deflect pressures from both left and right that will try to knock us off course.

—The key decision/action points will be as follows:

- March: Presentation of “synthesis” paper to Angola and South Africa.¹³
- April–June: Seek to resolve differences over Cuban troop withdrawal; if appropriate, tabling a US proposal. If consensus eludes us, negotiations are likely to stagnate through rest of 1985; allied, African, and domestic pressures will mount.

¹³ In telegram 637 from Cape Town, March 22, Crocker provided a summary of his March 21 meeting with Botha and South African officials, noting: “On Namibia/Angola, as I had done earlier in the week with the Angolans at Cape Verde, I tabled our synthesis framework for a settlement. Unlike the MPLA who cautiously welcomed the paper, the Boers were more suspicious, observing accurately that it was designed to force decisions here as well as in Luanda. Pik [Botha] gave us some predictable commentary about the calendario for Cuban troop withdrawal; at one point he termed it ‘a deviation’ from our understandings in 1981. Generally, he carefully stuck to questions of interpretation and clarification and resisted any suggestion of which way the SAG would come out. He promised us, however, that the paper would get serious SAG consideration. He hoped we would look first for a MPLA answer; I noted the MPLA would feel the same way. We both agreed it was important to get UNITA’s comments.” (Department of State, Central Foreign Policy File, Electronic Telegrams, [no N number])

- May–June: Press South Africa to wrap up remaining issues on UNSC 435 terms for Namibian independence.

- Once CTW agreement reached, open diplomatic mission in Luanda and observer mission in Windhoek; possible Vice Presidential meeting with dos Santos; work for Congressional funding for UN implementation in Namibia.

- Possible visits by Savimbi and P.W. Botha.

—Mozambique: Essential to fight for MAP/IMET in Congress (March); diplomatic efforts to hold Nkomati together (March–June); Machel visit (December).¹⁴

—South Africa: Congressional battle over sanctions legislation (March–); speech by the Secretary (spring).¹⁵

—Wild cards: Mozambique internal instability; US and South African domestic controversy over apartheid spilling over to complicate our regional diplomacy.

¹⁴Machel visited Washington, September 17–21.

¹⁵Omission is in the original. On April 16, Shultz discussed South Africa in an address delivered before the National Press Club; see Document 238.

238. Editorial Note

On April 16, 1985, Secretary of State George Shultz delivered an address before the National Press Club in Washington. Shultz discussed the desirability of a national consensus on foreign policy, stressing that such a consensus was “imperative” in terms of U.S. policy toward Southern Africa. After outlining “the broad regional realities” that underpinned U.S. strategy, Shultz indicated that in pursuing its policy, the United States had “been guided by two important facts”: “*First*, South Africa is not a closed, totalitarian society in which the government controls all aspects of life, all means of communication, all avenues of thought. While the white minority dominates the system, there is in that system a significant degree of openness of political activity and expression—a generally free press, an independent judiciary, vigorous debate within the governing party and in parliament, and vocal critics of *all* viewpoints. There is nothing comparable in the Soviet Union. This degree of openness reflects the fact that white South Africa is not

immune to the moral influence of the West; indeed, the white community's desire to be viewed as part of the Western world and its growing recognition of the need for change are among the grounds for hope for peaceful change. How many governments in the world would permit ABC's *Nightline* program to set up shop for a week, probe and dissect the country's ills, film heated debates between government leaders and their most ardent critics, and then show those programs to its people?

"*Second*, we chose to focus on getting results. We cannot have it both ways: we cannot have influence with people if we treat them as moral lepers, especially when they are themselves beginning to address the agenda of change. South Africa's neighbors recognize this. We must, too.

"By the same token, this has not kept us from speaking out—to South Africans of all races and to the American people. We have conveyed the message to the South African Government that a more constructive relationship with the United States is possible, *provided* that it demonstrates a sustained commitment to significant reform toward a more just society.

- "We have consistently called for an end to apartheid.
- "We have spoken out forcefully for press freedom and against repressive measures such as forced removals, arbitrary detentions, and bannings.
- "We have called for political dialogue between blacks and whites and for an end to Nelson Mandela's long imprisonment.
- With our support, U.S. businesses have become a positive force for change in South Africa by adopting the Sullivan code of fair labor employment practices and by providing educational, housing, and other benefits worth more than \$100 million to their black employees over the past few years.
- "We have developed nearly \$30 million in assistance programs to train leaders in the black community to help them work more effectively for change in their own society.

"The truth is that South Africa *is* changing. For the most part, the transformation is being brought about by reality—by the growing realization that a modern industrial society simply cannot be governed by a preindustrial political philosophy of racial segregation.

"The old illusion that South Africa's blacks could live permanently or enjoy citizenship rights only in designated tribal homelands—so that in the end there would no longer be any 'South African blacks'—is being abandoned. Blacks are no longer prohibited from acquiring property rights in the supposedly 'white' urban areas. The right of blacks

to organize trade unions has been recognized, and black unions are now a powerful factor on South Africa's industrial relations scene; fully 50% of trade unionists in South Africa are black. Central business districts are being opened to black businessmen, and cities like Durban and Cape Town are desegregating their public facilities. Faced with the obvious injustice of forced removals of settled black communities and with the obvious inability to stop the influx of blacks into the cities, the government has suspended such removals and is shifting to what it calls an 'orderly urbanization' policy.

"The government has now acknowledged that it must consult with representative blacks about political participation outside the tribal homelands and at the national level; mere local self-government is understood to be inadequate. Just this week, the government accepted a special commission's report that calls for the abolition of laws banning interracial marriage and sexual relations—one of the most important symbols of apartheid.

"If we recognize that white opinion holds vital keys to change, then we must also recognize that change must originate in shifts in white politics. In this regard, in the past 3 years, the white government has crossed a historical divide: it has been willing to accept major defections from its own ranks in order to begin to offer a better political, economic, and social deal to the nation's black majority.

"These changes are not enough. South Africa is not now a just society. Serious inequities continue: repression, detentions without trial, and the prospect of treason trials for some black leaders. The issues of common citizenship for all and of black political rights have been raised but not yet concretely addressed by the government. The hated pass laws and influx control continue, though the government appears to be rethinking its actions on this front. Much more needs to be done. Change has just begun, but it *has begun*. Our job is to continue to encourage it.

"The recent domestic violence is clearly a setback. All Americans are saddened and dismayed at the almost daily reports of violent encounters that have caused nearly 300 deaths among black South Africans over the past 9 months. The United States has consistently, repeatedly, and publicly deplored this bloodshed and the police tactics that only produce killings and add fuel to the unrest.

"There is no excuse for official violence against peaceful demonstrators. Any government has a duty to maintain law and order. Nevertheless, that cannot be done simply on the basis of force; law and order also means due process and adequate channels for airing and resolving grievances.

"But just as we recognize the right of peaceable assembly, so, too, if we are to be taken seriously, must we reject the right of any to take the

law into their own hands. That is a formula for anarchy. We applaud the courage of those black leaders who press for nonviolent change, confronted on one side by a surging mass of black bitterness and on the other side by a long-unresponsive political system. We welcome the words of Bishop Desmond Tutu, Nobel Prize laureate, who urged a crowd of blacks at a funeral the other day:

“Don’t undermine our wonderful cause. Let us not use the methods that are used against us by our enemies. When we finally achieve our goal of freedom, we must be able to look back with pride at how we got there.’

“There are responsibilities here for all South Africans, and most particularly for those in authority. We hope the government will move quickly and concretely to restore confidence in its reform commitments; we urge it to take up the dialogue with black leaders about the road to a just society. We urge all South Africans to take advantage of openings for peace.”

After discussing the United States’ approach to regional security and relations with Angola, Mozambique, and South Africa, Shultz concluded his address by restating the need for consensus: “The only course consistent with American values is to engage ourselves as a force for constructive, peaceful change. It is not our business to cheer on, from the sidelines, the forces of polarization that could erupt in a race war; it is not our job to exacerbate hardship, which could lead to the same result.

“At the same time, a clear bipartisan American voice that rejects apartheid as an unjust, anachronistic, and untenable system is another essential building block of a successful policy. And here I return to my opening theme of consensus. As long as Americans speak with contrary and confusing voices, our influence will be less than it could be.

“What, then, can we as Americans agree on?

“*First*, we can all agree that southern Africa is an important part of the world that demands our attention.

“*Second*, we can all agree that the pace of change, of reform and development in each of the countries of the region, depends on regional peace and stability. Continued conflict only helps perpetuate racism and poverty.

“*Third*, we can agree that apartheid must go. It is a system contrary to all that we stand for as a nation.

“*Fourth*, we can agree that we are more interested in promoting real progress than in posturing, debating points, or grandiose schemes that are likely to prove ineffectual.

Fifth, we can agree that in southern Africa, as in every other part of the world, the engine of economic and social advancement is the productive private sector and its links to the global economy.

And, finally, we should agree that America's role must always be on the side of those seeking peaceful change. We should agree that we do not support violence but that we do support—and will support aggressively—those who have committed themselves to promote change and justice.

"These are the elements for a broad consensus that will allow America to speak with one voice.

"We must recognize the importance of what has been taking place in South Africa in recent years, and we must reinforce that process creatively. Only by engaging ourselves can we hope to do so. We will not be the main actors in this human drama; that role must be played by the region's people—black and white Africans. But we must not stand by and throw American matches on the emotional tinder of the region.

"Our morality and our interests coincide. America's values and America's global responsibilities both compel us to stay engaged, to work actively for justice and decency and reconciliation. We *should* be indignant at injustice and bloodshed—but indignation alone is not a strategy. The morality of a nation's policy must be judged not only by the noble goals it invokes but by the results and consequences of its actions.

"If all Americans work together, this nation can be a major force for good. Thus, we serve our highest ideals." (Department of State *Bulletin*, June 1985, pages 23–24, 26) The full text of Shultz's address is *ibid.*, pages 22–26.

Noting that he delivered it with the intent "of winning broader public support" for the administration's policy, Shultz recalled in his memoir: "Largely ignored by the media and disregarded by Congress, it was cited by right-wingers within the administration as proof that I was 'selling out,' because of my strong criticism of South Africa and my support for negotiations with the likes of Cuba and Angola." (Shultz, *Turmoil and Triumph*, page 1115)

239. Address by Secretary of State Shultz¹

Washington, April 25, 1985

The Meaning of Vietnam

Just a few hundred yards from here stands the Vietnam Veterans Memorial. Its stark beauty is a reminder of the searing experience our country went through in its longest war. From a window of my office I can see the crowds of people—veterans, families, old and young—coming to search for names on the black granite slabs, or to search their souls in meditation. It is more than a memorial; it is a living human tribute taking place day after day. This is not surprising. That war left its mark on all the American people.

There are three dozen names that do not appear on that memorial. Instead, they are here in this diplomatic entrance, on our own roll of honor. Many civilians served in Southeast Asia—from the State Department, AID [Agency for International Development], USIA [United States Information Agency], and other agencies. Many of you here today were among them. While the war raged, you were trying to build peace—working for land reform, for public health and economic progress, for constitutional development, for public information, for a negotiated end to the war. I am here to pay tribute to you.

The 10th anniversary of the fall of Indochina is an occasion for all of us, as a nation, to reflect on the meaning of that experience. As the fierce emotions of that time subside, perhaps our country has a better chance now of assessing the war and its impact. This is not merely a historical exercise. Our understanding of the past affects our conduct in the present, and thus, in part, determines our future.

¹ Source: Department of State *Bulletin*, June 1985, pp. 13–16. All brackets are in the original. Shultz spoke at the Department of State. The Department transmitted the text of Shultz's address to all East Asian and Pacific diplomatic posts in telegram 126117, April 26. (Department of State, Central Foreign Policy File, Electronic Telegrams, D850290–0429) In his memoirs, Shultz recalled that April 29 "was the tenth anniversary of the fall of Saigon. Should the administration say anything at all on the occasion, and if so, what? The overwhelming weight of opinion, expressed with increasing vehemence, was 'don't open old wounds.' I decided that a speech should be given, and I began to work on a draft, with the help of a few close associates, in a process that often became intense." Shultz noted that he delivered the address in the diplomatic lobby of the Department, adding: "Emotions ran high. There were both cheers and tears. When it was over, I was wrung out. Reporters asked Ronald Reagan whether I was speaking for the administration in my comments on Vietnam. 'Damn right he was,' the president responded." (Shultz, *Turmoil and Triumph*, pp. 552 and 553)

Let me discuss what has happened in Southeast Asia, and the world, since 1975; what light those postwar events shed on the war itself; and what relevance all this has to our foreign policy today.

Indochina Since 1975

The first point—and it stands out for all to see—is that the communist subjection of Indochina has fulfilled the worst predictions of the time. The bloodshed and misery that communist rule wrought in South Vietnam, and in Cambodia and Laos, add yet another grim chapter to the catalog of agony of the 20th century.

Since 1975, over 1 million refugees have fled South Vietnam to escape the new tyranny. In 1978, Hanoi decided to encourage the flight of refugees by boat. At its height in the spring of 1979, the exodus of these “boat people” reached over 40,000 a month. Tens, perhaps hundreds, of thousands never made it to safety and today lie beneath the South China Sea. Others managed to survive pirate attacks and other hardships at sea in their journey to freedom. We have welcomed more than 730,000 Indochinese refugees to our shores. The work of people in this Department has saved countless lives. Your dedication to the refugees of Indochina marks one of the shining moments of the Foreign Service.

In addition to “boat people,” Hanoi has given the world its own version of the “reeducation camp.” When the North Vietnamese Army conquered the south, it rounded up officials and supporters of the South Vietnamese Government, as well as other suspected opponents. Many were executed or disappeared forever. Hundreds of thousands were sent to these camps, suffering hard labor, indoctrination, and violent mistreatment. To this day, upward of 10,000 remain imprisoned. They include Buddhist and Christian clergy and intellectuals, as well as former political figures. According to refugee reports, they face indeterminate sentences, receive food rations below subsistence levels, are denied basic medical care, and are punished severely for even minor infractions of camp rules—punishment often resulting in permanent injury or death.

Hanoi has asserted for years that it will let these prisoners go if only we would take them all. Last fall, President Reagan offered to bring all genuine political prisoners to freedom in the United States.² Now, Hanoi no longer adheres to its original proposal.

²On September 11, 1984, in testimonies before both the Senate and House Judiciary subcommittees on refugees and immigration, Shultz indicated that the administration would grant asylum to political prisoners held in Vietnamese re-education camps. See Bernard Gwertzman, “More Vietnamese To Get Permission to Enter the U.S.: Shultz Announces Move,” *New York Times*, pp. A1, A12, and Lena H. Sun, “U.S. to Grant Asylum To Vietnam Prisoners,” *Washington Post*, p. A14; both September 12, 1984.

Another communist practice has been to relocate people in so-called new economic zones. In the years after the fall of Saigon, hundreds of thousands were uprooted and forced into these isolated and barren rural areas to expand agricultural production and reduce "unproductive" urban populations. Many have fled the zones, returning to the cities to live in hiding, without the ration or neighborhood registration cards needed to get food or jobs. Indeed, no one in Vietnam may change residence or place of work without permission, and unauthorized absences open whole families to arrest.

The 24 million people of South Vietnam are now victims of a totalitarian state, before which they stand naked without the protection of a single human right. As Winston Churchill said of another communist state, they have been "frozen in an indefinite winter of subhuman doctrine and superhuman tyranny."

Compare conditions in Vietnam under 10 years of communist rule with conditions in the South Vietnam we fought to defend. The South Vietnamese Government accepted the principles of free elections, freedom of speech, of the press, and of association. From 1967 to 1971 the South Vietnamese people voted in nine elections; opposition parties played a major role in the assembly. Before 1975 there were 27 daily newspapers, some 200 journals of opinion and scholarship, 3 television and 2 dozen radio stations, all operating in relative freedom.

No, South Vietnam was not a Jeffersonian democracy with full civil liberties by American standards. But there was a vigorous, pluralist political process, and the government intruded little into the private lives of the people. They enjoyed religious freedom and ethnic tolerance, and there were few restrictions on cultural or intellectual life. The transgressions of the Thieu government pale into insignificance next to the systematic, ideologically impelled despotism of the regime that replaced it.

The neutralist government in neighboring Laos was swiftly taken over in 1975 by local communists loyal to Hanoi. As in Vietnam, thousands of former officials were sent to "reeducation camps." Fifty thousand Vietnamese troops remain in Laos to ensure the "irreversibility" of communist control—in Hanoi's version of the Brezhnev doctrine—and thousands of Vietnamese advisers are in place to monitor Laos' own "socialist transformation."

Hmong villagers in Laos who resisted communist control were suppressed by a military juggernaut that relied on chemical weapons produced and supplied by the Soviet Union in violation of international treaties. Six decades of international restraints on chemical warfare have been dangerously eroding in recent years, and "yellow rain" in Indochina was the first major breach—yellow rain, another addition to our vocabulary from post-1975 Indochina.

Finally, in Cambodia, the worst horror of all: the genocide of at least 1 million Cambodians by the Khmer Rouge, who also took power 10 years ago this month. The Khmer Rouge emptied the cities and murdered the educated; they set out to destroy traditional Cambodian society and to construct a wholly new and “pure” society on the ruins of the old. A French Jesuit who witnessed the early phases of communist rule called it “a perfect example of the application of an ideology pushed to the furthest limit of its internal logic.” We say at least 1 million dead. Maybe it was 2 million. The suffering and misery represented by such numbers are beyond our ability to comprehend. Our imaginations are confined by the limits of the civilized life we know.

In December 1978, Vietnam went to war with its erstwhile partners and overthrew the Khmer Rouge regime. Naturally, some Cambodians at first welcomed the Vietnamese as liberators.³ But as the Vietnamese invaders came to apply in Cambodia the techniques of repression known all too well to the people of Vietnam, resistance in Cambodia grew.

In 1979, Cambodia was ravaged by widespread famine that killed tens, if not hundreds, of thousands. Vietnam bears much responsibility for this famine. Its invasion prevented the planting of the 1979 rice crop; its army adopted scorched-earth tactics in pursuing the retreating Khmer Rouge. Many will recall how the Vietnamese obstructed international relief programs and refused to cooperate with the efforts of the Red Cross and others to establish a “land bridge” of trucks to bring relief into the country from Thailand.⁴

Today, Cambodia is ruled by a puppet regime stiffened by a cadre of hundreds of former Khmer Rouge; it is headed by Heng Samrin, a former Khmer Rouge himself. The Vietnamese shell refugee camps along the Thai border in their attempt to smash the resistance.

Hanoi’s leaders are thus extending their rule to the full boundaries of the former colonial domain, seeking dominion over all of Indochina. Not only do the Vietnamese threaten Thailand—the Soviets, with naval and air bases at Cam Ranh Bay, are now better able to project their power in the Pacific, Southeast Asian, and Indian Ocean regions and to

³ In an April 24 note to Hill, handwritten on the stationery of the Policy Planning Council, Rodman wrote: “I have kept in, though toned down, the analogy on page 6 of the Cambodians welcoming the Vietnamese as liberators with the Ukrainians welcoming the Nazis. I think this is an effective way to blunt the current argument that the Vietnamese in Cambodia are a big improvement over the Khmer Rouge. (See last week’s *Newsweek*.) We can discuss. Peter.” The note is attached to an April 24 set of draft talking points on the Vietnam address. (Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons 4/1–30/85)

⁴ See footnote 3, Document 133.

threaten vital Western lines of communication in all these regions. Cam Ranh is now the center of the largest concentration of Soviet naval units outside the U.S.S.R.

Retrospective: The Moral Issue

What does all this mean? Events since 1975 shed light on the past: this horror was precisely what we were trying to prevent. The President has called our effort a noble cause, and he was right. Whatever mistakes in how the war was fought, whatever one's view of the strategic rationale for our intervention, the *morality* of our effort must now be clear. Those Americans who served, or who grieve for their loved ones lost or missing, can hold their heads high: our sacrifice was in the service of noble ideals—to save innocent people from brutal tyranny. Ellsworth Bunker used to say: no one who dies for freedom ever dies in vain.⁵

We owe all our Vietnam veterans a special debt. They fought with courage and skill under more difficult conditions than Americans in any war before them. They fought with a vague and uncertain mission against a tenacious enemy. They fought knowing that part of the nation opposed their efforts. They suffered abuse when they came home. But like their fathers before them, they fought for what Americans have always fought for: freedom, human dignity, and justice. They are heroes. They honored their country, and we should show them our gratitude.

And when we speak of honor and gratitude, we speak again of our prisoners of war—and of the nearly 2,500 men who remain missing. We will not rest until we have received the fullest possible accounting of the fate of these heroes.

Retrospective: The Strategic Price

We left Indochina in 1975, but the cost of failure was high. The price was paid, in the first instance, by the more than 30 million people we left behind to fall under communist rule. But America, and the world, paid a price.

Our domestic divisions weakened us. The war consumed precious defense resources, and the assault on defense spending at home compounded the cost; years of crucial defense investment were lost, while the Soviets continued the steady military buildup they launched after the Cuban missile crisis. These wasted years are what necessitated our recent defense buildup to restore the global balance.

For a time, the United States retreated into introspection, self-doubt, and hesitancy. Some Americans tended to think that *American*

⁵ Ambassador to the Republic of Vietnam from 1967 until 1973; Ambassador at Large from 1973 until 1978.

power was the source of the world's problems, and that the key to peace was to limit *our* actions in the world. So we imposed all sorts of restrictions on ourselves. Vietnam—and Watergate—left a legacy of congressional restrictions on presidential flexibility, now embedded in our legislation. Not only the War Powers Resolution⁶ but a host of constraints on foreign aid, arms exports, intelligence activities, and other aspects of policy—these weakened the ability of the President to act and to conduct foreign policy, and they weakened our country. Thus we pulled back from global leadership.

Our retreat created a vacuum that was exploited by our adversaries. The Soviets concluded that the global “correlation of forces” was shifting in their favor. They took advantage of our inhibitions and projected their power to unprecedented lengths: intervening in Angola, in Ethiopia, in South Yemen, and in Afghanistan. The Iranian hostage crisis deepened our humiliation.

American weakness turned out to be the most *destabilizing* factor on the global scene. The folly of isolationism was again revealed. Once again it was demonstrated—the hard way—that American engagement, American strength, and American leadership are indispensable to peace. A strong America makes the world a safer place.

Where We Are Today

Today, there are some more positive trends. In Asia, the contrast between communist Indochina and the rest of the region is striking. Indochina is an economic wreck; the countries of ASEAN [Association of South East Asian Nations] are advancing economically. In 1982, their per capita income averaged \$770; Vietnam's was \$160. ASEAN is a model of regional cooperation. It is now our fifth largest trading partner. In the past 5 years, total U.S. trade with East Asia and the Pacific surpassed our trade with any other region of the world. Our relations with Japan remain excellent and our ties with China are expanding. The regional picture is clouded by the growing Soviet military presence and by Vietnam's continuing aggression. But a sense of community among the Pacific nations is growing. A decade after the war, America is restoring its position in Asia.

At home, the United States is recovering its economic and military strength. We have overcome the economic crisis of the 1970s and once again are enjoying economic growth with stable prices. We are rebuilding our defenses. We have regained the confidence and optimism about the future that have always been the real basis for our national strength. We see a new patriotism, a new pride in our country.

⁶See footnote 5, Document 191.

A lot of rethinking is going on about the Vietnam war—a lot of healthy rethinking. Many who bitterly opposed it have a more sober assessment now of the price that was paid for failure. Many who supported it have a more sober understanding now of the responsibilities that rest on our nation's leaders when they call on Americans to make such a sacrifice. We know that we must be prudent in our commitments. We know that we must be honest with ourselves about the costs that our exertions will exact. And we should have learned that we must maintain the ability to engage with, and support, those striving for freedom, so that options *other* than American military involvement remain open.

The Relevance of the Vietnam Experience

That experience has many other lessons. We acted under many illusions during the Vietnam period, which events since 1975 should have dispelled. We have no excuse for falling prey to the same illusions again.

During the Vietnam war, we heard an endless and shifting sequence of apologies for the communists: that they were “nationalists”; that they were an indigenous anticolonial movement; that they were engaged in a civil war that the outside world should not meddle in. As these arguments were proved hollow, the apologies changed. We heard that a communist victory would not have harmful consequences, either in their countries or the surrounding region. We were told that the communists' ambitions would be satisfied, that their behavior would become moderate. As these assertions became less convincing, the apologies turned to attack those who fought to be free of communism: our friends were denounced as corrupt and dictatorial, unworthy of our support. Their smallest misdeeds were magnified and condemned.

Then we heard the theme that we should not seek “military solutions,” that such conflicts were the product of deep-seated economic and social factors. The answer, they said, was not security assistance but aid to develop the economy and raise living standards. But how do you address economic and social needs when communist guerrillas—as in Vietnam then and in Central America now—are waging war *against* the economy in order to maximize hardship? Our economic aid then, as now, is massive; but development must be built on the base of security. And what are the chances for diplomatic solutions if—as we saw after the 1973 Paris agreement⁷—we fail to maintain the balance of strength on which successful negotiation depends? Escapism about the realities of power and security—that is a pretty good definition of isolationism.

⁷ See footnote 5, Document 8.

And finally, of course, the critics turned their attack on America. America can do no right, they said. Now, criticism of policy is natural and commonplace in a democracy. But we should bear this past experience in mind in our contemporary debates. The litany of apology for communists, and condemnation for America and our friends, is beginning again. Can we afford to be naive again about the consequences when we pull back, about the special ruthlessness of communist rule? Do the American people really accept the notion that *we*, and our friends, are the representatives of evil?

The American people believe in their country and in its role as a force for good. They want to see an effective foreign policy that blocks aggression and advances the cause of freedom and democracy. They are tired of setbacks, especially those that result from restraints we impose on ourselves.

Vietnam and Central America

Vietnam and Central America—I want to tackle this analogy head-on.

Our goals in Central America *are* like those we had in Vietnam: democracy, economic progress, and security against aggression. In Central America, our policy of nurturing the forces of democracy with economic and military aid and social reform has been working—without American combat troops. And by virtue of simple geography, there can be no conceivable doubt that Central America is vital to our own security.

With the recent legislative and municipal elections, El Salvador has now held four free elections in the past 3 years.⁸ When the new assembly takes office shortly, El Salvador will have completed an extraordinary exercise in democracy—drafting a new constitution and electing a new government, all in the midst of a guerrilla war. The state of human rights is greatly improved, the rule of law is strengthened, and the performance of the armed forces markedly better. Americans can be proud of the progress of democracy in El Salvador and in Central America as a whole.

The key exception is Nicaragua. Just as the Vietnamese communists used progressive and nationalist slogans to conceal their intentions, the Nicaraguan communists employ slogans of social reform, nationalism,

⁸ The national legislative election took place in El Salvador on March 31. Duarte's Christian Democratic Party claimed victory. For additional information, see James LeMoyne, "Duarte's Party Claims Victory: Christian Democrats Say They Have Majority in Salvador," *New York Times*, April 1, 1985, pp. A1, A10, and Michael Getler and Robert J. McCartney, "Duarte's Party Is Said to Win Overwhelmingly," *Washington Post*, April 2, 1985, pp. A1, A23.

and democracy to obscure their totalitarian goals. The 1960 platform of the communists in South Vietnam promised:

Freedom of expression, press, assembly, and association, travel, religion, and other democratic liberties will be promulgated. Religious, political, and patriotic organizations will be permitted freedom of activity regardless of belief and tendencies. There will be a general amnesty for all political detainees [and] the concentration camps dissolved. . . . [I]llegal arrests, illegal imprisonment, torture, and corporal punishment shall be forbidden.

These promises were repeated time after time. We find similar promises in the letter the Nicaraguan revolutionary junta sent to the Organization of American States in July 1979. The junta, which included the communist leader Daniel Ortega, declared its "firm intention to establish full observance of human rights" and to "call . . . free elections."⁹ The Nicaraguan communists made the same commitment when they agreed to the Contadora Document of Objectives in September 1983, and when they said they accepted the Contadora draft treaty of September 1984.¹⁰

What the communists, in fact, have tried to do since they took power in Nicaragua is the opposite: to suppress or drive out noncommunist democratic political forces; to install an apparatus of state control down to the neighborhood level; to build a huge war machine; to repress the Roman Catholic Church; to persecute Indians and other ethnic groups, including forcible relocations of population; and to welcome thousands of Cuban, Soviet, East European, PLO [Palestine Liberation Organization], and Libyan military and civilian personnel. They have formed links with PLO, Iranian, and Libyan terrorists, and are testing their skills as drug traffickers. Like the Vietnamese communists, they have become a threat to their neighbors.

Broken promises; communist dictatorship; refugees; widened Soviet influence, this time near our very borders—here is your parallel between Vietnam and Central America.

Brave Nicaraguans—perhaps up to 15,000—are fighting to recover the promise of the 1979 revolution from the communists who betrayed it. They deserve our support. They are struggling to prevent the consolidation and expansion of communist power on our doorstep and to

⁹ The junta released its letter to OAS Secretary-General Orfila on July 13, 1979. (Warren Hoge, "Nicaraguan Rebels Turn to O.A.S., Call Terms of U.S. 'Irreconcilable,'" *New York Times*, July 14, 1979, p. 4) For additional information, see *Foreign Relations, 1977–1980*, vol. XV, Central America, Document 268.

¹⁰ See footnote 2, Document 214.

save the people of Nicaragua from the fate of the people of Cuba, South Vietnam, Cambodia, and Laos. Those who assure us that these dire consequences are *not* in prospect are some of those who assured us of the same in Indochina before 1975.

Particularly today, what can we as a country say to a young Nicaraguan: “Learn to live with oppression; only those of us who already have freedom deserve to pass it on to our children”? What can we say to those Salvadorans who stood so bravely in line to vote: “We may give you some aid for self-defense, but we will also give a free hand from a privileged sanctuary to the communists in Nicaragua to undermine your new democratic institutions”?

The critical issue today is whether the Nicaraguan communists will take up in good faith the call of the church and of the democratic opposition for a cease-fire and national dialogue.¹¹ This is what President Reagan called for on April 4.¹² What does it tell us about the Nicaraguan regime that it refuses dialogue combined with a cease-fire? What does it tell us about who is prolonging the killing? About who is the enemy of democracy? What does it tell us about the prospects for peace in Central America if the democratic forces are abandoned?

The ordeal of Indochina in the past decade—as well as the oppressions endured by the people of Cuba and every other country where communists have seized power—should teach us something. The experience of Iran since the fall of the Shah is also instructive. Do we want another Cuba in this hemisphere? How many times must we learn the same lesson, and what is America’s responsibility?

America’s Responsibility

Today, we remember a setback, but the noble cause of defending freedom is still our cause. Our friends and allies still rely on us. Our responsibility remains.

America’s Armed Forces are still the bulwark of peace and security for the free world. America’s diplomats are still on the front line of efforts to reduce arsenals, settle conflicts, and push back the danger of war.

¹¹ See footnote 9, Document 237.

¹² In remarks made at the White House on April 4, the President stated: “The formula that worked in El Salvador—support for democracy, self-defense, economic development, and dialog—will work for the entire region. And we couldn’t have accomplished this without bipartisan support in Congress, backed up by the National Bipartisan Commission on Central America, headed by Henry Kissinger. And that’s why, after months of consulting with congressional leaders and listening carefully to their concerns, I am making the following proposal: I’m calling upon both sides to lay down their arms and accept the offer of church-mediated talks on internationally supervised elections and an end to the repression now in place against the church, the press, and individual rights.” (*Public Papers: Reagan, 1985*, Book I, p. 401)

The larger lesson of the past decade is that when America lost faith in itself, world stability suffered and freedom lost ground. This must never happen again. We carry the banner of liberty, democracy, the dignity of the individual, tolerance, the rule of law. Throughout our history, including the period of Vietnam, we have been the champion of freedom, a haven of opportunity, and a beacon of hope to oppressed peoples everywhere.

Let us be true to the hopes invested in us. Let us live up to our ideals and be their strong and faithful champion around the world.

240. Address by President Reagan Before a Special Session of the European Parliament¹

Strasbourg, France, May 8, 1985

Address to a Special Session of the European Parliament
in Strasbourg, France

The President. Thank you, ladies and gentlemen. It is an honor to be with you on this day.

We mark today the anniversary of the liberation of Europe from tyrants who had seized this continent and plunged it into a terrible war. Forty years ago today, the guns were stilled and peace began, a peace that has become the longest of this century.

On this day 40 years ago, they swarmed onto the boulevards of Paris, rallied under the Arc de Triomphe and sang the Marseillaise. They were out there in the open and free air. And now, on this day 40 years

¹Source: *Public Papers: Reagan, 1985*, Book I, pp. 581–588. All brackets are in the original. The President spoke at 2:35 in the assembly chamber at the Palais de l'Europe. He was introduced by Pierre Pflimlin, President of the European Parliament. Following the address, the President met with Marcelino Oreja, Secretary General of the Council of Europe. In telegram Secto 9029 from the Secretary's Delegation in Madrid, May 8, the delegation transmitted the text of a fact sheet regarding the President's address. (Department of State, Central Foreign Policy File, Electronic Telegrams, D850320–0031) In his personal diary entry for May 8, the President wrote: "I was aware that 38 members [of the European Parliament] out of the 434 had voted that I shouldn't be allowed to speak, so was not surprised when I was greeted with something of a demonstration. I am the 1st Am. Pres. to ever address the E.P. The pol. coloration of the demonstrators was obvious. They reacted to any criticism of the Soviets—held up signs about Nicaragua etc. I felt it necessary to direct a few comments their way which brought ovations from the majority. My theme was 'Freedom works,' and I recognized the near miracle that the Parliament represents." (Brinkley, ed., *The Reagan Diaries*, vol. I, January 1981–October 1985, p. 456)

ago, Winston Churchill walked out onto a balcony in Whitehall and said to the people of Britain, "This is your victory." And the crowd yelled back, in an unforgettable moment of love and gratitude, "No, it is yours." Londoners tore the blackout curtains from their windows, put floodlights on the great symbols of English history. And for the first time in nearly 6 years, Big Ben, Buckingham Palace, and St. Paul's Cathedral were illuminated against the sky.

Across the ocean, a half a million New Yorkers flooded Times Square and laughed and posed for the cameras. In Washington, our new President Harry Truman called reporters into his office and said, "The flags of freedom fly all over Europe."²

On that day 40 years ago, I was at my post in an Army Air Corps installation in Culver City, California. Passing a radio, I heard the words, "Ladies and gentlemen, the war in Europe is over." I felt a chill, as if a gust of cold wind had just swept past, and even though for America there was still a war in the Pacific front, I realized I would never forget that moment.

This day can't help but be emotional, for in it we feel the long tug of memory. We're reminded of shared joy and shared pain. A few weeks ago in California, an old soldier with tears in his eyes said: "It was such a different world then. It's almost impossible to describe it to someone who wasn't there. But when they finally turned the lights on in the cities again, it was like being reborn."

If it is hard to communicate the happiness of those days, it is even harder to communicate, to those who did not share it, the depth of Europe's agony. So much of it lay in ruins. Whole cities had been destroyed. Children played in the rubble and begged for food.

And by this day 40 years ago, over 40 million lay dead, and the survivors—they composed a continent of victims. And to this day we wonder: How did this happen? How did civilization take such a terrible turn? After all the books and documentaries, after all the histories and studies, we still wonder: How?

Hannah Arendt spoke of the "banality of evil"—the banality of the little men who did the terrible deeds. We know they were totalitarians who used the state, which they had elevated to the level of a god, to inflict war on peaceful nations and genocide on innocent peoples. We know of the existence of evil in the human heart, and we know that in Nazi Germany that evil was institutionalized, given power and

² At a May 8, 1945, news conference, Truman stated that he would read to reporters a proclamation he intended to deliver over the radio that morning regarding the surrender of Germany: "This is a solemn but glorious hour. General Eisenhower informs me that the forces of Germany have surrendered to the United Nations. The flags of freedom fly all over Europe." (*Public Papers: Truman, 1945*, p. 44)

direction by the state and those who did its bidding. We also know that early attempts to placate the totalitarians did not save us from war. They didn't save us from war; in fact they guaranteed war. There are lessons to be learned in this and never forgotten.

But there is a lesson, too, in another thing we saw in those days, perhaps we can call it the commonness of virtue. The common men and women who somehow dug greatness from within their souls, the people who sang to the children during the Blitz, who joined the resistance and said no to tyranny, the people who had the courage to hide and save the Jews and the dissidents, the people who became for a moment the repositories of all the courage of the West—from a child named Anne Frank to a hero named Raoul Wallenberg. These names shine. They give us heart forever. The glow of their memories lit Europe in her darkest days.

Who can forget the hard days after the war? We can't help but look back and think life was so vivid then. There was the sense of purpose, the joy of shared effort, and later the impossible joy of our triumph. Those were the days when the West rolled up its sleeves and repaired the damage that had been done, the days when Europe rose in glory from the ruins. Old enemies were reconciled with the European family. Together, America and Western Europe created and put into place the Marshall plan to rebuild from the rubble.³ And together we created an Atlantic alliance, which proceeded not from transient interests of state, but from shared ideals. Together we created the North Atlantic Treaty Organization, a partnership aimed at seeing that the kind of tyrants that had tormented Europe would never torment her again.

NATO was a triumph of organization and effort, but it was also something very new and very different. For NATO derived its strength directly from the moral values of the people it represented, from their high ideals, their love of liberty, and their commitment to peace. But perhaps the greatest triumph of all was not in the realm of a sound defense or material achievement. No, the greatest triumph after the war is that in spite of all of the chaos, poverty, sickness, and misfortune that plagued this continent, the people of Western Europe resisted the call of new tyrants and the lure of their seductive ideologies. Your nations did not become the breeding ground for new extremist philosophies. You resisted the totalitarian temptation. Your people embraced democracy, the dream the Fascists could not kill. They chose freedom.

And today we celebrate the leaders who led the way—Churchill and Monnet, Adenauer and Schuman, De Gasperi and Spaak, Truman and Marshall. And we celebrate, too, the free political parties that

³ See footnote 3, Document 177.

contributed their share of greatness—the Liberals and the Christian Democrats, the Social Democrats and Labour and the Conservatives. Together they tugged at the same oar, and the great and mighty ship of Europe moved on.

If any doubt their success, let them look at you. In this room are those who fought on opposite sides 40 years ago and their sons and daughters. Now you work together to lead Europe democratically; you buried animosity and hatred in the rubble. There is no greater testament to reconciliation and to the peaceful unity of Europe than the men and women in this chamber.

In the decades after the war, Europe knew great growth and power, amazing vitality in every area of life—from fine arts to fashion, from manufacturing to science to the world of ideas. Europe was robust and alive, and none of this was an accident. It was the natural result of freedom, the natural fruit of the democratic ideal. We in America looked at Europe and called her what she was—an economic miracle.

And we could hardly be surprised. When we Americans think about our European heritage, we tend to think of your cultural influences and the rich ethnic heritage you gave us. But the Industrial Revolution that transformed the American economy came from Europe. The guiding intellectual lights of our democratic system—Locke, Montesquieu, and Adam Smith—came from Europe. And the geniuses who ushered in the modern industrial-technological age came from—well, I think you know, but two examples will suffice: Alexander Graham Bell, whose great invention maddens every American parent whose child insists on phoning his European pen pal rather than writing to him—and he was a Scotsman—[laughter]—and Guglielmo Marconi, who invented the radio, thereby providing a living for a young man from Dixon, Illinois, who later went into politics. I guess I should explain: That’s me.⁴ Blame Marconi. [Laughter] And Marconi, as you know, was born in Italy.

Tomorrow will mark the 35th anniversary of the Schuman plan, which led to the European Coal and Steel Community, the first block in the creation of a united Europe.⁵ The purpose was to tie French and German and European industrial production so tightly together that war between them “becomes not merely unthinkable, but materially impossible.” Those are the words of Robert Schuman; the Coal and

⁴ Reagan was a radio announcer in the Midwest before he pursued an acting career in Hollywood.

⁵ In a May 9, 1950, statement French Foreign Minister Robert Schuman proposed the creation of a supranational community in Europe. The “Schuman Plan” evolved into the European Coal and Steel Community in 1951, comprised of Belgium, France, the Federal Republic of Germany, Italy, Luxembourg, and the Netherlands. The ECSC was a forerunner of the European Economic Community and European Union.

Steel Community was the child of his genius. I believe if he were here today, I believe he would say: We have only just begun!

I'm here to tell you that America remains, as she was 40 years ago, dedicated to the unity of Europe. We continue to see a strong and unified Europe not as a rival but as an even stronger partner. Indeed, John F. Kennedy, in his ringing declaration of interdependence in the Freedom Bell city of Philadelphia 23 years ago,⁶ explicitly made this objective a key tenet of postwar American policy; that policy saw the New World and the Old as twin pillars of a larger democratic community. We Americans still see European unity as a vital force in that historic process. We favor the expansion of the European Community; we welcome the entrance of Spain and Portugal into that Community, for their presence makes for a stronger Europe, and a stronger Europe is a stronger West.

Yet despite Europe's economic miracle, which brought so much prosperity to so many, despite the visionary ideas of the European leaders, despite the enlargement of democracy's frontiers within the European Community itself, I'm told that a more doubting mood is upon Europe today. I hear words like "Europessimism" and "Europaralysis." I'm told that Europe seems to have lost that sense of confidence that dominated that postwar era. Well, if there is something of a lost quality these days, is it connected to the fact that some in the past few years have begun to question the ideals and philosophies that have guided the West for centuries, that some have even come to question the moral and intellectual worth of the West?

I wish to speak, in part, to that questioning today. And there is no better place to do it than Strasbourg—where Goethe studied, where Pasteur taught, where Hugo knew inspiration. This has been a lucky city for questioning and finding valid answers. It is also a city for which some of us feel a very sweet affection. You know that our Statue of Liberty was a gift from France, and its sculptor, Auguste Bartholdi, was a son of France. I don't know if you've ever studied the face of the statue, but immigrants entering New York Harbor used to strain to

⁶ Reference is to Kennedy's July 4, 1962, address at Independence Hall in Philadelphia. In it, the President identified a new spirit of interdependence in Europe, asserting: "The United States looks on this vast new enterprise with hope and admiration. We do not regard a strong and united Europe as a rival but as a partner. To aid its progress has been the basic object of our foreign policy for 17 years. We believe that a united Europe will be capable of playing a greater role in the common defense, of responding more generously to the needs of poorer nations, of joining with the United States and others in lowering trade barriers, resolving problems of commerce, commodities, and currency, and developing coordinated policies in all economic, political, and diplomatic areas. We see in such a Europe a partner with whom we can deal on a basis of full equality in all the great and burdensome tasks of building and defending a community of free nations." (*Public Papers: Kennedy, 1962*, p. 538)

see it, as if it would tell them something about their new world. It's a strong, kind face. It is the face of Bartholdi's mother, a woman of Alsace. And so, among the many things we Americans thank you for, we thank you for her.

The Statue of Liberty—made in Europe, erected in America—helps remind us not only of past ties but present realities. It is to those realities we must look in order to dispel whatever doubts may exist about the course of history and the place of free men and women within it. We live in a complex, dangerous, divided world; yet a world which can provide all of the good things we require—spiritual and material—if we but have the confidence and courage to face history's challenge.

We in the West have much to be thankful for—peace, prosperity, and freedom. If we are to preserve these for our children and for theirs, today's leaders must demonstrate the same resolve and sense of vision which inspired Churchill, Adenauer, De Gasperi, and Schuman. The challenge was to rebuild a democratic Europe under the shadow of Soviet power. Our task, in some ways even more daunting, is to keep the peace with an ever more powerful Soviet Union, to introduce greater stability in our relationship with it, and to live together in a world in which our values can prosper.

The leaders and people of postwar Europe had learned the lessons of their history from the failures of their predecessors. They learned that aggression feeds on appeasement and that weakness itself can be provocative. We, for our part, can learn from the success of our predecessors. We know that both conflict and aggression can be deterred, that democratic nations are capable of the resolve, the sacrifices, and the consistency of policy needed to sustain such deterrence.

From the creation of NATO in 1949 through the early 1970's, Soviet aggression was effectively deterred. The strength of Western economies, the vitality of our societies, the wisdom of our diplomacy all contributed to Soviet restraint; but certainly the decisive factor must have been the countervailing power—ultimately, military, and above all, nuclear power, which the West was capable of bringing to bear in the defense of its interests.

It was in the early 1970's that the United States lost that superiority over the Soviet Union in strategic nuclear weapons, which had characterized the postwar era. In Europe the effect of this loss was not quickly perceptible, but seen globally, Soviet conduct changed markedly and dangerously. First in Angola in 1975, then when the West failed to respond, in Ethiopia, in South Yemen, in Kampuchea, and ultimately in Afghanistan, the Soviet Union began courting more risks and expanding its influence through the indirect and direct application of military

power. Today we see similar Soviet efforts to profit from and stimulate regional conflicts in Central America.

Audience members. Boo-o-o!

The President. They haven't been there. I have.

The ineffectual Western response to Soviet adventurism of the late 1970's had many roots, not least the crisis of self-confidence within the American body politic wrought by the Vietnam experience. But just as Soviet decisionmaking in the earlier postwar era had taken place against a background of overwhelming American strategic power, so the decisions of the late seventies were taken in Moscow, as in Washington and throughout Europe, against a background of growing Soviet and stagnating Western nuclear strength.

One might draw the conclusion from these events that the West should reassert that nuclear superiority over the Soviet Union upon which our security and our strategy rested through the postwar era. That is not my view. We cannot and should not seek to build our peace and freedom perpetually upon the basis of expanding nuclear arsenals.

In the short run, we have no alternative but to compete with the Soviet Union in this field, not in the pursuit of superiority but merely of balance. It is thus essential that the United States maintain a modern and survivable nuclear capability in each leg of the strategic triad—sea, land, and air-based. It is similarly important that France and Britain maintain and modernize their independent strategic capabilities.

Now, the Soviet Union, however, does not share our view of what constitutes a stable nuclear balance. It has chosen instead to build nuclear forces clearly designed to strike first and thus disarm their adversary. The Soviet Union is now moving toward deployment of new mobile MIRV'ed missiles which have these capabilities plus the potential to avoid detection, monitoring, or arms control verification. In doing this the Soviet Union is undermining stability and the basis for mutual deterrence.

One can imagine several possible responses to the continued Soviet buildup of nuclear forces. On the one hand, we can ask the Soviet Union to reduce its offensive systems through equitable, verifiable arms control measures. We are pressing that case in Geneva. Thus far, however, we've heard nothing new from the other side.

A second possibility would be for the West to step up our current modernization effort to keep up with constantly accelerating Soviet deployments, not to regain superiority but merely to keep up with Soviet deployments. But is this really an acceptable alternative? Even if this course could be sustained by the West, it would produce a less

stable strategic balance than the one we have today. Must we accept an endless process of nuclear arms competition? I don't think so. We need a better guarantee of peace than that.

And fortunately, there is a third possibility. It is to offset the continued Soviet offensive buildup in destabilizing weapons by developing defenses against these weapons. In 1983 I launched a new research program—the Strategic Defense Initiative.

The state of modern technology may soon make possible, for the first time, the ability to use nonnuclear systems to defeat ballistic missiles. The Soviets themselves have long recognized the value of defensive systems and have invested heavily in them. Indeed, they have spent as much on defensive systems as they have on offensive systems for more than 20 years.

Now, this research program will take time. As we proceed with it, we will remain within existing treaty constraints. We will also consult in the closest possible fashion with our allies. And when the time for decisions on the possible production and deployment of such systems comes, we must and will discuss and negotiate these issues with the Soviet Union.

Both for the short- and the long-term I'm confident that the West can maintain effective military deterrence. But surely we can aspire to more than maintaining a state of highly armed truce in international politics.

During the 1970's we went to great lengths to restrain unilaterally our strategic weapons programs out of the conviction that the Soviet Union would adhere to certain rules in its conduct—rules such as neither side seeking to gain unilateral advantage at the expense of the other. Those efforts of the early 1970's resulted in some improvements in Europe, the Berlin Quadripartite Agreement being the best example.⁷ But the hopes for a broader and lasting moderation of the East-West competition foundered in Angola, Ethiopia, Afghanistan, and Nicaragua.

The question before us today is whether we have learned from those mistakes, and can we undertake a stable and peaceful relationship with the Soviet Union based upon effective deterrence and the reduction of tensions. I believe we can. I believe we've learned that fruitful cooperation with the Soviet Union must be accompanied by successful competition in areas, particularly Third World areas where the Soviets are not yet prepared to act with restraint.

[At this point, some members of the audience walked out.]

⁷ See footnote 3, Document 211.

You know, I've learned something useful. Maybe if I talk long enough in my own Congress, some of those will walk out.

But let me talk about the reflections which have molded our policy toward the Soviet Union. That policy embodies the following basic elements:

While we maintain deterrence to preserve the peace, the United States will make a steady, sustained effort to reduce tensions and solve problems in its relations with the Soviet Union.

The United States is prepared to conclude fair, equitable, verifiable agreements for arms reduction, above all with regard to offensive nuclear weapons.

The United States will insist upon compliance with past agreements, both for their own sake and to strengthen confidence in the possibility of future accords.

The United States seeks no unilateral advantages and, of course, can accept none on the Soviet side.

The United States will proceed in full consultation with its allies, recognizing that our fates are intertwined and we must act in unity.

The United States does not seek to undermine or change the Soviet system nor to impinge upon the security of the Soviet Union. At the same time it will resist attempts by the Soviet Union to use or threaten force against others or to impose its system on others by force.

Ultimately, I hope the leaders of the Soviet Union will come to understand that they have nothing to gain from attempts to achieve military superiority or to spread their dominance by force but have much to gain from joining the West in mutual arms reduction and expanding cooperation.

I have directed the Secretary of State to engage with the Soviet Union on an extended agenda of problem solving. Yet even as we embark upon new efforts to sustain a productive dialog with the Soviet Union, we're reminded of the obstacles posed by our so fundamentally different concepts of humanity, of human rights, of the value of human life. The murder of Major Nicholson by a Soviet soldier in East Germany and the Soviet Union's refusal to accept responsibility for this act is only the latest reminder.⁸

If we're to succeed in reducing East-West tensions, we must find means to ensure against the arbitrary use of lethal force in the future,

⁸ Nicholson, who served on a U.S. Military Liaison patrol in East Germany, was shot and killed by Soviet troops on March 24, 1985. Documentation is in *Foreign Relations, 1981-1988*, vol. V, Soviet Union, March 1985-October 1986.

whether against individuals like Major Nicholson or against groups such as the passengers on a jumbo jet.

It is for that reason that I would like to outline for you today what I believe would be a useful way to proceed. I propose that the United States and the Soviet Union take four practical steps.

First, that our two countries make a regular practice of exchanging military observers at military exercises and locations. We now follow this practice with many other nations, to the equal benefit of all parties.

Second, as I believe it is desirable for the leaders of the United States and Soviet Union to meet and tackle problems, I am also convinced that the military leaders of our nations could benefit from more contact. I therefore propose that we institute regular, high-level contacts between Soviet and American military leaders to develop better understanding and to prevent potential tragedies from occurring.

Third, I urge that the Conference on Disarmament in Europe act promptly and agree on the concrete confidence-building measures proposed by the NATO countries. The United States is prepared to discuss the Soviet proposal on nonuse of force in the context of Soviet agreement to concrete confidence-building measures.⁹

Fourth, I believe a permanent military-to-military communications link could serve a useful purpose in this important area of our relationship. It could be the channel for exchanging notifications and other information regarding routine military activities, thereby reducing the chances of misunderstanding and misinterpretation. And over time, it might evolve into a risk-reduction mechanism for rapid communication and exchange of data in times of crisis.

These proposals are not cure-alls for our current problems. They will not compensate for the deaths which have occurred. But as terrible as past events have been, it would be more tragic if we were to make no attempt to prevent even larger tragedies from occurring through lack of contact and communication.

⁹ The Soviet delegation tabled its non-use of force proposal at the opening plenary meeting of the Stockholm Conference on Disarmament on January 29. In telegram 744 from Stockholm, January 30, the Embassy summarized the opening session and the proposal, noting: "We are not encouraged by its contents; in some respects it represents a step backwards from previous Soviet statements and declarations. Obviously, it does not offer an adequate response to the President's offer to discuss a reaffirmation of the NUF principle in exchange for negotiations on concrete CSBM's. The basic provisions of the draft treaty relating to non-first-use of nuclear weapons, a consultative mechanism, as well as the legally binding nature of the treaty, are clearly unacceptable to us. Our allies, too, have reacted cautiously and skeptically to the Soviet draft." (Department of State, Central Foreign Policy File, Electronic Telegrams, D850067-0091)

We in the West have much to do, and we must do it together. We must remain unified in the face of attempts to divide us and strong in spite of attempts to weaken us. And we must remember that our unity and strength are not a mere impulse of like-minded allies, but the natural result of our shared love for liberty.

Surely we have no illusions that convergence of the Communist system and the free societies of the West is likely. We're in for an extended period of competition of ideas. It is up to us in the West to answer whether or not we will make available the resources, ideas, and assistance necessary to compete with the Soviet Union in the Third World. We have much in our favor, not least the experience of those states which have tried Marxism and are looking for an alternative.

We do not aspire to impose our system on anyone, nor do we have pat answers for all the world's ills. But our ideals of freedom and democracy—

Audience members. Nicaragua! Nicaragua!

The President. Is there an echo in here? [*Laughter*]

Our ideals of freedom and democracy and our economic systems have proven their ability to meet the needs of our people. Our adversaries can offer their people only economic stagnation and the corrupt hand of a state and party bureaucracy which ultimately satisfy neither material nor spiritual needs.

I want to reaffirm to the people of Europe the constancy of the American purpose. We were at your side through two great wars; we have been at your side through 40 years of a sometimes painful peace. We're at your side today, because, like you, we have not veered from the ideals of the West—the ideals of freedom, liberty, and peace. Let no one—no one—doubt our purpose.

The United States is committed not only to the security of Europe, we're committed to the re-creation of a larger and more genuinely European Europe. The United States is committed not only to a partnership with Europe, the United States is committed to an end to the artificial division of Europe.

We do not deny any nation's legitimate interest in security. We share the basic aspirations of all of the peoples of Europe—freedom, prosperity, and peace. But when families are divided and people are not allowed to maintain normal human and cultural contacts, this creates international tension. Only in a system in which all feel secure and sovereign can there be a lasting and secure peace.

For this reason we will support and will encourage movement toward the social, humanitarian, and democratic ideals shared in Europe. The issue is not one of state boundaries but of ensuring the right of all nations to conduct their affairs as their peoples desire.

The problem of a divided Europe, like others, must be solved by peaceful means. Let us rededicate ourselves to the full implementation of the Helsinki final act in all its aspects.

As we seek to encourage democracy, we must remember that each country must struggle for democracy within its own culture. Emerging democracies have special problems and require special help. Those nations whose democratic institutions are newly emerged and whose confidence in the process is not yet deeply rooted need our help. They should have an established community of their peers, other democratic countries to whom they can turn for support or just advice.

In my address to the British Parliament in 1982, I spoke of the need for democratic governments to spread the message of democracy throughout the world. I expressed my support for the Council of Europe's effort to bring together delegates from many nations for this purpose. I am encouraged by the product of that conference—the Strasbourg initiative.

We in our country have launched a major effort to strengthen and promote democratic ideals and institutions. Following a pattern first started in the Federal Republic of Germany, the United States Congress approved the National Endowment for Democracy. This organization subsequently established institutes of labor, business, and political parties dedicated to programs of cooperation with democratic forces around the world. I hope other democracies will join in this effort and contribute their wisdom and talents to this cause.

Here in Western Europe you have created a multinational democratic community in which there is a free flow of people, of information, of goods, and of culture. West Europeans move frequently and freely in all directions, sharing and partaking of each other's ideas and culture. It is my hope that in the 21st century, which is only 15 years away, all Europeans, from Moscow to Lisbon, will be able to travel without a passport; and the free flow of people and ideas will include the other half of Europe. It is my fervent wish that in the next century there will be one free Europe.

I do not believe those who say the people of Europe today are paralyzed and pessimistic. And I would say to those who think this, Europe, beloved Europe, you are greater than you know. You are the treasury of centuries of Western thought and Western culture; you are the father of Western ideals and the mother of Western faith. Europe, you have been the power and the glory of the West, and you are a moral success. In the horrors after World War II, you rejected totalitarianism; you rejected the lure of the new superman and a new Communist man; you proved that you were and are a moral triumph.

You in the West are a Europe without illusions, a Europe firmly grounded in the ideals and traditions that made her greatness, a Europe unbound and unfettered by a bankrupt ideology. You are today a new Europe on the brink of a new century, a democratic community with much to be proud of.

We have so much to do. The work ahead is not unlike the building of a great cathedral. The work is slow, complicated, and painstaking. It's passed on with pride from generation to generation. It's the work not only of leaders but of ordinary people. The cathedral evolves as it is created, with each generation adding its own vision. But the initial ideal remains constant, and the faith that drives the vision persists. The results may be slow to see, but our children and their children will trace in the air the emerging arches and spires and know the faith and dedication and love that produced them. My friends, Europe is the cathedral, and it is illuminated still.

And if you doubt your will and your spirit and your strength to stand for something, think of those people 40 years ago who wept in the rubble, who laughed in the streets, who paraded across Europe, who cheered Churchill with love and devotion, who sang the "Marseillaise" down the boulevards. Spirit like that does not disappear; it cannot perish; it will not go. There is too much left unsung within it.

I would like to just conclude with one line, if I could, and say we've seen evidence here of your faith in democracy, in the ability of some to speak up freely as they preferred to speak. And yet I can't help but remind all of us that some who take advantage of that right of democracy seem unaware that if the government that they would advocate became reality, no one would have that freedom to speak up again.

Thank you all for your graciousness on this great day. Thank you, and God bless you all. Thank you.

241. Editorial Note

On May 23, 1985, Secretary of State George Shultz addressed the American Bar Association in Washington. The Secretary used his address to call for a return to bipartisanship in American foreign policy: "When I began work on this speech, I used a different word—'nonpartisanship'—to describe the American tradition of cooperation on foreign policy. But on reflection, I decided that wasn't quite right. I prefer the term that most of us do use: 'bipartisanship.' Parties make

our system work. Our political leaders and legislators are strong-minded individuals, but our democratic process works by the contention of ideas, organized around two parties, tempering policy by the heat of debate. Bipartisanship means that our parties care about an issue, work it through by the process of compromise, and then unite behind the policy that has been formulated. From debate comes conviction and the commitment to execute the policy. Our objective is bipartisanship, and that comes out of the partisan process of competition.

“The principles and goals of American diplomacy are founded on our nation’s enduring ideals and interests; these do not change from year to year or from administration to administration. Naturally, it is easier to agree on these basic principles and goals than on the specific actions in specific situations. Our disagreements on tactics generally reflect honest differences of judgment on how best to advance our nation’s interests. Bipartisanship does not require Americans to abandon their convictions. But it does require all of us to give greater weight to the importance of national unity in meeting foreign challenges.

“Recent experience makes quite clear that without a reasonable measure of consensus—between Congress and the President and between our two parties—this nation cannot conduct an effective foreign policy. The art of foreign policy is to shape events, not just to react to them. This requires consistency, coherence, discipline, and a sense of strategy. These qualities are not easy for democracies. But to carry out our responsibilities as leader of the free world, America needs these qualities. National unity on the basics of our foreign policy is essential to international security.”

After noting several examples of bipartisanship in the post-World War II era, Shultz then discussed the current situation in Central America, specifically Nicaragua. He stated that U.S. policy toward Nicaragua had “been hindered, to some extent, by misconceptions and confusion about our policies,” in addition to political partisanship: “In truth,” Shultz continued, “our policy today toward Nicaragua and the Central American region as a whole is grounded squarely in the ideals and interests that have guided postwar American policies. We seem to have general and growing agreement that the Nicaraguan communist regime poses a threat to the security of the region. We have general and growing agreement that, rather than fulfill the democratic promises of the 1979 revolution, the Nicaraguan leaders are increasing repression. We also seem to have general and growing acceptance that their huge military buildup and the large presence of foreign communist military advisers in the country are obstacles to a peaceful settlement. The dispute in this country is about some of the tactics for addressing the problem.”

After refuting several of the domestic arguments made against U.S. policy vis-a-vis Nicaragua, Shultz outlined the obstacles to achieving a bipartisan foreign policy as applied to Central America: "Our policy to foster peace, freedom, and economic and social justice in Central America, including Nicaragua, cannot succeed in a climate of bitter partisanship here at home. Members of Congress have every right to travel to Nicaragua to review the situation, but we cannot conduct a successful policy when they take trips or write 'Dear Comandante' letters with the aim of negotiating as self-appointed emissaries to the communist regime.

"Bipartisanship must include the recognition that we have only one President at a time. Under the Constitution, the President alone conducts foreign negotiations. In addition, at times he has to make critical decisions quickly and decisively. Bipartisanship should mean an acknowledgment of the burden that rests on the President's shoulders. In October 1983, after news of the Grenada rescue mission was announced, several Members of Congress took the floor to denounce our action even before I went up to Capitol Hill that day to brief them. A few even proposed impeaching the President for the mission. But when they learned the facts that the President had and saw the overwhelming support of the American—and Grenadian—people for the operation, many came to regret their criticism.

"The cynical, obstructionist brand of party politics has no rightful place in national security policy. America would do better to recover the cooperative spirit of Senator Vandenberg and the other great Americans—of both parties—who built the security and the prosperity of the postwar world.

"These great Americans who forged our bipartisan foreign policy 40 years ago set an example of patriotism and devotion to the national interest that should inspire us today. The need for such a policy is as great today as it was then. Indeed, with the growth of Soviet power, it is even greater. We—and other peoples—have paid a heavy price for past divisions in this country.

"The American people are in broad agreement on the ideas, ideals, and interests that define America's role in the world. Naturally, there will be legitimate disagreements on specific issues. But we have made a good start on renewing a bipartisan consensus. We have more work ahead of us as we endeavor to restore fully, in principle and practice, the bipartisan conduct of foreign policy that so successfully safeguarded peace and freedom in the postwar era. The President and I are ready to play our part. We ask all Americans to join us." (Department of State *Bulletin*, July 1985, pages 39, 41, 42) The full text of Shultz's address is *ibid.*, pages 39–42.

242. Information Memorandum From the Director of the Policy Planning Staff (Rodman) to Secretary of State Shultz¹

Washington, May 28, 1985

SUBJECT

Sino-Soviet Relations and the Strategic Triangle

China's handling of the U.S. ship visit,² and its recent gestures toward Moscow,³ warrant a reexamination of the state of the strategic triangle.

These developments, in my view, do not suggest a change in the PRC's fundamental orientation. China continues to fear the Soviet Union as its principal security threat and long-term strategic rival. It remains committed to modernization and to the opening to the world

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons 5/1–31/85. Secret. Drafted by Levin; cleared by Kaplan. Staff Assistant Edward Smith initialed for both Levin and Kaplan.

² Reference is to a proposed visit of U.S. Navy ships to the People's Republic of China. In April, Chinese officials sought assurances from the Reagan administration that the ships would not have nuclear weapons aboard; the administration refused to confirm or deny the presence of weapons. In telegram 7557 from Beijing, April 11, Hummel summarized his meeting with Chinese ambassador-designate to the United States Han Xu, stating: "The Chinese tried to lie their way out of this problem, and I didn't let them. At my meeting with Han Xu on April 11, Han claimed that US Naval officers had given Chinese military officials assurances that the ships visiting Shanghai would not be nuclear armed nor would they carry nuclear weapons. I told Han we never gave such assurances anywhere, and I was confident my staff had not given them here." (Department of State, Central Foreign Policy File, Electronic Telegrams, D850249–0205) In mid-May, the Department announced that the ship visit would be postponed. At a May 13 briefing "Djerejian said that the ship visits to China remain under consideration but that both sides are still discussing 'a number of issues' through diplomatic channels." (Daniel Southerland, "Post-Call Issue Affects Ties With China: Ship Visit Put Off, Officials Confirm," *Washington Post*, May 14, 1985, p. A13) Documentation on the ship visit is scheduled for publication in *Foreign Relations*, 1981–1988, vol. XXIX, China, 1984–1988.

³ In telegram 4485 from Beijing, March 6, the Embassy provided an overview of Soviet-Chinese relations following Soviet First Deputy Premier Arkhipov's visit to China in December 1984. The Embassy noted that the Sino-Soviet relationship looked as if it "is moving into a new phase, with a more definite agenda and greater interaction in the economic sphere but continued competition in the political sphere." Moreover, the Embassy stated: "Their main objectives in dealing with the Soviets, and in their foreign policy more generally, are to enhance their national security, to promote economic development and to gain international legitimacy and prestige. The USSR remains China's major security threat, but China's perception of the immediacy and manageability of the threat has been changing, largely because of increased contacts bilaterally and a more secure environment internationally. On the economic side, the two sides are talking about an ambitious package of cooperation which will increase trade five-fold in five years and bring Soviet goods and people back to China in large quantities. As for legitimacy and prestige, better ties with Moscow serve China's interest in pursuing an 'independent' foreign policy." (Department of State, Central Foreign Policy File, Electronic Telegrams, D850151–0404)

on which this depends. For both reasons, it continues to value close relations with us.

Nevertheless, Chinese tactics toward Moscow and Washington are evolving, in a way that reflects internal politics as well as China's interest in maximizing its advantage with respect to both superpowers. Such an evolution is probably inevitable. We can expect China to continue to play down a "strategic partnership" with the U.S. and to flaunt its "independence;" China seeks in this way to play a role of Third World leadership and to induce both superpowers to pay court. Gorbachev is likely to try to work the triangle vigorously. There are objective limits to a full Sino-Soviet rapprochement, however, owing to Moscow's unwillingness to make major concessions and to the profound mutual fear and suspicion. We will need to distinguish between Chinese rhetoric and those actions that are really harmful to us—and respond forcefully to the latter.

Background

Efforts to improve Sino-Soviet relations date to the initiation in 1979 of regularized political talks, which China broke off over Afghanistan, and to the Chinese adoption of an "independent foreign policy" line in 1981–82. These efforts reflect Chinese probing for an accommodation that would reduce tension with Moscow and establish greater balance in PRC foreign relations. They reflect the reality of a Soviet threat diminished in immediacy if not in magnitude, and of a fairly reliable U.S. relationship which they can essentially count on. Recent developments fit this pattern. There are, however, several new elements:

- PRC references to the USSR as a "socialist" country;⁴
- movement toward restoring party-to-party ties;
- Chinese denial of "strategic relations" with the United States and (as in the ship-visit case) attempts to limit military cooperation with the U.S. which could compromise Chinese "independence" or provoke Moscow;
- signs of PRC readiness to improve relations with Moscow even without progress on the "three obstacles."⁵ Although the PRC insists

⁴In telegram 3340 from Moscow, March 18, the Embassy reported on a March 15 Chinese Embassy reception, at which U.S. Embassy officials had discussed with several Chinese Embassy officials Gorbachev's recent bilateral meeting with Chinese Vice Premier Li Peng, during which, Li had referred to the Soviet Union as "a socialist country." According to the Embassy, "To our knowledge, Li's reference to the Soviet Union as a great neighboring 'socialist' country is the first Chinese official recognition of this status in two decades, and constitutes an important political signal." (Department of State, Central Foreign Policy File, Electronic Telegrams, D850183–0651)

⁵The "three obstacles" included Afghanistan, Cambodia, and Soviet forces on the northern Chinese border and Mongolia.

that the “obstacles” remain preconditions to full normalization—and its policy on the ground remains firm on all three issues—they are no longer a barrier to improvements in Sino-Soviet political relations.

These explicit gestures toward Moscow have been accompanied by other suggestive Chinese actions. China has toned down and/or omitted criticism of the Soviets in Afghanistan. It has avoided significant military actions along the Vietnamese border during Hanoi’s offensive in Cambodia (though its options were limited). It has agreed to set up a joint scientific and technological commission with the Soviet Union (with possible implications for technology transfer).⁶ China has also conceded that it could live with Soviet naval bases in Vietnam if the Soviets induced Hanoi to leave Cambodia.

At the same time, China has flaunted its “independence” by:

—reviving its theme of “double hegemonism,” equating the U.S. and USSR in Central America, Afghanistan, and elsewhere;⁷

—asserting that West Europeans can no longer rely on the U.S. nuclear umbrella and urging greater European “independence” from us; and

—praising New Zealand for its anti-ship-visit policy.⁸

⁶ Telegram Topol 10090/74321 to Islamabad, March 12, transmitted the text of a typescript memorandum from Ermarth to Armacost, dated January 22, in which Ermarth indicated that Soviet and Chinese officials had signed “two agreements on scientific, technical and economic cooperation” during Arkhipov’s December 1984 visit (see footnote 3, above). Ermarth explained that “the scientific and technological cooperation agreement calls for the exchange of scientific and technological groups as well as students and other experts, the exchange of scientific and technological information, and unspecified joint projects.” (Department of State, Central Foreign Policy File, Electronic Telegrams, D850166–0906)

⁷ In telegram 10248 from Beijing, May 10, the Embassy indicated that a front-page editorial in the May 9 issue of the *People’s Daily* “calls for the world’s peoples to unite in safeguarding peace and calls the ‘superpowers’ struggle for hegemony’ and their willingness ‘even to invade other countries’ a threat to world peace.” The Embassy commented, “China has used this V–E Day editorial to reassert its own independent foreign policy line. The Soviets will no doubt be enraged at the very small bow in their direction, and we are dismayed by the Chinese use of ‘double hegemonism’ slogan, equating us with the Soviets.” In concluding its summary, the Embassy recommended “that both here and in Washington we express to the Chinese our strong dismay with their return to rhetorical attacks.” (Department of State, Central Foreign Policy File, Electronic Telegrams, D850328–0431)

⁸ In February, Lange turned down a U.S. request for the *USS Buchanan* to visit New Zealand as part of the ANZUS “Sea Eagle” exercise, scheduled to take place in March. As a result, the United States withdrew from the exercise. (Bernard Gwertzman, “U.S. Is Rebuffed On Visit by Ship To New Zealand: Nuclear Policy Cited—Maneuvers Called Off,” *New York Times*, February 5, 1985, pp. A1, A13, and John M. Goshko, “U.S. Withdraws From ANZUS Exercise,” *Washington Post*, February 6, 1985, p. A20) Documentation on the “Sea Eagle” exercise is scheduled for publication in *Foreign Relations*, 1981–1988, vol. XXXII, Southeast Asia; Pacific.

By such moves toward equidistance, Chinese leaders probably hope to serve several purposes, domestic and foreign:

- mollifying domestic critics of China's reform policies by establishing greater balance in PRC foreign policies;
- exploiting a perceived "window of opportunity" with Gorbachev;
- reducing the dangers from the Soviets as China pursues its interests in Southeast and Southwest Asia; and
- putting China in a better position to play off both superpowers against each other.

In addition, the Chinese may seek to gain leverage over us to get us more directly involved on the Taiwan issue. They may believe they can induce U.S. pressure on Taipei to be more responsive to Beijing's overtures. Some PRC officials may also think that military cooperation with us undercuts their leverage over American arms sales to Taiwan.

The Shanghai ship-visit snafu shows, perhaps most of all, a certain lack of competence and cohesion in the Chinese leadership as compared to earlier times. The result is to leave China's American policy more vulnerable to domestic and international pressures.

Risks to U.S. Interests

For a brief time at the beginning of the 1970s, the United States was in the catbird seat, with both China and the USSR seeking our favor and each worried about our warming relations with the other. Today China claims the "swing" position, which is perhaps natural for China as the weakest of the three states. In any case, the strategic triangle is no longer the asset in our relations with the Soviets that it was a decade ago. Our minimum task is to prevent its becoming an asset for the Soviets. There is a distinct possibility of a PRC or U.S. miscalculation which could cause real deterioration in our relationship. This is especially true as long as U.S.-Soviet relations are immobilized, while Moscow and Beijing are increasing contacts. The dangers are:

—First, improvements in Sino-Soviet relations *could* be greater than we anticipate. Gorbachev might agree to draw back some troops along the Sino-Soviet border or in Mongolia, as part of a bolder policy to undo the Sino-American rapprochement. Party-to-party ties may well be restored within a year or two. We should appear relaxed about such prospects in public, lest we maximize their impact. But privately we need to take them seriously.

—Second, China's effort to maximize its maneuvering room, in and of itself, *could* cause us problems. Beijing's interests are not identical to ours, and its recent posturing has tended more and more to

touch on important interests of ours. The PRC is clearly testing the limits of U.S. tolerance. We can expect them to keep pressing until they know.

Implications for U.S. Policy

Our fundamental stake remains the same: perpetuation of the basic Sino-Soviet rivalry to complicate the Soviet Union's strategic position. We want, where possible, to strengthen the U.S.-PRC relationship, while preventing damage to other important U.S. interests. This requires that we create facts that increase Beijing's incentives to cooperate with the United States. A few basic guidelines follow:

First, we should be careful not to appear as the demandeur in the Sino-American relationship. While the war scare of 1969 is long past, and China has grown in strength, the magnitude of the Soviet military threat arrayed along China's border is greater today than 16 years ago and is likely to grow over the coming decade. The Chinese understand this reality. Therefore, we should:

—refrain from badgering the Chinese about the “three obstacles.” This would only make it appear that we are unduly worried about Sino-Soviet reconciliation.

—continue to downplay our rhetorical emphasis on the U.S.-PRC “strategic” relationship: In the past, this fueled Beijing's already exaggerated sense of self-importance and belief that we need them more than they need us. At the same time, we should stay on our basic track of seeking to improve U.S.-PRC political, economic, and military ties—with the strategic dimension of the relationship always in mind. The Soviets will pay attention to what we do on the ground without its being trumpeted.

—strengthen U.S.-PRC military relations, while guiding them in accordance with our strategic and political purposes. These ties are turning into an important cement of our relationship (and a restraint on Foreign Ministry obsession with Chinese “independence”). We should continue to ensure that John Lehman's vigorous efforts to build up China's navy are focused on areas (like ASW) that are relevant to the Soviet threat and less unnerving to Taiwan, ASEAN, and Japan. We also have an interest in building up China's land forces, which are of even more direct utility in coping with the USSR and Vietnam.

Second, we should always make clear the limits to U.S. tolerance of PRC posturing and hit the Chinese hard when they exceed them. China's real independence is more a problem for the Soviet Union than for the United States. Precisely because we can be confident about the long-term

nature of the basic Sino-Soviet competition, we don't have to pander to Beijing. We have a number of points of potential leverage:

—In the wake of the ship-visit snafu—and our firm response—the Chinese may well be worried about a further fraying of their U.S. relationship. Thus our leverage may well be somewhat higher over the next few months—particularly as the leadership faces some major internal events such as a big party meeting in September, when they will not want to have all their external relations in disarray.

—In the wake of the ship-visit episode, our public statements—e.g., your speech at ASEAN—should convey the appropriate sense of U.S. aloofness, firmness, and non-pandering.⁹ The United States, too, has the right to an “independent” foreign policy.

—The Chinese defense establishment, as noted, may be the sector that feels the greatest stake in a relationship with us. We can communicate to friendly Chinese our willingness to move forward quietly in the security field—while noting the dangers of excessive Chinese posturing.

—Western technology transfer is critical to China's future. Our interest in Chinese modernization is fundamentally derivative of our larger strategic interest in a China that stands with us against the Soviet Union. The Chinese should understand the link between their external behavior and our behavior in COCOM and on tech transfer. Thus we must resist efforts to drop tech-transfer controls on China entirely.

—I have suggested in a separate memo the political and economic merits of supporting higher IFI lending levels for India—if need be, at China's expense.¹⁰ Such a decision would send a signal to Beijing, as well as New Delhi.

—The U.S. already “carries water” for the Chinese on the SS-20, Indochina, Pakistan, and other issues. Although this is based on broader considerations, we can remind the Chinese of how U.S. policies in these areas also benefit China.

⁹ Shultz was scheduled to participate in the ASEAN six-plus-six meeting and ASEAN post-ministerial consultations in Kuala Lumpur, July 10–12. His July 11 statement at the six-plus-six meeting and his remarks at the July 12 post-ministerial consultation are printed in Department of State *Bulletin*, September 1985, pp. 24–30. Documentation on the ASEAN meeting is scheduled for publication in *Foreign Relations*, 1981–1988, vol. XXXII, Southeast Asia; Pacific.

¹⁰ Not found.

—Trends on the Korean peninsula are basically more favorable to us than to Beijing. We should approach such issues as President Chun’s cross-recognition proposals on their merits, but we should not ignore their potential utility for making points to Beijing.¹¹ The Chinese themselves have represented Pyongyang’s interests in rather blatant fashion.

—Although Taiwan is too sensitive an issue to seek to manipulate, we can simply note that a loss of domestic support for close U.S.-PRC relations would provide American supporters of Taiwan greater room for maneuver.

—We can encourage Japan to echo U.S. warnings if China pushes its “independence” theme too far. We can also urge Pakistan and ASEAN to press Beijing hard when it vacillates on the critical issues of Afghanistan and Cambodia.

Third, we should play up any improvements that might occur in Soviet-American relations. The poor state of the superpower relationship alleviates China’s fear of either a Soviet attack or a Soviet-American deal at Beijing’s expense. This enables China to pursue its own interests vis-a-vis the superpowers more freely than would otherwise be possible. An improvement in our relations with the USSR will probably have a beneficial effect on our relations with the PRC—and vice versa. On my trip to China last fall, for example, I was struck by the strong Chinese concern about the U.S.-Soviet arms talks which had just been announced.¹² Regional talks with the Soviets could keep the Chinese off balance even if they lead nowhere on the issues. We should not pay the Soviets any substantive price merely because of some potential effect on the PRC, but the strategic triangle seems to work best for us when we have good relations with both countries and each one fears our “collusion” with the other.

Fourth, we should recall that our central goal is to perpetuate the Sino-Soviet split and China’s present orientation. We cannot directly affect Sino-Soviet relations, but we can work to discipline the U.S.-PRC relationship. China must understand the limits beyond which it is weakening our sense of common interest. Occasional disputes are inevitable. But they

¹¹ Presumable reference to Chun’s proposal that Japan recognize North Korea if the People’s Republic of China recognized South Korea. Documentation on the cross-recognition proposal is scheduled for publication in *Foreign Relations, 1981–1988*, vol. XXXI, Japan; Korea, 1985–1988.

¹² Rodman and S/P officials met with representatives of the Chinese Foreign Ministry, the Beijing Institute of Strategic Studies, the Chinese Academy of Social Sciences, and the Center for Contemporary International Relations in Beijing, October 23–24, 1984. (Telegram 20658 from Beijing, November 2, 1984; Department of State, Central Foreign Policy File, Electronic Telegrams, D840702–0194)

should not be allowed to precipitate a downward spiral in the bilateral relationship, nor permit the Soviets to draw comfort or advantage from such incidents. This would enhance neither Chinese nor American leverage with the Soviet Union.

243. Editorial Note

On June 26, 1985, Secretary of State George Shultz delivered an address before the United Nations Association of San Francisco, the San Francisco Chamber of Commerce, and the World Affairs Council of Northern California in San Francisco. Shultz's remarks were delivered on the occasion of the 40th anniversary of the promulgation of the United Nations Charter. He began his address by analyzing the "goals" and "difficulties" of the United Nations, in addition to "its weaknesses and its strengths." He then turned to the role of the United States within the United Nations, specifically the responsibility of the United States in helping the United Nations achieve its stated goals: "For years, the United States failed to take the United Nations seriously. Disillusionment with the way the organization seemed to be evolving led us, in a sense, to withdraw. When the United Nations failed to meet our sometimes excessive expectations—when the successes we enjoyed in the first years after the birth of the United Nations began to fade—we began to lose interest in the institution.

"We were right to fear that the United Nations was heading in the wrong direction. But we were wrong to believe that there was little or nothing we could do to turn it around. Perhaps the lofty goals originally proclaimed for the United Nations made us overlook the more limited, practical aims that the United Nations could achieve, *if we continued to play a forceful role.*

"As a result of our withdrawal, we failed to take part in the 'party system' that was developing inside the United Nations. While others worked hard to organize and influence voting blocs to further *their* interests and promote *their* ideologies, the United States did not make similar exertions on behalf of *our* values and *our* ideals. Indeed, we began to lose sight of the UN's importance as a place to promote the principles of freedom and democracy. We often acted as if another nation's behavior toward our values and interests inside the United Nations was not relevant to its relationship with us outside the organization.

“Our withdrawal from the United Nations, in spirit if not in fact, itself was a disservice to the original goals of the Charter—goals which we, after all, had played a major role in articulating here 40 years ago. By turning away from the United Nations because of its obvious failures, we neglected our duty to do the hard work needed to achieve what could be attained. In the process, we were not only failing to promote progress in the United Nations, we were taking a short-sighted view of our own national interests.

“For the truth is, despite its failings, the United Nations has a unique influence on global perceptions. The United Nations defines, for much of the world, what issues are and are not important and of global concern. Cuba worked hard in past years, for example, to have Puerto Rico on the agenda of the General Assembly as a problem of ‘decolonization’ to embarrass the United States and to create a problem where none exists. Other states, in order to avoid such embarrassment, try to keep off the agenda such subjects as the repression in Poland, the Libyan invasion of Chad, the downing of the Korean airliner, and the Rangoon bombing. The constant assault against Israel in the United Nations is part of an effort to delegitimize the Jewish state and to evade the necessity of peace.

“As Ambassador Jeane Kirkpatrick has said:

“‘The decisions of the United Nations are widely interpreted as reflecting “world opinion” and are endowed with substantial moral and intellectual force. The cumulative impact of decisions of UN bodies influence opinions all over the world about what is legitimate, what is acceptable, who is lawless and who is repressive, what countries are and are not capable of protecting themselves and their friends in the world body.’

“When other nations wield influence in the United Nations, when they can pass resolutions with the sole intent of harming other nations, when they can shield themselves or their friends from criticism—even for flagrant violations of the Charter—they accomplish two things:

“*First*, they build a reputation as useful and influential friends, outside as well as inside the United Nations.

“*Second*, they make a mockery of the Charter itself. For what can the Charter mean if violations of it cannot even be denounced within the United Nations?

“On the other hand, when the United States cannot protect itself or its friends from unfair attacks in the United Nations, we appear impotent, hardly a useful ally. To quote Jeane Kirkpatrick again: ‘UN votes affect both the image and the reality of power in the UN system and beyond it.’

“What all this tells us is that the United States *must* play a forceful role in the United Nations to protect our interests, to promote our democratic values and our ideals, and to defend the original principles of the Charter. We cannot let our adversaries use against us, as a weapon of political warfare, our own devotion to international law and international cooperation. We should use these instruments ourselves as they were intended—as a force against aggression and against evil, and for peace and human betterment.

“Today, we are doing just that. The United States and its representatives make clear to other nations that we take their votes and the decisions of UN bodies seriously and that our bilateral relations with other nations will be affected by their behavior in international forums. We now participate actively, confidently, and vigorously in the political process as it has evolved inside the United Nations.

“But above all, we continue to proclaim proudly our values and ideals and those of the Charter. We are working hard to lead the United Nations back to its original goals, to make it a major positive force in world affairs. As our new Ambassador Vernon Walters said here 2 days ago, we will not:

“... abandon the effort to achieve the original vision. Our goal remains the strengthening of a world order based on reciprocal rights and obligations—both among states and within states. We remain committed to the capacity for freedom.’

“The true lesson of experience, therefore, is a lesson of continued hope. The United Nations has done important work; there is much it can do to help the world maintain peace and improve the human condition. Progress toward the goals of the Charter has been possible where idealism and realism have been harnessed together.

“The failure of the United Nations to meet all its lofty aims is no cause for despair. We should continue to set high goals that inspire us to work harder and to persevere.” (Department of State *Bulletin*, August 1985, pages 20–21) The complete text of Shultz’s address is *ibid.*, pages 18–21.

244. Information Memorandum From the Director of the Policy Planning Staff (Rodman) to Secretary of State Shultz¹

Washington, June 27, 1985

SUBJECT

Further Thoughts on the TWA Hijacking²

We seem to be heading toward an outcome that will release our TWA hostages. Nevertheless I continue to be disturbed by the way we have conducted this episode and by the impression that may be created by the outcome.

One can always get one's people out by paying the ransom. This we have not wanted to do, or to be seen to do, because of the dangerous message it conveys about yielding to terrorism. Basically I am afraid it could look like we paid the ransom, no matter how much we claim the two sets of prisoners were "unlinked."³ Clearly some sort of deal is inevitable—and we are very lucky that releasing the Atlit prisoners is something the Israelis have been willing to do. But *the overall impression conveyed will depend on the context.*

The same outcome can appear in different ways depending on the context. To take a wildly unrelated example: In the Korean war, a settlement on the 38th parallel would have appeared a great success had we struck a deal immediately after beating back the North Korean invasion; once we took off into North Korea and were then driven back to the 38th parallel, it looked a lot less of a triumph. In the present case, the context is one of much diplomatic maneuvering and military restraint (even in El Salvador); the only signs of pressure are the presence of our ships off the coast and the warnings from the White House the other day, but these barely dented the overall impression of an unwillingness to take risks.⁴ Meanwhile, continual harping on the

¹ Source: Reagan Library, Peter Rodman Files, Department of State Chronological File, Chron 06/27/1985–07/01/1985. Secret; Sensitive. Drafted by Rodman.

² On June 14, TWA Flight 847, en route from Athens to Rome, was hijacked and flown to Beirut. The hijackers then flew the plane from Beirut to Algiers, from Algiers to Beirut, and then back to Algiers. During this period, the hijackers killed one American passenger and released some of the 153 people on board the plane. (Joseph Berger, "Gunmen Seize Jet in Mideast Flight; Passenger Killed: 104 Americans on Board: During Odyssey, T.W.A. Plane from Athens to Greece Goes Twice to Beirut and Algiers," *New York Times*, June 15, 1985, pp. A1, A4) Documentation on the hijacking is scheduled for publication in *Foreign Relations*, 1981–1988, vol. XLVII, Part 2, Terrorism, June 1985–January 1989.

³ One of the demands made by the hijackers was the release of Lebanese Shiite Moslems taken prisoner in Israel.

⁴ On the evening of June 19, 15 people, including 6 Americans, were killed by gunfire at a San Salvadoran café. Documentation is scheduled for publication in *Foreign Relations*, 1981–1988, vol. XLVII, Part 2, Terrorism, June 1985–January 1989. During the June 20

illegality of the Atlit detentions creates the inescapable impression that we are hinting at a deal.

Jimmy Carter got our hostages out, but he looked weak for a number of reasons: the 14 months of national humiliation, the overall context of an ineffective foreign policy, and the fact that the pressures that got our people out were unrelated to his actions.

In this case, in my view, if we had given a greater impression of toughness (by more visible pressures, hitting at El Salvador, etc.) the same outcome would seem more our doing. We would have seemed more to have the upper hand, to have dominated the situation, and to have forced the outcome.

The danger is that the policy of negotiating with terrorists will seem vindicated. Just watch the public reaction that comes: Liberals will crow that patient diplomacy worked; those who have argued for a more forceful line against terrorism will be on the defensive; the President will be praised to the skies by people whose philosophy of foreign policy is nowhere near his own. His ability to educate the American people about the real world will have been badly weakened; the reputation of Jimmy Carter will be refurbished. The message sent to terrorists around the world will be ambiguous, to say the least. And we will be beholden to Syria, to boot. The President will gain short-term popularity at a long-term cost.

The only antidote to such an outcome, in my view, is swift and vigorous retaliatory attacks against targets that we presumably have refrained from hitting out of fear for the safety of our hostages—targets that *are* available in El Salvador, the Bekaa, Baalbek, or elsewhere—once our people are safely out. This is one case where we do *not* want to leave the message that “negotiations (by themselves) work.”⁵

daily press briefing, Speakes read to reporters the President’s statement regarding terrorism. In it, the President indicated that he had directed Shultz and Weinberger to provide assistance to the Duarte government “to find and punish the terrorists” responsible for the act. Continuing, he stated: “To this end, I have today directed that we expedite the delivery of security assistance items on order by the Salvadoran Government and am prepared to use my emergency authorities to furnish the Salvadoran Armed Forces with additional military assets which will help them prosecute their campaign against the Communist guerrillas. Their hope that terrorism will weaken our resolve or support for the revitalization of democracy in El Salvador is futile. If other U.S. military assets can be effective in this regard, then I shall provide them.” (*Public Papers: Reagan, 1985*, Book I, p. 800)

⁵ On June 30, the TWA hijackers released the remaining passengers. That evening, at 6:01 p.m., Reagan delivered remarks from the Oval Office for broadcast over radio and television. In his remarks, Reagan asserted: “The United States gives terrorists no rewards and no guarantees. We make no concessions; we make no deals. Nations that harbor terrorists undermine their own stability and endanger their own people. Terrorists, be on notice, we will fight back against you, in Lebanon and elsewhere. We will fight back against your cowardly attacks on American citizens and property.” (*Public Papers: Reagan, 1985*, Book II, p. 886)

245. Information Memorandum From the Director of the Policy Planning Staff (Rodman) to Secretary of State Shultz¹

Washington, July 20, 1985

SUBJECT

SDI and the Allies

Summary

The transatlantic debate over SDI is less acrimonious than it was a few months ago. Nonetheless, SDI in all its dimensions—strategic, technological and political—will remain a profoundly difficult issue for the Alliance for years to come. Keeping our political objectives to the fore—even at cost to economic efficiency—and publicly endorsing cooperative European efforts can help alleviate these tensions.

The Strategic Dimension

Though temporarily in abeyance, strategic concerns about SDI—particularly its alleged deviation from traditional nuclear deterrence—remain at the heart of our problem with the Allies. Although their reaction is overlaid with a characteristic European resistance to change, the Europeans are genuinely uneasy at what they see as another unilateral American change in NATO strategic doctrine which advertises their dependence; and they fear that its strategic implications will weaken public support for the British and French nuclear deterrents. They also see a prolonged negotiating stalemate in Geneva over SDI as producing political complications for them. These concerns are real even if we are right on the merits.

In recent months, Paul Nitze's speeches,² the Camp David points³ and NSDD 172⁴ have put our SDI objectives in perspective and

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons 7/1–31/85. Confidential. Drafted by Bohlen and Lowenkron.

² For a representative sample, see Nitze's March 28 address before the International Institute for Strategic Studies in London and his May 1 address before the National Press Club. The texts of the addresses are in Department of State *Bulletin*, May 1985, pp. 57–63, and Department of State *Bulletin*, July 1985, pp. 44–47, respectively.

³ Reference is to a December 22, 1984, meeting between the President and Prime Minister Thatcher that took place at Camp David. The memorandum of conversation is in *Foreign Relations*, 1981–1988, vol. IV, Soviet Union, January 1983–March 1985, Document 337, and is also scheduled for publication in *Foreign Relations*, 1981–1988, vol. VII, Western Europe, 1981–1984.

⁴ NSDD 172, "Presenting the Strategic Defense Initiative," issued on May 30, is scheduled for publication in *Foreign Relations*, 1981–1988, vol. XLIV, Part 2, National Security Policy, 1985–1988.

provided reassurance on certain key points. Most Allies—always reluctant to challenge the US frontally on security issues—have been happy to endorse SDI research as a prudent hedge. An implausible Soviet position in Geneva has muted pressures for arms control. However, several developments—for example, our testing of ABM components or a more plausible Soviet negotiating position—could reopen the debate.

The Technological Dimension

With the strategic debate momentarily on a back burner, the Weinberger offer of Allied participation in SDI research has moved the technological and economic implications of SDI to the forefront of Alliance discussion. Unless we put our political objectives up front, this aspect of SDI could compound rather than alleviate our differences with the Europeans.

Part of the problem stems from the unrealistic expectations entertained by the Europeans themselves—the Germans especially. The Weinberger offer was thus initially perceived as a kind of high-tech Marshall plan which would allow the Europeans simultaneously to overcome years of technological lag, to be more positive about SDI and to influence our eventual decisions on SDI deployment. However, it has become apparent that the opportunities for European participation will be extremely limited—primarily because of predictable built-in constraints: superior and more numerous US research and development capabilities, congressional and OSD preferences for having work done in the US, security controls which—quite apart from the technology transfer problem—will place large areas of SDI research off limits to the Allies, etc.

Moreover, even in those areas where the Europeans have research capabilities relevant to SDI—and there are several of interest to SDIO—the terms of European participation present problems. *Our programmatic need to make maximum progress as rapidly as possible on SDI research is to some degree in conflict with our political objective of using Allied participation to give them a stake in SDI.* Thus, SDIO's preference would be to use European scientists or consortia or industries selectively, plugging them into our program as appropriate—that is, in precisely the subcontractor role to which Mitterrand so objected. The Europeans are apprehensive of such arrangements, which, in their view, could result in a brain drain of their best scientific talent in precisely those fields where they are the most advanced; at the same time, controls on technology transfer would severely restrict the flow of derived technology back to Europe and its civil sector. In sum, they now perceive—as Kohl has said—risks as well as opportunities. These concerns have increased the attractiveness of EUREKA and other European options—though not to the exclusion of bilateral cooperation.

Our SDI program should not be run to accommodate the Europeans. At the same time, it is not in our interest that the Weinberger offer be perceived as a device to exploit Europe's meager technological resources. Given that the Allied contribution to our SDI objectives will be marginal, *we should keep our political objectives to the fore—even if this means some loss of efficiency.* We should continue to accommodate their preferences, and not rule out some form of multi-lateral European effort if this is what they prefer.

The Political Dimension

SDI—in particular the debate over European participation in SDI research—has exacerbated political divisions not only between the US and Europeans but among the Europeans themselves, and in some cases, within individual countries. These strains have been particularly acute for Germany, stretching Bonn between its increasingly valued relationship with France and its more important relationship with the US. It has accentuated differences between Kohl, Genscher, and Strauss, while creating a new rallying point for the SPD. While the private sector has been generally enthusiastic about participating in research, the defense and foreign ministries have been more cautious about the implications of participation on the ultimate question of deploying strategic defenses. The result has been a series of positions that can only be described as schizophrenic. Similar though less acute divisions exist in the UK; even for Britain, SDI has created a tension between the “special relationship” and its new-found post-Fontainebleau European vocation.

The resulting disarray has been a galling reminder to the Europeans of how easily US policies can evoke European responses that reinforce perceptions in this country of a weak, carping and greedy Europe. Paradoxically, SDI has also provided a strong impulse to formulate coordinated European positions—though a single unified position is not within reach. Indeed it is hard to think of a recent security issue where the Europeans have so clearly and unanimously felt the need to coordinate their responses to a US initiative.

We should encourage this trend. Though it is often easier to deal with the Europeans individually, it is hard to argue that the intra-European divisions have increased support for SDI, have silenced the doubters, or have isolated the French. More generally, *further divisions within Europe would work against our long-term interest in a strong and self-confident Europe with the Franco-German relationship at its core.* It is increasingly evident that the Germans will not take a position that does not have some degree of French acquiescence. When Bonn is faced with a choice between ourselves and the French, nobody wins. A situation which puts such strains on Germany's special vulnerabilities is also not in the long-term Western interest. In the defense field, U.S. and

European interests are essentially parallel—more so, at least, than in the economic field where we have long supported European unity as a matter of principle.

In my view, therefore, encouraging greater European initiative and self-reliance in a defense-related field is in our interest. Admittedly the European record is not impressive. EUREKA still lacks concrete content, primarily because of intra-European differences rather than US opposition. Nonetheless, the Europeans remain acutely sensitive to our views on joint European efforts and a publicly forthcoming attitude could somewhat ease the strains. Finally, our political strategy must take account of the reality that France will play a central role.

Steps We Can Take

While our basic differences with the Europeans over SDI cannot be resolved at the present time, there are some steps we can take—and to some extent are taking—that will help:

—Our public statements should continue to emphasize the present importance of nuclear deterrence, as well as assurances that SDI will also protect Allied security. We should also focus more sharply on how we would deal with the European conventional imbalance in a non-nuclear world. Conceivably, we should make the elimination of nuclear weapons conditional on the elimination of the conventional threat.

—We should take a hard look—and soon—at the potential merits of anti-tactical ballistic missiles (ATBMs). (PM and EUR will be sending a memo to you shortly.) At first glance, they have much to recommend them: they could offer the Europeans a stake in SDI directly relevant to their own security, and permit a joint European effort—conceivably even bringing along the French. Further study may reveal serious disadvantages for the US in European leadership in ATBM research. But the study should get underway rapidly.

—Although a strategy for Allied participation in SDI research has proved elusive, in part because of the numerous institutions and interests involved, we should establish, as a matter of policy, the primacy of our political objectives. Such a strategy should be aimed at encouraging coordinated European efforts—EUREKA or the creation of various consortia—rather than at dividing the Europeans.

246. Information Memorandum From the Director of the Policy Planning Staff (Rodman) to Secretary of State Shultz¹

Washington, August 12, 1985

SUBJECT

Possible Theme for Your Address at the Morgenthau Award Ceremony

Here is a possible theme for your address at the Morgenthau Award Ceremony, October 2.

—Since Hans Morgenthau was one of the founders of the “International Realist” school of American foreign policy thinking, you might want to take this opportunity to address the thorny and complex issue of what role our ideals ought to play, and do play, in the conduct of our foreign policy. You touched on some of this in your San Francisco Commonwealth Club speech last February.² You could delve deeper into some of the philosophical issues. Do our interests require us to support democracy everywhere? Clearly not, but in the postwar world the spread of democracy is in our interest. Does “realism” mean ignoring these ideological issues? Again, clearly not, but we must beware of “crusades” that cannot bring results, that sometimes destroy the very goals they proclaim. History is rife with examples. How do we make the difficult decisions about when and where to use our power to foster the growth of democracy? The speech could include US-Soviet relations, Eastern Europe, Central America, South Africa, the Philippines, etc.³

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons 8/1–31/85. No classification marking. Drafted by Kagan. McKinley initialed the memorandum and wrote “12 Aug.” Shultz’s stamped initials appear at the top of the memorandum. A stamped notation indicates that it was received on August 12 at 4:37 p.m.

² See Document 232.

³ In the right-hand margin next to this sentence, Shultz wrote: “Sounds good. G.” Shultz’s October 2 address before the National Committee on American Foreign Policy, at which he received the Hans J. Morgenthau Memorial Award, is printed as Document 251.

247. Talking Points Prepared in the Policy Planning Staff¹

Washington, September 4, 1985

LOOKING AHEAD: GAME PLAN FOR THE NEXT YEAR

Overview

—The U.S. is probably in the best position internationally that it has been in some time. I want to think ahead² about how we exploit—and maintain—this advantageous position. I want to anticipate some problems that may hit us down the road.

—We're like a football team that is ahead in the 3d quarter. We have stuck to our game plan, and it has worked. The question is, do we sit on our lead? Do we play very cautiously? Or will we have to be aggressive, and imaginative, in the face of a wily opponent who now has a fresh team on the field?

—My main worry is some looming problems that could do us serious harm if we are not alert and imaginative. We may have to take some risks in order to head them off. We *don't* have the option of just sitting tight everywhere. We also have some big opportunities.

—Let's take five issues: US-Soviet relations/arms control; Middle East; Southern Africa; Central America; and the Philippines.

US-Soviet Relations/Arms Control

—We are in the best bargaining position of any recent US administration vis-a-vis the Soviets. Our military buildup—and SDI—give us enormous leverage.

—The world won't come to an end if we don't reach an arms control agreement in your 2d term.³ Being patient is also part of our leverage. But we may face a growing problem of maintaining Congressional and allied support (e.g., defense budget cutback). Gorbachev is also a skillful and aggressive PR player; he won't make it easy for us. We will

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons 9/1–30/85. Secret; Sensitive. Attached to a covering note written in an unknown hand, dated September 4, that reads "Looking Ahead, Spec. Paper for Charlie Hill." In an August 20 memorandum to all S/P staff, entitled "Looking Ahead: Possible Diplomatic Initiatives," Rodman indicated that Shultz had "tasked the Policy Planning Staff and the regional bureaus to look ahead to see in what areas of foreign policy we might make progress between now and Christmas if we chose to engage ourselves more." (Reagan Library, Peter Rodman Files, Department of State Chronological File, Chron 08/09/1985–08/31/1985)

² The "I" is in reference to Shultz.

³ The "your" is in reference to the President.

have to be nimble on our feet in the arms control game, as we were in the 1st term.

—We may also face a historic opportunity to obtain an agreement on deep reductions in offensive weapons. This has always been our goal in START. It would be a historic vindication of our tough-minded approach to arms control, and an extraordinary achievement.

—So, precisely because of our strong bargaining position, we may be faced with some interesting decisions to make. In Geneva, the linkage between the various elements is now working in our favor: The Soviets may make increasingly forthcoming offers of offensive reductions in order to lure us into some trade on SDI.⁴ What happens if they make some real, specific offers of strategically significant reductions that meet all our criteria (e.g., throw weight, enhancing survivability, verifiability)—in exchange for something like reaffirming the ABM treaty?⁵ Not necessarily a bad position to be in—but we will have to choose.

Middle East Peace Process

—In the Middle East, too, we've been in a strong position. We have stood back, and the result has been some movement on the Arab side: King Hussein organizing the moderates, trying to rope the PLO into the political process.

—The problem now is that the King says he has gone about as far as he can go. He proposes that we help him move the PLO further toward moderation by a series of steps: Murphy meeting; PLO meets our conditions and we enter a dialogue with it; some kind of international supportive process; and then direct negotiations with Israel.

—This is a risky course for us. It means bringing the PLO into the game (even into the Murphy meeting) in exchange for nursing along a process that presumably changes the nature of the PLO. It may be that Jordan and the Palestinians simply cannot move any further without the PLO. Perhaps the U.S. would be risking the least by taking the lead this way. (Hussein may be risking his life otherwise and Peres can't do anything now without risking his government).

—I am wrestling with this dilemma myself. There may be other options. But if we say no to the King's scenario, it'll be very messy.

⁴Reference to the Nuclear and Space Arms Talks in Geneva on strategic, intermediate-range, and space and defensive weapons, which Shultz and Gromyko agreed to during their January 6–8 meetings in Geneva. The first round of talks took place in Geneva, March 12–April 23, and the second round took place, May 30–July 16. The third round was scheduled to resume on September 19.

⁵See footnote 9, Document 91.

In other words, we've been coasting up to now, and there may be no cost-free course of action from this point on.

Southern Africa

—In South Africa, we have been right: There *was* a process of political change going on, or at least starting, though the SAG had not yet tackled the real issues of sharing political power. We are absolutely right to resist economic sanctions that would only exacerbate hardship and could fan the flames of violence. We are on the high moral ground: *against* violence and *for* political negotiations.

—The process of change in South Africa is irreversible; the only question is whether it comes through violent upheaval or through political accommodation. It may well be that the only way to avoid catastrophe is for the SAG to reform *fast*. I.e., if we sit back, the SAG will procrastinate and we could get the worst possible outcome: race war, a Communist-dominated radical upheaval. P.W. Botha's speech of August 15 shows that the SAG may need to be pushed into the bold action that is their only hope for survival.⁶

Central America

—In Central America, we are on the right track. We have congressional support for the Contras;⁷ a Nicaraguan resistance alliance that is active politically (UNO); an effective government in El Salvador that

⁶ On August 15, Botha addressed the provincial congress of the ruling National Party. See Glenn Frankel, "Botha Bars Major Change In Segregationist Policy," *Washington Post*, August 16, 1985, pp. A1, A26. In an August 16 address before the Commonwealth Club in San Francisco, Crocker noted Botha's remarks, stating: "We consider yesterday's speech to be an important statement in that it discussed some issues that are at the core of the problem of apartheid. At the same time, the speech—written in the code language of a foreign culture within a polarized society—is not easily interpreted and raises many questions. We have repeatedly called for negotiations among South Africans and can only reaffirm our appeal that every avenue to possible reconciliation and dialogue be explored. What must be emphasized is that a speech such as this is but an element of an ongoing process. It does not, in itself, constitute change. That can only come from concrete implementing actions that follow up in tangible ways on the principles that have been outlined. We will look for clarifications and implementation of those principles through negotiation between that government and leaders of South Africa's other communities." (Department of State *Bulletin*, October 1985, p. 6)

⁷ Presumable reference to the International Security and Development Cooperation Act of 1985 (S. 960; P.L. 99-83; 99 Stat. 190), which the President signed into law on August 8. For FY 1986 it authorized \$27 million in aid to the Contras, but prohibited the Department of Defense or the Central Intelligence Agency from administering the aid. (*Congress and the Nation*, vol. VII, 1985-1988, p. 173) In his personal diary entry for August 8, the President wrote: "A signing ceremony for Foreign Assistance Authorization bill. The 1st one I've had since 1981. This is one where I wanted more money than they allowed. They just wont recognize this is part of our nat. security. Security assistance for example to Turkey—a Turkish soldier only costs \$6,000 a year. If we have to replace him with an American it's \$90,000." (Brinkley, ed., *The Reagan Diaries*, vol. I, January 1981-October 1985, p. 490)

has popular support (and also Congressional support); the Sandinistas are on the defensive.

—Here, I would only suggest that we stay alert to prevent things that could unravel our policy:

- A failure to fund the Jackson Plan adequately could weaken the economic prospects of all our friends in the region;
- The Contadora process could fall apart, leaving us with no diplomatic program to keep the Congress on board; or it could suddenly produce a draft treaty, which would present us with some tough choices.

The Philippines

—This could be the sleeper issue of your 2d term. We all know how vital those bases are.

—The war against the Communist NPA is going badly, partly because the military are corrupt, politicized, and incompetent. The economy is a wreck, largely because Marcos's cronies are maintaining inefficient monopolies and choking off the productive forces of the free market. Moderate anti-Communist political forces that could be rallying to defend the system (church, business, honest politicians in Marcos's own party as well as in moderate opposition parties) are alienated and frustrated by Marcos's one-man rule.

—Here, too, the status quo may be heading us toward disaster. Marcos may be more a liability than an asset—unless he makes a sharp turn toward military, economic, and political reform. The only way to avoid catastrophe may be to reform *fast*.

—Marcos needs to hear from you—whom he trusts—that he really has a problem. I will shortly be coming to you with some concrete proposals.

248. Talking Points Prepared in the Policy Planning Staff¹

Washington, undated

LARGE STAFF MEETING, SEPTEMBER 19
TALKING POINTS*Overview*

—Today I wanted to talk about where we are heading over the next few months. A number of tough issues face us. But before I get to specifics, I want to make a few general points.

—By and large, we can face these issues from a *position of strength*. We are in a good position objectively, and we have the opportunity to turn many of these issues to advantage.

—On many of these issues, the key will be our *domestic and Congressional situation*. If we can maintain solid support at home, we're in a very good position abroad. E.g., Central America, arms control, even South Africa.

—One of the President's strengths is that he is seen as a man of *conviction and principle*. People know he stands for something. He can compromise when it's necessary, but people know there has to be reciprocity. The American people respect this, and foreign governments respect this.

—One of our principles is that we *don't cave in under pressure*. We don't yield to terrorism; we don't automatically cave on arms control or South Africa sanctions or aid to the contras just because the pressures are great. This is a great asset.

—As we look ahead to the long-term future, there are *many trends in our favor*:

- One is the trend toward democracy. We often cite the figure that over 90 percent of the population of Latin America is now governed by democratic systems or systems in transition to democracy.
- There is also the remarkable historical phenomenon of anti-Communist insurgencies in many parts of the world. Perhaps it is all

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons 9/1–30/85. No classification marking. Rodman sent the points to Shultz under a September 13 information memorandum, indicating that Shultz could use the points at the September 19 monthly large staff meeting. Rodman added, "The theme is an autumn preview, looking ahead to the big issues on our agenda over the coming months." (Ibid.) No minutes of the September 19 meeting have been found.

a product of the Soviets' overreaching during the period of American weakness in the 1970's. In any case, they are finding that they cannot digest all of their gains, and people are fighting back.

- The technological and telecommunications revolution is a powerful tide that works in our favor. The creative genius of free societies is in the best position to nurture this revolution and profit from it. Closed societies will either have to fall behind, or else open themselves up to major social transformations that could jeopardize state monopoly control of information and social life.

- There's a revolution also in economic thinking. It's interesting that the economic crisis of the 1930's led to an expansion of state control, to put a floor under public welfare and put some order into the economic system. The world clearly went too far in the direction of regulation and state control; many rigidities were built into the system over the decades. Then the economic crisis of the 1970's (prompted by the energy shocks) has helped to reawaken everyone to the basic realities: productivity and creativity don't come from the state but from free economic forces, given free rein to operate. This is now being widely recognized, in both developed and developing countries (e.g., Bonn Summit declaration,² ASEAN).

—All these trends mean that the U.S. really has what could be a winning hand, if we play our cards right.

—So, as we face our current problems, we can face them with a lot of self-confidence. We have overcome many seemingly insurmountable problems in the past. This should be our attitude.

South Africa

—We have just been through a critical period with respect to South Africa. We have bought some breathing space at home by virtue of the President's Executive Order of September 9.³ But obviously our ability to maintain domestic support for the President's approach will depend

² For the text of the Bonn G-7 "Economic Declaration," issued on May 4, see Department of State *Bulletin*, July 1985, pp. 3–6.

³ On September 9, the President signed Executive Order 12532, "Prohibiting Trade and Certain Other Transactions Involving South Africa," which imposed sanctions against South Africa. For the text of the order, see *Public Papers: Reagan, 1985*, Book II, pp. 1058–1060. In his personal diary entry for September 9, the President wrote: "Saw our Amb. off on his return to S. Africa. Then at 10:30 I went before the press & read a statement about the exec. order I would sign listing things we were going to do with regard to apartheid in S. Africa. Many were things included in the Cong. bill calling for sanctions. I explained these were things I could agree to but eliminated parts of the bill I did not favor and that I would veto the bill if it came to my desk. This wouldn't have been necessary if I had line item veto." (Brinkley, ed., *The Reagan Diaries*, vol. I, January 1981–October 1985, p. 494)

on how well we manage over the coming months to show that we are getting somewhere.

—Therefore we sent Herman Nickel⁴ back and we are urging the SAG to move quickly and decisively toward political accommodation. This is probably the SAG's only hope for long-term peace in that country.

—Change is inevitable; apartheid is probably doomed. The only question is whether change will come about through violent convulsion or political accommodation. If it comes through violence, we could get the worst outcome: a race war, bloodbath, radicalization of the blacks, a revolution that in the end replaces one oppressor with another, one possibly friendlier to the Soviet Union. If it comes through negotiation, there is at least a chance for maintaining the country's economic prospects and preserving the hopes for a moderate outcome. We have enough recent experience of putting pressure on regimes (Iran, Nicaragua) and inadvertently ending up with something much worse.

—So the centerpiece of our program is political dialogue between the SAG and representative blacks on a new political future for South Africa, one in which apartheid is gone and all races have real participation. In other words, a peaceful transition and strengthening of moderate forces.

—The President has been right to seize the initiative, so we can continue our policy of constructive involvement and resist the more extreme and harmful measures proposed by some of our critics.

—Economic sanctions that destabilize the South African economy would only hurt the blacks, exacerbate tensions and possibly worsen the violence. They could also do enormous harm to neighboring black states whose economies are heavily dependent on South Africa.

—The measures decided upon by the President on September 9 are targeted at the machinery of apartheid, not at the victims of apartheid.

—If we can maintain some degree of bipartisan consensus at home, we will be better able to encourage a positive evolution in a thoughtful, constructive way. That's what the Presidential advisory commission will attempt to do.

—We face a long-term problem, and a high risk that things will go wrong. But we now have the high ground—political negotiation, to avoid a bloodbath—and we are heading in the right direction.

⁴ Ambassador to South Africa from April 20, 1982, until October 4, 1986. Telegram 275938 to Pretoria, September 9, contained the text of a letter from Shultz to Nickel "outlining instructions for the Ambassador during the period immediately following his return to post." (Department of State, Central Foreign Policy File, Electronic Telegrams, [no N number]) Nickel returned to South Africa on September 10.

US-Soviet Relations and Arms Control

—The main event is the President's meeting with Gorbachev in Geneva two months from now. But this should be viewed in the perspective of the recent past and the prospects for the future.

—The U.S. in the past five years has been rebounding from its self-paralysis in the 1970's. Our economy is strong, we have had five years of a major military buildup, and the country seems once again supportive of an active world role for the U.S. Now the Soviets, under a new and vigorous leadership, may want to rebound as well, after a period of economic stagnation and decrepit leadership. They will be formidable adversaries—but they may also be eager to focus on domestic priorities. They have a big Party Congress coming up in February and have some big domestic decisions ahead of them.

—Thus we cannot exclude that they might be interested in some serious negotiation. At least we must approach the November meeting in that spirit. We might as well test them. If they're just interested in political warfare, we can deal with that too.

—We have to be realistic about the chances for progress, and it's probably wise to dampen public expectations (e.g., Bud's speech of last month).⁵ A better relationship will require reciprocity. We will not concede our positions preemptively in advance of the meeting (e.g., SDI, ASAT).

—Nor should we have illusions about Gorbachev and the new generation he represents. He is a tough bird, and he's very slick in working the Western media. His actions so far (threats vs. Pakistan, domestic crackdown) give no reason to think he's a closet liberal.

—We will explore the possibilities when Shevardnadze is in New York and then in Washington next week.⁶ We can test whether

⁵ McFarlane delivered an address, entitled "U.S.-Soviet Relations in the Late 20th Century," to the Channel City Club and Channel City Women's Forum in Santa Barbara, California, August 19. According to the *New York Times*, McFarlane "said today that 'even incremental improvements' in the relations between the United States and the Soviet Union would be hard to achieve without changes in Moscow's approach to major issues." (Gerald M. Boyd, "Soviet Must Shift on Major Issues, McFarlane Insists: Arms and Rights Cited: The National Security Adviser Draws Dark Picture in Talk on Russian Motives," August 20, 1985, pp. A1, A11) The address is printed in Department of State *Bulletin*, October 1985, pp. 34–38.

⁶ Shevardnadze was scheduled to meet with the President on September 27, in preparation for the upcoming Geneva summit meeting between Reagan and Gorbachev scheduled to take place that November. The memoranda of conversation are in *Foreign Relations, 1981–1988*, vol. V, Soviet Union, March 1985–October 1986, Documents 105–106. In his September 28 radio address, the President indicated that his and Shultz's conversations with Shevardnadze "covered a broad global agenda, including the four major areas of the U.S.-Soviet dialog: human rights, regional and bilateral issues, and security and arms control matters. They enabled us to discuss at the most senior levels the key issues facing our two nations. I told the Foreign Minister I'm hopeful about my upcoming meeting with General Secretary Gorbachev, and I put forward some new ideas as well as my plans and expectations for that meeting." (*Public Papers: Reagan, 1985*, Book II, p. 1150)

there is serious business to be done in the Gorbachev meeting, or whether it will really be a “get-acquainted” session.

—The agenda with Gorbachev will cover the obvious:

- Arms control: Here, the new Geneva NST round begins today, and we will find out there whether real progress can be made. We want more specifics on what reductions they are willing to make in offensive forces. Also CDE, MBFR.

- Regional issues: The Middle East, Afghanistan, Cambodia, and other areas can be discussed.

- Bilateral accords may be reached—new consulates, cultural exchanges, etc.

—If no progress is achieved before the meeting, perhaps the meeting itself can give impetus to progress in existing channels afterwards. Though, obviously, even this kind of outcome would benefit from some advance preparation.

Middle East

—The reasons why a Mideast settlement is in our interest haven’t changed. The absence of a solution will pose enormous risks: radicalization, growth of Soviet influence, threats to moderate Arab regimes. So, we’re still leaning forward.

—The idea of a Murphy meeting (with a joint Jordanian-Palestinian delegation) started out as something relatively non-controversial but turned out to be something quite complicated:

- It was designed to keep a dialogue going while finessing or postponing the thornier issues like the US relationship to the PLO. Then the Jordanians and PLO come up with a list of names that tried to bring the PLO into the picture at an early stage. They clearly had in mind a scenario that made a US dialogue with the PLO a key, pivotal step in the process.

- Our aim had been something different: a process leading quickly to negotiations with Israel. The Arabs continue to be hung up on this crucial point.

- PLO terrorism against Israel also made the problem much more difficult. The PLO is hardly earning a reputation for moderation. Our conditions for dealing with the PLO remain the same: no negotiations with them until they accept 242, 338, and Israel’s right to exist.⁷

⁷ See footnote 9, Document 63.

—But the process is continuing.

- We will explore various ideas with King Hussein when he gets here.⁸

- The Egyptian-Israeli relationship has a chance of making progress if Taba can be finessed by sending it to arbitration.

—The obstacles are apparent. But there is still a great commitment on the part of both Hussein and Peres to keep the process going. The Arabs still see the “Peres window” as an incentive to get their act together as soon as possible.

Central America

—Central America is an example of a number of key principles: the importance of staying power, the importance of domestic support, the importance of having a framework of diplomatic objectives in the name of which to exert our influence. All these things are related, and together they add up to a successful policy.

—Duarte has helped us turn everything around. In El Salvador, the government has popular support, the army is doing better (with our support), the guerrillas are weaker, and Duarte has taken the political as well as the military initiative. He also has a good prospect of long-term Congressional support.

—The problem is Nicaragua—but Nicaragua, too, is on the defensive. The democratic resistance is growing: It is entitled to a role in Nicaraguan political life and should have a greater role diplomatically. We now have Congressional support (NHAO). We will try to raise UNO’s political profile here and internationally.

—The centerpiece of our position is *internal dialogue*. Nicaragua must talk to its internal opposition just as Duarte has talked to his. There can’t be peace in the region without internal peace in Nicaragua.

—The Contadora process is still the overall framework. There should be a regional, comprehensive solution covering all the key issues. (21 objectives)⁹

—We may have some new ideas to promote Central American regional cooperation.

⁸Hussein was scheduled to meet with the President in Washington on September 30. The memoranda of conversation is scheduled for publication in *Foreign Relations, 1981–1988*, vol. XIX, Arab-Israeli Dispute. Following their meeting, the President and King Hussein offered remarks at 10:52 a.m. at the South Portico of the White House. For the text, see *Public Papers: Reagan, 1985*, Book II, pp. 1156–1157.

⁹See footnote 2, Document 214.

—Five years ago, and even three years ago, things looked grim in Central America. Now they look much better.

The Global Economy

—A stronger global economy helps us with all our objectives. A weaker global economy will complicate all our foreign policy problems.

—The US economy is still vigorous, but interrelated problems remain: budget deficit, trade deficit, high dollar, capital inflows. Budget deficit is pivotal for long-term health of our, and world's, economy.

—Main danger now is protectionism. The President remembers Smoot-Hawley.¹⁰ Protectionism is a destructive force. We have a trade strategy:

- new GATT round¹¹
- actions against countries that restrict market access
- negotiations with Japan
- adjustment measures at home
- cut the budget deficit, to help lower interest rates and bring dollar down

—Trade and debt problems are related. Protectionism in OECD is devastating to debtor countries' hopes for growth.

—Key to debt strategy is LDC adjustment to restore growth. Austerity is not an end in itself. Aim should be internal policies that stimulate investment, raise productivity, free up market forces.

—Also some new ideas on expanding World Bank role.

¹⁰ Reference is to the Tariff Act of 1930 (P.L. 71-361; 46 Stat. 590), commonly known as the Smoot-Hawley Tariff, which President Hoover signed into law on June 17, 1930. The act raised tariffs on goods imported into the United States.

¹¹ In the declaration released at the Bonn G-7 Economic Summit meeting (see footnote 2, above), the G-7 leaders endorsed the relaxation and dismantling of trade barriers, noting: "We need new initiatives for strengthening the open multilateral trading system. We strongly endorse the agreement reached by the OECD Ministerial Council [Organization for Economic Cooperation and Development] that a new GATT [General Agreement on Tariffs and Trade] round should begin as soon as possible. Most of us think that this should be in 1986. We agree that it would be useful that a preparatory meeting of senior officials should take place in the GATT before the end of the summer to reach a broad consensus on subject matter and modalities for such negotiations. We also agree that active participation of a significant number of developed and developing countries in such negotiations is essential. We are looking to a balanced package for negotiation." (Department of State *Bulletin*, July 1985, p. 5; brackets are in the original) The Uruguay Round of multilateral trade negotiations began in September 1986. Documentation on GATT and the Uruguay Round is scheduled for publication in *Foreign Relations, 1981-1988*, vol. XXXVII, Trade; Monetary Policy; Industrialized Country Cooperation, 1985-1988.

Other Issues Down the Road

—New Zealand still a problem, but some possibility of progress. We will be open to GNZ ideas on settling ship visit problem, though we won't compromise on NCND.¹² Lange has new ideas on giving PM discretion in context of new legislation. We shall see.

—Philippines a serious long-term problem. Need to urge Marcos to move on military reform, fair elections, and economic reforms. He's stubborn. Communist insurgency is growing, and Marcos's government is incapable of handling it. We will have to intensify our efforts and exert our influence, or else we face ominous prospects.

—South Asia: Armacost/Fortier trip to ease "nuclear tensions" between India and Pakistan: to encourage them to take steps to reassure each other, slow down nuclear programs.¹³

¹² See footnote 8, Document 242.

¹³ Armacost and Fortier were scheduled to visit Pakistan and India, September 14–19. Documentation on their visit is scheduled for publication in *Foreign Relations, 1981–1988*, vol. XXXIII, South Asia.

249. Memorandum From Secretary of State Shultz to President Reagan¹

Washington, September 16, 1985

SUBJECT

Preparing for Geneva

I believe we should take a much more positive and commanding attitude toward the Geneva meeting than is at present apparent to the public. We sought the meeting and we got it. We have important objectives. We have a strong position from which to work and we are ready to engage with the Soviets and confident that we can represent ourselves and the free world strongly.

The Soviet Union needs to know from the top how determined we are not to be pushed around or have others pushed around in various parts of the world. They need to know that we will defend our interests. They need to see on the basis of concrete proposals that we are ready for give-and-take to reduce the burden of the arms race and reduce the risk of war.

We need to take charge of the Geneva meeting and manage it visibly and aggressively. Procedurally we need to:

- A. Work strongly with friends and allies around the world both before and after the meeting.
- B. Engage in a serious and visible preparatory effort.
- C. Engage the Soviets bilaterally in the effort.

With the allies, you may want to take advantage of the presence of counterpart heads-of-state at the United Nations to seek their views visibly so they feel involved in the process. We might consider sending a special envoy around, say in the latter part of October or the first part of November, such as I did as a private citizen before the Versailles Summit.² Someone like Larry Eagleburger could do this well. It would be partly substance and partly imagery.

We need to construct our "delegation," as distinct from who actually sits in the meetings, so as to be able to quickly and effectively shape our positions on the spot.

¹ Source: Reagan Library, George Shultz Papers, Secretary's Meetings with the President (10/10/1985); NLR-775-18-85-1-8. Secret; Sensitive. Copies were sent to Regan and McFarlane. Hill's initials appear in the top right-hand corner of the memorandum and are struck-through. The memorandum is also in *Foreign Relations, 1981-1988*, vol. V, Soviet Union, March 1985-October 1986, Document 88.

² See footnote 2, Document 102.

After the meeting we will want to fan out the members of our delegation to capitals of friends and allies to give them a first-hand feel for what happened.

Assuming you will get back to Washington by mid-afternoon Thursday³ following the meeting, you might call in the Congressional leadership that afternoon and brief them. You could, in addition, send me to brief members of the Senate and House separately the next day in meetings open to any member who wishes to come, as I have done on other occasions. Whatever the outcome of the meeting, a direct report by you to the American people should be considered, so that whatever is filtered through the press is not the only story. After Thanksgiving, you might send me or someone around for follow-on discussions to consolidate the support of our friends.

With regard to preparatory work, there are a number of important decisions to be made and that process is moving along. But there is also a great deal of preparation to be done, first in connection with Shevardnadze⁴ and then, of course, for the Gorbachev meeting. I think that the visibility of this process should be raised following your U.N. visit.⁵ Briefings in informal settings, such as in the Family Dining Room or up at Camp David, ought to be considered. The real work needs to be done with your own advisors in the government, but it may be quite useful to pull in people from outside and hear their views, as was done before the China trip.⁶

With regard to public affairs, I think we need to hew to a forceful and confident line without being unduly confrontational. We should increasingly emphasize our serious preparatory efforts and the unity of your Administration and the Congress behind you in this great undertaking. When we get to Geneva, I think there is a powerful argument for a “no contact with the press” rule for everyone in the delegation, with very little said and that only by the Spokesman. Or if you decide something should be said, it would be by explicit decision. There would be no backgrounders, no leaks, no meetings with the press of any kind. When the meeting is over, there will be plenty to say and we need a plan for how to say it.

Mike Deaver is a genius at thinking out the management of a major event of this kind. He is willing on a completely private and unpublicized basis to help brainstorm this subject. I would like to take advantage of his willingness.

³ November 21.

⁴ See footnote 6, Document 248.

⁵ Scheduled to take place October 24.

⁶ The President visited China from April 26–May 1, 1984; see footnote 2, Document 187.

I have always thought that letting Reagan be Reagan means a self-confident and positive approach. With the strong position we are in and the important objectives to be served, we should stop poor-mouthing this gigantic event and take it on as the important challenge and opportunity it really is. This is not the opening game of the little-league season. This is THE SUPER BOWL. We can and must win, whether it turns out to be a propaganda battle, an acrimonious exchange, or a constructive effort with a promise of more to come. We want the constructive effort and so do our friends, allies, and the American people.

250. Memorandum From the Assistant to the President and Director of Communications (Buchanan) to President Reagan¹

Washington, September 26, 1985

Clare Luce called in with some rhetoric to get around the demonizing of our strategic defense initiative that is being done by the media et alia:

The President:

“Look, we don’t want ‘Star Wars’ or Hot Wars or Cold Wars or any other wars. What we are seeking is a Space Shield over the United States—just as the Soviets are seeking to develop a Space Shield over the Soviet Union. Maybe Strategic Space Shield (SSS) is a better description of what we are after than SDI.”²

¹ Source: National Security Council, NSC Institutional Files, Box SR 157, McFarlane Personal, 1983–1987, The President’s Handwritten Notes. No classification marking. A stamped notation in the top right-hand corner of the memorandum reads: “The President has seen.”

² In the margin below this paragraph, the President wrote: “Pat—I’m in favor. Let’s pass the word— ‘Star Wars’ or ‘S.D.I.’ becomes ‘Strategic Space Shield’ in all speeches, memos etc. We should check it out with Cap & George S. before any announcement. Then perhaps I should pick a spot to frankly announce the change as being more appropriate & accurate than either ‘S.W’s.’ or ‘SDI.’ RR”

251. Address by Secretary of State Shultz¹

New York, October 2, 1985

Morality and Realism in American Foreign Policy

I deeply appreciate this marvelous award because of the greatness of the man in whose honor it was established. My appreciation is doubly reinforced because of the greatness of the man [Dr. Henry Kissinger] who has just made this presentation.

Hans Morgenthau's Legacy

Hans Morgenthau was a pioneer in the study of international relations. He, perhaps more than anyone else, gave it intellectual respectability as an academic discipline. His work transformed our thinking about international relations and about America's role in the postwar world. In fundamental ways, he set the terms of the modern debate, and it is hard to imagine what our policies would be like today had we not had the benefit of his wisdom and the clarity of his thinking.

As a professor at the University of Chicago—and I was once a professor at the University of Chicago and a colleague of his—in 1948 he published the first edition of his epoch-making text, *Politics Among Nations*.² Its impact was immediate—and alarming to many. It focused on the reality of so-called power politics and the balance of power—the evils of the Old World conflicts that immigrants had come to this country to escape and which Wilsonian idealism had sought to eradicate.

Morgenthau's critics, however, tended to miss what he was really saying about international morality and ethics. The choice, he insisted, is not between moral principles and the national interest, devoid of moral dignity, but between moral principles divorced from political reality and moral principles derived from political reality. And he called on Americans to relearn the principles of statecraft and political morality that had guided the Founding Fathers.

Hans Morgenthau was right in this. Our Declaration of Independence set forth principles, after all, that we believed to be universal. And throughout our history, Americans as individuals—and, sometimes, as a nation—have frequently expressed our hopes for a world based on those

¹ Source: Department of State *Bulletin*, December 1985, pp. 25–27. All brackets are in the original. Shultz spoke before the National Committee on American Foreign Policy after receiving the Hans J. Morgenthau Memorial Award.

² *Politics Among Nations: The Struggle for Power and Peace* (New York: Alfred A. Knopf, 1948).

principles. The very nature of our society makes us a people with a moral vision, not only for ourselves but for the world.

At the same time, however, we Americans have had to accept that our passionate commitment to moral principles could be no substitute for a sound foreign policy in a world of hard realities and complex choices. Our Founding Fathers, in fact, understood this very well.

Hans Morgenthau wrote that "the intoxication with moral abstractions . . . is one of the great sources of weakness and failure in American foreign policy." He was assailing the tendency among Americans at many periods in our later history to hold ourselves above power politics and to believe that moral principles alone could guide us in our relations with the rest of the world. He correctly worried that our moral impulse, noble as it might be, could lead either to futile and perhaps dangerous global crusades, on the one hand, or to escapism and isolationism, equally dangerous, on the other.

The challenge we have always faced has been to forge policies that could combine morality and realism that would be in keeping with our ideals without doing damage to our national interests. Hans Morgenthau's work shaped our national debate about this challenge with an unprecedented intensity and clarity.

Ideals and Interests Today

That debate still continues today. But today there is a new reality.

The reality today is that our moral principles and our national interests may be converging, by necessity, more than ever before. The revolutions in communications and transportation have made the world a smaller place. Events in one part of the world have a more far-reaching impact than ever before on the international environment and on our national security. Even individual acts of violence by terrorists can affect us in ways never possible before the advent of international electronic media.

Yesterday, outside of Tunis, violence struck yet again in the Middle East.³ In the face of rising terrorist acts of violence against the citizens of Israel, yesterday saw Israel's response in its attack on the facilities of the PLO [Palestine Liberation Organization] in Tunis. Terrorism is terrorism. It deserves no sanctuary, and it must be stopped.

But where do we go from here? Do we go toward more and more violence, or do we go toward peace? I say, it is time to say, "Enough. Enough to violence in the Middle East." We have heard the exclamation

³ On October 1, Israeli planes attacked Arafat's headquarters located near Tunis. (Jonathan Randal, "Israeli Air Raid Destroys Arafat's Base in Tunisia: Many Die in Attack; U.S. Defends Action," *Washington Post*, October 2, 1985, pp. A1, A20)

point of violence. Let us now follow it with a period, a period that signifies an end to armed struggle and a commitment to find a negotiated way to peace and justice.

Let us reject the radicals and the haters. Let us turn toward and support and encourage those who stand for reason and statesmanship, like President Bourguiba of Tunisia. President Bourguiba leads a country which has long been a close friend of the United States, and he shares our dedication to a more peaceful world. President Bourguiba is, indeed, one of those farseeing and wise statesmen, who was among the very first to urge a negotiated settlement of the Arab-Israeli conflict.

And let us rally in support of those who display the courage to move toward peace. We have had, in recent days, intensive talks with King Hussein of Jordan, aimed at our joint goal of advancing the peace process and the day when negotiations can start.⁴ We support his efforts. We admire his wisdom and courage and pray that we may soon see the opening of a new chapter in the expansion of the peace process.

And let us recognize a leader whose commitment to peace is unequivocal and beyond question: Prime Minister Shimon Peres. The truth is unavoidable. There will be no justice for the Middle East unless it is understood that there is no military option and that the only road to peace and justice lies through direct negotiations between Israel and each of its Arab neighbors.

In our world, our ideals and our interests thus are intimately connected. In the long run, the survival of America and American democracy is essential if freedom itself is to survive. No one who cherishes freedom and democracy could argue that these ideals can be gained through policies that weaken this nation.

We are the strongest free nation on earth. Our closest allies are democracies and depend on us for their security. And our security and well-being are enhanced in a world where democracy flourishes and where the global economic system is open and free. We could not hope to survive long if our fellow democracies succumbed to totalitarianism. Thus, we have a vital stake in the direction the world takes—whether it be toward greater freedom or toward dictatorship.

All of this requires that we engage ourselves in the politics of the real world, for both moral and strategic reasons. And the more we engage ourselves in the world, the more we must grapple with the difficult moral choices that the real world presents to us.

⁴See footnote 8, Document 248.

We have friends and allies who do not always live up to our standards of freedom and democratic government, yet we cannot abandon them. Our adversaries are the worst offenders of the principles we cherish, yet in the nuclear age, we have no choice but to seek solutions by political means. We are vulnerable to terrorism because we are a free and law-abiding society, yet we must find a way to respond that is consistent with our ideals as a free and law-abiding society.

The challenge of pursuing policies that reflect our ideals and yet protect our national interests is, for all the difficulties, one that we must meet. The political reality of our time is that America's strategic interests require that we support our ideals abroad.

Consider the example of Nicaragua. We oppose the efforts of the communist leaders in Nicaragua to consolidate a totalitarian regime on the mainland of Central America—on both moral and strategic grounds. Few in the United States would deny today that the Managua regime is a moral disaster. The communists have brutally repressed the Nicaraguan people's yearning for freedom and self-government, the same yearning that had earlier made possible the overthrow of the Somoza tyranny. But there are some in this country who would deny that America has a strategic stake in the outcome of the ideological struggle underway in Nicaragua today. Can we not, they ask, accept the existence of this regime in our hemisphere even if we find its ideology abhorrent? Must we oppose it simply because it is communist?

The answer is we must oppose the Nicaraguan dictators not simply because they are communists but because they are communists who serve the interests of the Soviet Union and its Cuban client and who threaten peace in this hemisphere. The facts are indisputable. Had the communists adopted even a neutral international posture after their revolution; had they not threatened their neighbors, our friends and allies in the region, with subversion and aggression; had they not lent logistical and material support to the Marxist-Leninist guerrillas in El Salvador—in short, had they not become instruments of Soviet global strategy, the United States would have had a less clear strategic interest in opposing them.

Our relations with China and Yugoslavia show that we are prepared for constructive relations with communist countries regardless of ideological differences. Yet, as a general principle in the postwar world, the United States has and does oppose communist expansionism, most particularly as practiced by the Soviet Union and its surrogates. We do so not because we are crusaders in the grip of ideological or messianic fervor, but because our strategic interests, by any cool and rational analysis, require us to do so.

Our interests, however, also require something more. It is not enough to know only what we are against. We must also know what

we are for. And in the modern world, our national interests require us to be on the side of freedom and democratic change everywhere—and no less in such areas of strategic importance to us as Central America, South Africa, the Philippines, and South Korea.

We understood this important lesson in Western Europe almost 40 years ago, with the Truman Doctrine,⁵ the Marshall Plan, and NATO; and we learned the lesson again in just the last 4 years in El Salvador: the best defense against the threat of communist takeover is the strengthening of freedom and democracy. The most stable friends and allies of the United States are invariably the democratic nations. They are stable because they exist to serve the needs of the people and because they give every segment of society a chance to influence, peacefully and legally, the course their nation takes. They are stable because no one can question their fundamental legitimacy. No would-be revolutionary can claim to represent the people against some ruling oligarchy because the people can speak for themselves. And the people never “choose” communism.

One of the most difficult challenges we face today is in South Africa. Americans naturally find apartheid totally reprehensible. It must go. But how shall it go? Our influence is limited. Shall we try to undermine the South African economy in an effort to topple the white regime, even if that would hurt the very people we are trying to help as well as neighboring black countries whose economies are heavily dependent on South Africa? Do we want to see the country become so unstable that there is a violent revolution? History teaches that the black majority might likely wind up exchanging one set of oppressors for another and, yes, could be worse off.

The premise of the President’s policy is that we cannot wash our hands of the problem or strike moralistic poses. The only course consistent with American principles is to stay engaged as a force for peaceful change. Our interests and our values are parallel because the present system is doomed, and the only alternative to a radical, violent outcome is a political accommodation now, before it is too late.

The moral—and the practical—policy is to use our influence to encourage a peaceful transition to a just society. It is not our job to cheer on, from the sidelines, a race war in southern Africa or to accelerate trends that will inexorably produce the same result.

Therefore, the centerpiece of our policy is a call for political dialogue and negotiation between the government and representative black leaders. Such an effort requires that we keep in contact with all parties, black and white; it means encouraging the South African Government

⁵See footnote 5, Document 152.

to go further and faster on a course on which it has already haltingly embarked. The President's Executive order a month ago,⁶ therefore, was directed against the machinery of apartheid, but in a way that did not magnify the hardship of the victims of apartheid. This approach may suffer the obloquy of the moral absolutists—of those opposed to change and of those demanding violent change. But we will stick to this course because it is right.

The Importance of Realism

A foreign policy based on realism, therefore, cannot ignore the importance of either ideology or morality. But realism *does* require that we avoid foreign policies based exclusively on moral absolutes divorced from political reality. Hans Morgenthau was right to warn against the dangers of such moral crusades or escapism.

We know that the spread of communism is inimical to our interests, but we also know that we are not omnipotent and that we must set priorities. We cannot send American troops to every region of the world threatened by Soviet-backed communist insurgents, though there may be times when that is the right choice and the only choice, as in Grenada. The wide range of challenges we face requires that we choose from an equally wide range of responses: from economic and security assistance to aid for freedom fighters to direct military action when necessary. We must discriminate; we must be prudent; we must use all the tools at our disposal and respond in ways appropriate to the challenge. Realism, as Hans Morgenthau understood it, is also a counsel of restraint and healthy common sense.

We also know that supporting democratic progress is a difficult task. Our influence in fostering democracy is often limited in those nations where it has never before taken root, where rulers are reluctant to give up their privileged status, where civil strife is rampant, where extreme poverty and inequality pose obstacles to social and political progress.

Moral posturing is no substitute for effective policies. Nor can we afford to distance ourselves from all the difficult and ambiguous moral choices of the real world. We may often have to accept the reality that advances toward democracy and greater freedom in some important pro-Western nations may be slow and will require patience.

If we use our power to push our nondemocratic allies too far and too fast, we may, in fact, destroy the hope for greater freedom; and we may also find that the regimes we inadvertently bring into power are the worst of both worlds: they may be both hostile to our interests *and*

⁶ See footnote 3, Document 248.

more repressive and dictatorial than those we sought to change. We need only remember what happened in Iran and Nicaragua. The fall of a strategically located, friendly country can strengthen Soviet power and, thus, set back the cause of freedom regionally and globally.

But we must also remember what happened in El Salvador and throughout Latin America in the past 5 years—and, for that matter, what is happening today in Nicaragua, Cambodia, Afghanistan, and Angola, where people are fighting and dying for independence and freedom. What we do in each case must vary according to the circumstances, but there should not be any doubt of whose side we are on.

Our Ideals as a Source of Strength

Over 20 years ago, President Kennedy pledged that the United States would “pay any price, bear any burden, meet any hardship, support any friend, oppose any foe, in order to assure the survival and the success of liberty.”⁷ We know now that the scope of that commitment was too broad, even though it reflected a keen understanding of the relevance of our ideals to our foreign policy. More recently, another administration took the position that our fear of communism was inordinate and emphasized that there were severe limits to America’s ability or right to influence world events. I believe this was a council of despair, a sign that we had lost faith in ourselves and in our values.

Somewhere between these two poles lies the natural and sensible scope of American foreign policy. Our ideals must be a source of strength—not paralysis—in our struggle against aggression, international lawlessness, and terrorism. We have learned that our moral convictions must be tempered and tested in daily grappling with the realities of the modern world. But we have also learned that our ideals have value and relevance, that the idea of freedom is a powerful force. Our ideals have a concrete, practical meaning today. They not only point the way to a better world, they reflect some of the most powerful currents at work in the contemporary world. The striving for justice, freedom, progress, and peace is an ever-present reality that is today, more than ever, impressing itself on international politics.

As Hans Morgenthau understood, the conduct of a realistic and principled foreign policy is an honorable endeavor and an inescapable responsibility. We draw strength from our ideals and principles, and we and our friends among the free nations will not shrink from using our strength to defend and further the values and principles that have made us great.

⁷Quote is from Kennedy’s inaugural address; see footnote 2, Document 191.

252. Action Memorandum From the Assistant Secretary of State for European and Canadian Affairs (Ridgway), the Assistant Secretary of State for Near Eastern and South Asian Affairs (Murphy), and the Director of the Policy Planning Staff (Rodman) to Secretary of State Shultz¹

Washington, October 4, 1985

SUBJECT

Proposal on Regional Conflicts in Presidential UN Address

ISSUE FOR DECISION

Whether to approve the attached outline for the President's October 24 address to the UN.² The centerpiece is the initiative on peaceful resolution of regional conflicts.

ESSENTIAL FACTORS

The President's UN speech will be a major element in our public diplomacy efforts leading up to Geneva. The speech will follow immediately after the Warsaw Pact summit in Sofia on October 22–23 where Gorbachev is expected to give a major foreign policy speech to the Pact summit.

The NSC has drafted an outline for the speech (Tab 1) and McFarlane plans to present it to the President on Saturday.³ The outline's centerpiece is a Presidential initiative on the peaceful settlement of conflicts in key countries where Soviet (or proxy) involvement has created the greatest concern: Afghanistan, Cambodia, Nicaragua,

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons 10/1–31/85. Secret; Sensitive. Sent through Armacost. Drafted by Dunbar and Fried; cleared by Palmer, Parris, Burton, and Raphael. Eleanor Endersbee (NEA/EX) initialed for all drafting and clearing officials. Wendy Chamberlin (NEA/RA) also initialed for Raphael. Quinn initialed the memorandum and wrote "10/4." Bova also initialed the memorandum and wrote "12 Oct." Next to his initials, Armacost wrote: "I'm not keen about the regional proposal." Shultz's stamped initials appear on the memorandum. A notation in an unknown hand, presumably Quinn's, next to Shultz's initials reads: "Approved as amended to include mention of Iran-Iraq war—per SECTO 21001." Reference is to Secto 21001 from the Secretary's Delegation in Palo Alto, October 12. (Department of State, Central Foreign Policy File, Electronic Telegrams, N850010–0573)

² Attached but not printed at Tab 1 is an October 4 paper entitled "President's UNGA Address, 1985, Basic Outline." Welty, Bishop, and Einaudi cleared the outline. The speech is printed as Document 253.

³ October 5. There is no indication that McFarlane met or spoke with the President that day. (Reagan Library, President's Daily Diary)

Angola and Ethiopia. The President would propose negotiations and ceasefires among warring parties, and formation of genuinely representative governments. This would be followed by Soviet-American negotiations on elimination of external military presence in the country and cut offs of external arms. Finally, the country would be reintegrated into the world economy, with U.S. participation in the effort.

The draft outline does not offer any initiatives on arms control. After we have assessed the implications of the Soviet counter-proposals presented in Geneva and Paris this week, we will be in a better position to determine whether the UN speech or another context would be the best forum for any initiatives of our own.

ANALYSIS OF OPTIONS

The NSC has asked for our comments on the outline of the President's 1985 address to the U.N. General Assembly. The theme strikes us as right, and the initiative on regional conflicts is well-designed both to put the blame for these problems where it belongs and to highlight the point that, throughout the world, there is popular resistance to regimes either installed or backed by the Soviet Union. Whether or not Moscow chooses to respond to it in a practical way, the proposal is an appropriate public diplomatic step.

There is one major U.S. public diplomatic theme which would not be well served by the address as presently outlined. This is the crucial point that the regional conflicts and tensions produced by Soviet imperialism are East-South, (East-East in the case of Eastern Europe), not East-West issues. This is particularly important in Afghanistan where we seek to disabuse the Muslim and Third Worlds of the notion that the conflict is primarily a superpower concern and that their own stake in it is minimal. For the President to say that we and the Soviets should, in any way, be involved in negotiations to end the conflict by halting the external flow of arms would blur the East-South nature of the war and support a major Soviet propaganda theme that fighting in Afghanistan would end if the West stopped arming the "counter-revolutionary bandits."

A second, more parochial concern is the effect that a proposal to halt the flow of arms to those fighting unpopular regimes would have on our allies. Again, the Afghanistan case is illustrative. The Pakistanis are resolutely standing up to the Soviets and have made it plain that they count on us to stand behind them. The bedrock of the U.S.-Pakistan relationship is that we will continue to back by all appropriate means Pakistani efforts to aid the Afghan resistance and to counter Soviet attempts to intimidate them. Specific mention of U.S.-Soviet negotiations aimed at halting the external flow of arms would lead

the Pakistanis to question our motives and perhaps to rethink their policy, which has many opponents in Pakistan, of unstinting support to the Afghans.

These concerns can be easily met by a slight recasting of the second of the three elements of the initiative. This part of the proposal should indicate that, as the Soviets and their surrogates begin to make progress in their negotiations with the various popular resistance movements, the U.S. and the Soviet Union would open discussions aimed at supporting the process of negotiation with the resistance movements. In some cases, such as Afghanistan, this could primarily involve guaranteeing the arrangements being worked out between the warring parties. This alteration of the language would fit well in that it would, in effect, reemphasize both our support for the U.N.-sponsored negotiations and our view of how these discussions could be made to produce results.

The main Soviet interest in the proposal, of course, is to find a way of stopping the flow of western arms. We could continue to pique this fancy by speaking of guaranteeing arrangements already worked out for stopping such flows from both directions. In all instances, however, it would be clear that a U.S.-Soviet understanding on halting the flow of external arms would be an affirmation of an understanding reached in the negotiations with the resistance movements, not a direct super-power agreement.

In addition to this concern, the attached, amended version of the NSC draft contains two other changes. First, we have modified the first point of the initiative so as to blur slightly the question of who is talking to whom. In Afghanistan, we think the Soviets, and not necessarily the Kabul regime, should eventually talk to the resistance, while in Nicaragua we would not want to see Moscow involved in the reconciliation process. The central point that the national liberation movement should be consulted in each case remains undiluted. We have also modified the third point to make it clear that we do not seek to replace Soviet domination with our own but are interested only in reconstruction.

Overall, we believe the regional proposal addresses a fundamental cause of U.S.-Soviet tensions in the past decade: aggressive behavior by Moscow and its proxies in third areas. We will, of course, need to prepare the way carefully with our allies in order to ensure that they understand what we are about. In particular, we will need specific concurrence from the Pakistanis in order not to place our basic regional policy objectives at risk. Once our allies' understanding of the initiative is assured, the proposal offers a means for resolving local issues without providing unmanageable opportunities for the Soviet side.

RECOMMENDATION

That you approve the attached outline, reflecting State Department changes, for the President's October 24 address to the UN.⁴

Alternatively, if you disagree with the approach contained in the revised NSC outline, that you call Bud McFarlane to register your concerns.⁵

⁴ An unknown hand, presumably Quinn's, placed a diagonal line on the "Approve" line and wrote above it: "But there needs to be something on Iran-Iraq conflict." See footnote 1 above for approval notation.

⁵ There is no indication Shultz approved or disapproved the recommendation.

**253. Address by President Reagan Before the United Nations
General Assembly¹**

New York, October 24, 1985

Address to the 40th Session of the United Nations
General Assembly in New York, New York

Mr. President, Mr. Secretary General,² honored guests, and distinguished delegates, thank you for the honor of permitting me to speak on this anniversary for the United Nations. Forty years ago, the world

¹ Source: *Public Papers: Reagan, 1985*, Book II, pp. 1285–1290. The President spoke at 10:08 a.m. in the General Assembly Hall at the United Nations. In telegram 327196, October 24, to all diplomatic and consular posts, the Department transmitted the text of the President's address. (Department of State, Central Foreign Policy File, Electronic Telegrams, D850759–0710) Documentation concerning the drafting of the address is in the Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons 8/1–31/85, and Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons 9/1–30/85. In his personal diary entry for October 24, the President wrote: "This was the big day. Nancy & I went over to the U.N. I addressed the Gen. Assembly & a few thousand U.N. guests. I had to wear my iron undershirt. [. . .] a sizeable group of reps. carry guns. The U.N. refuses to allow any magnetometering or checking of briefcases. My speech went over extremely well. In fact veterans at the U.N. said no western speaker had ever gotten such a warm applause. It was broadcast live & we all agreed that the crowds on the street had been affected by it—they were cheering like for a Super bowl." (Brinkley, ed., *The Reagan Diaries*, vol. I, January 1981–October 1985, p. 509; brackets in the original)

² References are to UN General Assembly President Jaime de Piniés and Pérez de Cuellar, respectively.

awoke daring to believe hatred's unyielding grip had finally been broken, daring to believe the torch of peace would be protected in liberty's firm grasp. Forty years ago, the world yearned to dream again innocent dreams, to believe in ideals with innocent trust. Dreams of trust are worthy, but in these 40 years too many dreams have been shattered, too many promises have been broken, too many lives have been lost. The painful truth is that the use of violence to take, to exercise, and to preserve power remains a persistent reality in much of the world.

The vision of the U.N. Charter—to spare succeeding generations this scourge of war—remains real. It still stirs our soul and warms our hearts, but it also demands of us a realism that is rockhard, clear-eyed, steady, and sure—a realism that understands the nations of the United Nations are not united. I come before you this morning preoccupied with peace, with ensuring that the differences between some of us not be permitted to degenerate into open conflict, and I come offering for my own country a new commitment, a fresh start.

On this U.N. anniversary, we acknowledge its successes: the decisive action during the Korean war, negotiation of the nonproliferation treaty, strong support for decolonization, and the laudable achievements by the United Nations High Commissioner for Refugees. Nor must we close our eyes to this organization's disappointments: its failure to deal with real security issues, the total inversion of morality in the infamous Zionism-is-racism resolution,³ the politicization of too many agencies, the misuse of too many resources. The U.N. is a political institution, and politics requires compromise. We recognize that, but let us remember from those first days, one guiding star was supposed to light our path toward the U.N. vision of peace and progress—a star of freedom.

What kind of people will we be 40 years from today? May we answer: free people, worthy of freedom and firm in the conviction that freedom is not the sole prerogative of a chosen few, but the universal right of all God's children. This is the universal declaration of human rights set forth in 1948,⁴ and this is the affirming flame the United States has held high to a watching world. We champion freedom not only because it is practical and beneficial but because it is morally right and just. Free people whose governments rest upon the consent of the governed do not wage war on their neighbors. Free people blessed by economic opportunity and protected by laws that respect the dignity of the individual are not driven toward the domination of others.

³ UN General Assembly Resolution 3379 (XXX), adopted November 10, 1975, equated Zionism with racism. The United States voted against the resolution.

⁴ See footnote 9, Document 104.

We readily acknowledge that the United States is far from perfect. Yet we have endeavored earnestly to carry out our responsibilities to the charter these past 40 years, and we take national pride in our contributions to peace. We take pride in 40 years of helping avert a new world war and pride in our alliances that protect and preserve us and our friends from aggression. We take pride in the Camp David agreements and our efforts for peace in the Middle East, rooted in resolutions 242 and 338; in supporting Pakistan, target of outside intimidation; in assisting El Salvador's struggle to carry forward its democratic revolution; in answering the appeal of our Caribbean friends in Grenada; in seeing Grenada's Representative here today voting the will of its own people; and we take pride in our proposals to reduce the weapons of war. We submit this history as evidence of our sincerity of purpose. But today it is more important to speak to you about what my country proposes to do in these closing years of the 20th century to bring about a safer, a more peaceful, a more civilized world.

Let us begin with candor, with words that rest on plain and simple facts. The differences between America and the Soviet Union are deep and abiding. The United States is a democratic nation. Here the people rule. We build no walls to keep them in, nor organize any system of police to keep them mute. We occupy no country. The only land abroad we occupy is beneath the graves where our heroes rest. What is called the West is a voluntary association of free nations, all of whom fiercely value their independence and their sovereignty. And as deeply as we cherish our beliefs, we do not seek to compel others to share them.

When we enjoy these vast freedoms as we do, it's difficult for us to understand the restrictions of dictatorships which seek to control each institution and every facet of people's lives—the expression of their beliefs, their movements, and their contacts with the outside world. It's difficult for us to understand the ideological premise that force is an acceptable way to expand a political system. We Americans do not accept that any government has the right to command and order the lives of its people, that any nation has an historic right to use force to export its ideology. This belief, regarding the nature of man and the limitations of government, is at the core of our deep and abiding differences with the Soviet Union, differences that put us into natural conflict and competition with one another.

Now, we would welcome enthusiastically a true competition of ideas; welcome a competition of economic strength and scientific and artistic creativity; and, yes, welcome a competition for the good will of the world's people. But we cannot accommodate ourselves to the use of force and subversion to consolidate and expand the reach

of totalitarianism. When Mr. Gorbachev and I meet in Geneva next month, I look to a fresh start in the relationship of our two nations. We can and should meet in the spirit that we can deal with our differences peacefully. And that is what we expect.

The only way to resolve differences is to understand them. We must have candid and complete discussions of where dangers exist and where peace is being disrupted. Make no mistake, our policy of open and vigorous competition rests on a realistic view of the world. And therefore, at Geneva we must review the reasons for the current level of mistrust. For example, in 1972 the international community negotiated in good faith a ban on biological and toxin weapons;⁵ in 1975 we negotiated the Helsinki accords on human rights and freedoms;⁶ and during the decade just past, the United States and the Soviet Union negotiated several agreements on strategic weapons. And yet we feel it will be necessary at Geneva to discuss with the Soviet Union what we believe are violations of a number of the provisions in all of these agreements. Indeed, this is why it is important that we have this opportunity to air our differences through face-to-face meetings, to let frank talk substitute for anger and tension.

The United States has never sought treaties merely to paper over differences. We continue to believe that a nuclear war is one that cannot be won and must never be fought. And that is why we have sought for nearly 10 years—still seek and will discuss in Geneva—radical, equitable, verifiable reductions in these vast arsenals of offensive nuclear weapons. At the beginning of the latest round of the ongoing negotiations in Geneva, the Soviet Union presented a specific proposal involving numerical values.⁷ We are studying the Soviet counterproposal carefully. I believe that within their proposal there are seeds which we should nurture, and in the coming weeks we will seek to establish a genuine process of give and take. The United States is also seeking to discuss with the Soviet Union in Geneva the vital relationship between offensive and defensive systems, including the possibility of moving toward a more stable and secure world in which defenses play a growing role.

⁵ See footnote 6, Document 56.

⁶ See footnote 4, Document 48.

⁷ See footnote 4, Document 247. The NST resumed in Geneva September 19. In telegram 9029 from the Delegation to the Nuclear and Space Talks in Geneva, September 30, the delegation indicated that the Soviets had introduced a "major new proposal" during the September 30 joint plenary session. Aspects of the proposal included a ban on "space strike weapons" and numerical reductions of missiles, weapons, and delivery systems. (Department of State, Central Foreign Policy File, Electronic Telegrams, D850693-0396)

The ballistic missile is the most awesome, threatening, and destructive weapon in the history of man. Thus, I welcome the interest of the new Soviet leadership in the reduction of offensive strategic forces. Ultimately, we must remove this menace, once and for all, from the face of the Earth. Until that day, the United States seeks to escape the prison of mutual terror by research and testing that could, in time, enable us to neutralize the threat of these ballistic missiles and, ultimately, render them obsolete.

How is Moscow threatened if the capitals of other nations are protected? We do not ask that the Soviet leaders, whose country has suffered so much from war, to leave their people defenseless against foreign attack. Why then do they insist that we remain undefended? Who is threatened if Western research and Soviet research, that is itself well-advanced, should develop a nonnuclear system which would threaten not human beings but only ballistic missiles? Surely, the world will sleep more secure when these missiles have been rendered useless, militarily and politically; when the sword of Damocles that has hung over our planet for too many decades is lifted by Western and Russian scientists working to shield their citizens and one day shut down space as an avenue of weapons of mass destruction. If we're destined by history to compete, militarily, to keep the peace, then let us compete in systems that defend our societies rather than weapons which can destroy us both and much of God's creation along with us.

Some 18 years ago, then-Premier Aleksei Kosygin was asked about a moratorium on the development of an antimissile defense system. The official news agency, TASS, reported that he replied with these words: "I believe the defensive systems, which prevent attack, are not the cause of the arms race, but constitute a factor preventing the death of people. Maybe an antimissile system is more expensive than an offensive system, but it is designed not to kill people, but to preserve human lives." Preserving lives—no peace is more fundamental than that. Great obstacles lie ahead, but they should not deter us. Peace is God's commandment. Peace is the holy shadow cast by men treading on the path of virtue.

But just as we all know what peace is, we certainly know what peace is not. Peace based on repression cannot be true peace and is secure only when individuals are free to direct their own governments. Peace based on partition cannot be true peace. Put simply: Nothing can justify the continuing and permanent division of the European Continent. Walls of partition and distrust must give way to greater communication for an open world. Before leaving for Geneva, I shall make new proposals to achieve this goal. Peace based on mutual fear

cannot be true peace, because staking our future on a precarious balance of terror is not good enough. The world needs a balance of safety. And finally, a peace based on averting our eyes from trouble cannot be true peace. The consequences of conflict are every bit as tragic when the destruction is contained within one country.

Real peace is what we seek, and that is why today the United States is presenting an initiative that addresses what will be a central issue in Geneva—the issue of regional conflicts in Africa, Asia, and Central America. Our own position is clear: As the oldest nation of the New World, as the first anticolonial power, the United States rejoiced when decolonization gave birth to so many new nations after World War II. We have always supported the right of the people of each nation to define their own destiny. We have given \$300 billion since 1945 to help people of other countries, and we've tried to help friendly governments defend against aggression, subversion, and terror.

We have noted with great interest similar expressions of peaceful intent by leaders of the Soviet Union. I am not here to challenge the good faith of what they say. But isn't it important for us to weigh the record as well? In Afghanistan, there are 118,000 Soviet troops prosecuting war against the Afghan people. In Cambodia, 140,000 Soviet-backed Vietnamese soldiers wage a war of occupation. In Ethiopia, 1,700 Soviet advisers are involved in military planning and support operations along with 2,500 Cuban combat troops. In Angola, 1,200 Soviet military advisers involved in planning and supervising combat operations along with 35,000 Cuban troops. In Nicaragua, some 8,000 Soviet-bloc and Cuban personnel, including about 3,500 military and secret police personnel.

All of these conflicts—some of them underway for a decade—originate in local disputes, but they share a common characteristic: They are the consequence of an ideology imposed from without, dividing nations and creating regimes that are, almost from the day they take power, at war with their own people. And in each case, Marxism-Leninism's war with the people becomes war with their neighbors. These wars are exacting a staggering human toll and threaten to spill across national boundaries and trigger dangerous confrontations. Where is it more appropriate than right here at the United Nations to call attention to article II of our charter, which instructs members to refrain "from the use or threat or use of force against the territorial integrity or political independence of any state. . . ." During the past decade, these wars played a large role in building suspicions and tensions in my country over the purpose of Soviet policy. This gives us an extra reason to address them seriously today.

Last year, I proposed from this podium that the United States and Soviet Union hold discussions on some of these issues, and we have done so.⁸ But I believe these problems need more than talk. For that reason, we are proposing and are fully committed to support a regional peace process that seeks progress on three levels.

First, we believe the starting point must be a process of negotiation among the warring parties in each country I've mentioned, which in the case of Afghanistan includes the Soviet Union. The form of these talks may and should vary, but negotiations and an improvement of internal political conditions are essential to achieving an end to violence, the withdrawal of foreign troops, and national reconciliation.

There is a second level. Once negotiations take hold and the parties directly involved are making real progress, representatives of the United States and the Soviet Union should sit down together. It is not for us to impose any solutions in this separate set of talks; such solutions would not last. But the issue we should address is how best to support the ongoing talks among the warring parties. In some cases, it might well be appropriate to consider guarantees for any agreements already reached. But in every case, the primary task is to promote this goal: verified elimination of the foreign military presence and restraint on the flow of outside arms.

And finally, if these first two steps are successful, we could move on to the third: welcoming each country back into the world economy so its citizens can share in the dynamic growth that other developing countries, countries that are at peace, enjoy. Despite past differences with these regimes, the United States would respond generously to their democratic reconciliation with their own people, their respect for human rights, and their return to the family of free nations. Of course, until such time as these negotiations result in definitive progress, America's support for struggling democratic resistance forces must not and shall not cease.

This plan is bold; it is realistic. It is not a substitute for existing peacemaking efforts; it complements them. We're not trying to solve every conflict in every region of the globe, and we recognize that each conflict has its own character. Naturally, other regional problems will require different approaches. But we believe that the recurrent pattern of conflict that we see in these five cases ought to be broken as soon as possible. We must begin somewhere, so let us begin where there is great need and great hope. This will be a clear step forward to help people choose their future more freely. Moreover, this is an extraordinary opportunity for the Soviet side to make a contribution to regional peace

⁸See Document 206.

which, in turn, can promote future dialog and negotiations on other critical issues.

With hard work and imagination, there is no limit to what, working together, our nations can achieve. Gaining a peaceful resolution of these conflicts will open whole new vistas of peace and progress—the discovery that the promise of the future lies not in measures of military defense or the control of weapons, but in the expansion of individual freedom and human rights. Only when the human spirit can worship, create, and build, only when people are given a personal stake in determining their own destiny and benefiting from their own risks, do societies become prosperous, progressive, dynamic, and free.

We need only open our eyes to the economic evidence all around us. Nations that deny their people opportunity—in Eastern Europe, Indochina, southern Africa, and Latin America—without exception, are dropping further behind in the race for the future. But where we see enlightened leaders who understand that economic freedom and personal incentive are key to development, we see economies striding forward. Singapore, Taiwan, and South Korea, India, Botswana, and China—these are among the current and emerging success stories because they have the courage to give economic incentives a chance.

Let us all heed the simple eloquence in Andrei Sakharov's Nobel Peace Prize message: "International trust, mutual understanding, disarmament and international security are inconceivable without an open society with freedom of information, freedom of conscience, the right to publish and the right to travel and choose the country in which one wishes to live."⁹ At the core, this is an eternal truth; freedom works. That is the promise of the open world and awaits only our collective grasp. Forty years ago, hope came alive again for a world that hungered for hope. I believe fervently that hope is still alive.

The United States has spoken with candor and conviction today, but that does not lessen these strong feelings held by every American. It's in the nature of Americans to hate war and its destructiveness. We would rather wage our struggle to rebuild and renew, not to tear down. We would rather fight against hunger, disease, and catastrophe. We would rather engage our adversaries in the battle of ideals and ideas for the future. These principles emerge from the innate openness and good character of our people and from our long struggle and sacrifice for our liberties and the liberties of others. Americans always yearn for peace. They have a passion for life. They carry in their hearts a deep capacity for reconciliation.

⁹ Sakharov was awarded the Nobel Peace Prize in 1975 and delivered his Nobel lecture on December 11, 1975.

Last year at this General Assembly, I indicated there was every reason for the United States and the Soviet Union to shorten the distance between us. In Geneva, the first meeting between our heads of government in more than 6 years, Mr. Gorbachev and I will have that opportunity. So, yes, let us go to Geneva with both sides committed to dialog. Let both sides go committed to a world with fewer nuclear weapons, and some day with none. Let both sides go committed to walk together on a safer path into the 21st century and to lay the foundation for enduring peace. It is time, indeed, to do more than just talk of a better world. It is time to act. And we will act when nations cease to try to impose their ways upon others. And we will act when they realize that we, for whom the achievement of freedom has come dear, will do what we must to preserve it from assault.

America is committed to the world because so much of the world is inside America. After all, only a few miles from this very room is our Statue of Liberty, past which life began anew for millions, where the peoples from nearly every country in this hall joined to build these United States. The blood of each nation courses through the American vein and feeds the spirit that compels us to involve ourselves in the fate of this good Earth. It is the same spirit that warms our heart in concern to help ease the desperate hunger that grips proud people on the African Continent. It is the internationalist spirit that came together last month when our neighbor Mexico was struck suddenly by an earthquake.¹⁰ Even as the Mexican nation moved vigorously into action, there were heartwarming offers by other nations offering to help and glimpses of people working together, without concern for national self-interest or gain.

And if there was any meaning to salvage out of that tragedy, it was found one day in a huge mound of rubble that was once the Juarez Hospital in Mexico City. A week after that terrible event, and as another day of despair unfolded, a team of workers heard a faint sound coming from somewhere in the heart of the crushed concrete. Hoping beyond hope, they quickly burrowed toward it. And as the late afternoon light faded, and racing against time, they found what they had heard, and the first of three baby girls, newborn infants, emerged to the safety of the rescue team. And let me tell you the scene through the eyes of one who was there. "Everyone was so quiet when they lowered that little baby down in a basket covered with blankets. The baby didn't make a sound either. But the minute they put her in the Red Cross ambulance, everybody just got up and cheered." Well, amidst all that hopelessness

¹⁰On September 19, a major earthquake hit Mexico City. Documentation on the U.S. response is scheduled for publication in *Foreign Relations, 1981–1988*, vol. XVII, Part 1, Mexico; Western Caribbean.

and debris came a timely and timeless lesson for us all. We witnessed the miracle of life.

It is on this that I believe our nations can make a renewed commitment. The miracle of life is given by One greater than ourselves, but once given, each life is ours to nurture and preserve, to foster, not only for today's world but for a better one to come. There is no purpose more noble than for us to sustain and celebrate life in a turbulent world, and that is what we must do now. We have no higher duty, no greater cause as humans. Life and the preservation of freedom to live it in dignity is what we are on this Earth to do. Everything we work to achieve must seek that end so that some day our prime ministers, our premiers, our presidents, and our general secretaries will talk not of war and peace, but only of peace. We've had 40 years to begin. Let us not waste one more moment to give back to the world all that we can in return for this miracle of life.

Thank you all. God bless you all.

254. Information Memorandum From the Director of the Policy Planning Staff (Rodman) to Secretary of State Shultz¹

Washington, November 1, 1985

SUBJECT

Soviet Strategy for the Geneva Meeting

SUMMARY: Assuming that the Geneva Meeting is unlikely to yield a breakthrough on arms control, the Soviets really have a choice between two strategies. They could treat the Geneva meeting as a halting step forward in a still potentially improving relationship; or they could use the "failure" of Geneva for intensive political warfare to undermine our Congressional and allied support over the next year. *END SUMMARY.*

One of the cliches of recent months has been that we are on the defensive because of Soviet arms control proposals and Gorbachev's

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons 11/1-30/85. Secret; Sensitive. Drafted by Rodman and VanOudenaren. The memorandum is also in *Foreign Relations, 1981-1988*, vol. V, Soviet Union, March 1985-October 1986, Document 132.

public relations barrage. I have never believed this. In fact, with SDI getting its funding doubled by the Congress, and with our allies in the process of being bought off via participation in SDI, we are objectively in a quite solid bargaining position.² If this continues, the Soviets will be forced to make increasingly attractive offers of offensive reductions in order to try to lure us into a trade of SDI limits; or else, ideally, they will reconcile themselves to SDI and talk to us seriously about a joint transition to SDI coupled with offensive reductions.

A Worst-Case Scenario

The risk we face, in my view, is not that we are under pressure now. With or without the last new US offers, we really are not. The risk is that a summit that yields no breakthrough on arms control could be used by the Soviets as an excuse for an intensive campaign of political warfare to undermine the Congressional and allied support which we now enjoy. They could use the dramatic event of the Summit as a moment, in the spotlight of world publicity, to portray us before our people and our allies as the obstacle to arms control and world peace.

The liberals in Congress are quite capable of turning on SDI next year—if not to kill research, then to try to confine the research to areas (like terminal defense) which arms controllers consider more respectable. They would try to “help out” the prospects for arms control by forcing us into limits on SDI to meet the Soviet concerns.

I need not elaborate on what mischief the Soviets could make in the Alliance by renewed all-out political warfare against SDI.

In his *TIME* interview³ and on two other recent occasions, Gorbachev has raised the possibility of a Soviet walk-out from the Geneva arms talks if we do not abandon SDI. I doubt they would carry out this threat, because their boycott of the INF and START talks in

²The President had requested \$3.7 billion for SDI research for FY 1986. The Senate Armed Services Committee reported a FY 1986 defense authorization bill (S. 1160) that reduced the SDI request to \$2.96 billion; the full Senate passed S. 1160 on June 5. The House Armed Services Committee version (H.R. 1872) reduced the SDI request to \$2.5 billion; the full House passed H.R. 1872 on June 27. Earlier, on June 20, House members had rejected an amendment that would have reduced funding to \$2.1 billion. On October 24, the House Appropriations Committee agreed to provide the \$2.5 billion after also voting against an amendment that would have reduced the funding to \$2.1 billion. The House approved the conference report on October 29, and the President signed the Department of Defense Authorization Act (P.L. 99–145; 99 Stat. 583) into law on November 8. (*Congress and the Nation*, vol. VII, 1985–1988, pp. 277–280; Margaret Shapiro, “Panel Rejects Funding For Chemical Weapons: House Committee Bars Further Cut for SDI,” *Washington Post*, October 25, 1985, p. A14)

³The interview, “An interview with Gorbachev,” was printed in the September 9 issue of *TIME* Magazine.

1983–84 was a failure; it *undercut* their propaganda campaign against us in Western Europe.⁴

I still see, however, the possibility that they could keep the talks going pro forma while waging another intensive campaign. They could reject a final communique at the Reagan-Gorbachev meeting, hold some nasty press conferences, reject a follow-on Summit, and reject all the secondary kinds of agreements that we would have been able to point to as limited progress in the relationship. The fact that all meetings are cordial now could be only part of building a record that they have tried hard for a successful outcome—as, indeed, we too are doing.

An Alternative Hypothesis

Obviously, what we would like to see, if the meeting yields no breakthrough, is that both sides treat it nevertheless as a worthwhile chance to meet and as an occasion to give impetus to all the ongoing negotiations. In other words, there would be a few modest accomplishments and an atmosphere that gives hope of future improvements in the relationship.

Having said all the above, I would have to say that the Soviets have some reasons to go along with this and *not* to go with the worst-case scenario.

An excellent recent INR analysis pointed out that the Soviets will always retain the option of political warfare against SDI—next year, as well as now.⁵ They wouldn't be giving up this card now by permitting a mildly positive Summit.

Gorbachev also faces some important domestic decisions in advance of his Party Congress in February. He may well not want to declare failure at the Summit, because he would then be obliged to follow through by expanding military programs.

Moreover, the worst-case scenario sketched above is a high-risk course. They could overplay their hand in Europe, as they have so often done, and end up themselves seen as stubborn and overbearing. We too have been building a record of positive proposals, which the Soviets might pay a price for rejecting out of hand. The ability of the Great Communicator to get *our* view across should never be underestimated.

Implications

Nevertheless, much of recent Soviet propaganda suggests that they are at least preparing for the possibility of failure and preparing for themselves the option of playing hardball.

⁴ See footnote 4, Document 182.

⁵ Not found and not further identified.

Our best counterstrategy now is to continue to build the record of our forthcomingness. Should the Soviets do the worst in Geneva, we will be able to react effectively by:

—continuing to take the “high road,” expressing our willingness to meet with the Soviets and stressing that our latest arms control proposal remains on the table;

—undertaking a program of extensive briefings in which we outline the shortcomings of the Soviet counterproposal;

—doing all we can to associate Soviet behavior after November with the Soviets’ post-INF sulk of 1983–84, stressing that Soviet moods are temporary and calculated to influence Western opinion; and

—reacting very strongly to Soviet efforts to communicate with Congress and non-governmental groups in the U.S., stressing that the Soviets failed to get what they wanted from an elected U.S. government, and hence would try to exert pressure on the government through other channels. Such an approach could scare off Congressional critics tempted to legislate restrictions on the SDI program in order to appease Soviet concerns.

255. Address by President Reagan to the Nation¹

Washington, November 14, 1985

Address to the Nation on the Upcoming Soviet-United States Summit Meeting in Geneva

My fellow Americans:

Good evening. In 36 hours I will be leaving for Geneva for the first meeting between an American President and a Soviet leader in 6 years.² I know that you and the people of the world are looking forward to

¹ Source: *Public Papers: Reagan, 1985*, Book II, pp. 1388–1391. The President spoke at 8 p.m. from the Oval Office. His address was broadcast live on nationwide radio and television. In his personal diary entry for November 14, the President wrote: “Tonight on T.V. nationwide to tell the people some of our ideas as we leave for the summit Sat. It went well & the phone calls are about 6 to 1 favorable.” (Brinkley, ed., *The Reagan Diaries*, vol. II, November 1985–January 1989, p. 540)

² The President departed Washington on November 16 for Geneva. He was scheduled to meet with Gorbachev, November 19–21.

that meeting with great interest, so tonight I want to share with you my hopes and tell you why I am going to Geneva.

My mission, stated simply, is a mission for peace. It is to engage the new Soviet leader in what I hope will be a dialog for peace that endures beyond my Presidency. It is to sit down across from Mr. Gorbachev and try to map out, together, a basis for peaceful discourse even though our disagreements on fundamentals will not change. It is my fervent hope that the two of us can begin a process which our successors and our peoples can continue—facing our differences frankly and openly and beginning to narrow and resolve them; communicating effectively so that our actions and intentions are not misunderstood; and eliminating the barriers between us and cooperating wherever possible for the greater good of all.

This meeting can be an historic opportunity to set a steady, more constructive course to the 21st century. The history of American-Soviet relations, however, does not augur well for euphoria. Eight of my predecessors—each in his own way in his own time—sought to achieve a more stable and peaceful relationship with the Soviet Union. None fully succeeded; so, I don't underestimate the difficulty of the task ahead. But these sad chapters do not relieve me of the obligation to try to make this a safer, better world. For our children, our grandchildren, for all mankind—I intend to make the effort. And with your prayers and God's help, I hope to succeed. Success at the summit, however, should not be measured by any short-term agreements that may be signed. Only the passage of time will tell us whether we constructed a durable bridge to a safer world. This, then, is why I go to Geneva—to build a foundation for lasting peace.

When we speak of peace, we should not mean just the absence of war. True peace rests on the pillars of individual freedom, human rights, national self-determination, and respect for the rule of law. Building a safer future requires that we address candidly all the issues which divide us and not just focus on one or two issues, important as they may be. When we meet in Geneva, our agenda will seek not just to avoid war, but to strengthen peace, prevent confrontation, and remove the sources of tension. We should seek to reduce the suspicions and mistrust that have led us to acquire mountains of strategic weapons. Since the dawn of the nuclear age, every American President has sought to limit and end the dangerous competition in nuclear arms. I have no higher priority than to finally realize that dream. I've said before, I will say again: A nuclear war cannot be won and must never be fought. We've gone the extra mile in arms control, but our offers have not always been welcome.

In 1977 and again in 1982, the United States proposed to the Soviet Union deep reciprocal cuts in strategic forces. These offers were rejected out-of-hand. In 1981 we proposed the complete elimination of a whole category of intermediate-range nuclear forces. Three years later, we proposed a treaty for a global ban on chemical weapons. In 1983 the Soviet Union got up and walked out of the Geneva nuclear arms control negotiations altogether.³ They did this in protest because we and our European allies had begun to deploy nuclear weapons as a counter to Soviet SS-20's aimed at our European and other allies. I'm pleased now, however, with the interest expressed in reducing offensive weapons by the new Soviet leadership.⁴ Let me repeat tonight what I announced last week.⁵ The United States is prepared to reduce comparable nuclear systems by 50 percent. We seek reductions that will result in a stable balance between us with no first-strike capability and verified full compliance. If we both reduce the weapons of war there would be no losers, only winners. And the whole world would benefit if we could both abandon these weapons altogether and move to non-nuclear defensive systems that threaten no one.

But nuclear arms control is not of itself a final answer. I told four Soviet political commentators 2 weeks ago that nations do not distrust each other because they're armed; they arm themselves because they

³ See footnote 4, Document 182.

⁴ Presumable reference to the Soviet NST proposal made in Geneva on September 30; see footnote 7, Document 253. On November 1, Tower, Kampelman, and Glitman introduced new U.S. proposals during that day's NST plenary session. In his remarks, Tower stated: "The United States believes that its existing proposals on the limitation and reduction of strategic offensive arms would provide an effective means of achieving deep, stabilizing reductions. Those proposals remain on the table. However, in the interest of narrowing differences in the approaches of the two sides and providing the basis for progress toward agreement, the United States is prepared today to set forth new proposals that build appropriately upon the principle of 50 percent reductions as contained in the Soviet proposal of September 30." (Telegram 10317 from the Nuclear and Space Talks Delegation in Geneva, November 1; Department of State, Central Foreign Policy File, Electronic Telegrams, D850782-0590)

⁵ In his November 2 radio address regarding the November 1 U.S. NST proposal (see footnote 4, above), the President referenced the September 30 Soviet proposal, noting that U.S. negotiators and experts had analyzed it. "Based on this analysis," he said, "I decided upon the new U.S. proposals and instructed our negotiating team to present them in Geneva. Judged against our very careful criteria for reaching sound arms control agreements, we found that the Soviet counterproposal had some flaws and in some ways was one-sided. But as I made clear in my speech to the United Nations, the Soviet move also had certain positive seeds which we wish to nurture. Our new proposals build upon these positive elements. One of them is the Soviet call for 50-percent reduction in certain types of nuclear arms. For more than 3 years we've been proposing a reduction of about half in the strategic ballistic missiles of both sides. We therefore have accepted the 50-percent reduction proposed by the Soviets." (*Public Papers: Reagan, 1985*, Book II, p. 1330)

distrust each other.⁶ The use of force, subversion, and terror has made the world a more dangerous place. And thus, today there's no peace in Afghanistan; no peace in Cambodia; no peace in Angola, Ethiopia, or Nicaragua. These wars have claimed hundreds of thousands of lives and threaten to spill over national frontiers. That's why in my address to the United Nations, I proposed a way to end these conflicts: a regional peace plan that calls for negotiations among the warring parties—withdrawal of all foreign troops, democratic reconciliation, and economic assistance.⁷

Four times in my lifetime, our soldiers have been sent overseas to fight in foreign lands. Their remains can be found from Flanders Field to the islands of the Pacific. Not once were those young men sent abroad in the cause of conquest. Not once did they come home claiming a single square inch of some other country as a trophy of war. A great danger in the past, however, has been the failure by our enemies to remember that while we Americans detest war, we love freedom and stand ready to sacrifice for it. We love freedom not only because it's practical and beneficial but because it is morally right and just.

In advancing freedom, we Americans carry a special burden—a belief in the dignity of man in the sight of the God who gave birth to this country. This is central to our being. A century and a half ago, Thomas Jefferson told the world, “The mass of mankind has not been born with saddles on their backs . . .” Freedom is America's core. We must never deny it nor forsake it. Should the day come when we Americans remain silent in the face of armed aggression, then the cause of America, the cause of freedom, will have been lost and the great heart of this country will have been broken. This affirmation of freedom is not only our duty as Americans, it's essential for success at Geneva.

Freedom and democracy are the best guarantors of peace. History has shown that democratic nations do not start wars. The rights of the individual and the rule of law are as fundamental to peace as arms control. A government which does not respect its citizens' rights and its international commitments to protect those rights is not likely to respect

⁶ On October 31, the President took part in an interview in the Oval Office with Genrikh Borovik (*Novosti*), Stanislav Kondrashov (*Izvestia*), Vsevolod Ovchinnikov (*Pravda*), and Gennadiy Shishkin (TASS). For the text of the interview and the President's written responses to questions submitted by Soviet news organizations, see *ibid.*, pp. 1331–1342. In telegram 337830 to Moscow, November 3, the Department sent the text of the President's interview “so that the Embassy will be able to compare accuracy of published Soviet version.” (Department of State, Central Foreign Policy File, P850179–2373; P850181–1117) In his personal diary entry for October 31, Reagan noted: “After lunch—during which I phoned King Hussein to encourage him about our arms deal—I did an hours briefing for an interview with 4 Soviet journalists—from Tass, Novosti, Pravda & *Izvestia*. I wonder if they'll print my answers as I gave them? If not I have a tape which U.S.I.A. can use to expose them.” (Brinkley, ed., *The Reagan Diaries*, vol. I, January 1981–October 1985, p. 512)

⁷ See Document 253.

its other international undertakings. And that's why we must and will speak in Geneva on behalf of those who cannot speak for themselves. We are not trying to impose our beliefs on others. We have a right to expect, however, that great states will live up to their international obligations.

Despite our deep and abiding differences, we can and must prevent our international competition from spilling over into violence. We can find, as yet undiscovered, avenues where American and Soviet citizens can cooperate fruitfully for the benefit of mankind. And this, too, is why I'm going to Geneva. Enduring peace requires openness, honest communications, and opportunities for our peoples to get to know one another directly. The United States has always stood for openness. Thirty years ago in Geneva, President Eisenhower, preparing for his first meeting with the then Soviet leader, made his Open Skies proposal⁸ and an offer of new educational and cultural exchanges with the Soviet Union. He recognized that removing the barriers between people is at the heart of our relationship. He said: "Restrictions on communications of all kinds, including radio and travel, existing in extreme form in some places, have operated as causes of mutual distrust. In America, the fervent belief in freedom of thought, of expression, and of movement is a vital part of our heritage."

Well, I have hopes that we can lessen the distrust between us, reduce the levels of secrecy, and bring forth a more open world. Imagine how much good we could accomplish, how the cause of peace would be served, if more individuals and families from our respective countries could come to know each other in a personal way. For example, if Soviet youth could attend American schools and universities, they could learn firsthand what spirit of freedom rules our land and that we do not wish the Soviet people any harm. If American youth could do likewise, they could talk about their interests and values and hopes for the future with their Soviet friends. They would get firsthand knowledge of life in the U.S.S.R., but most important, they would learn that we're all God's children with much in common. Imagine if people in our nation could see the Bolshoi Ballet again, while Soviet citizens could see American plays and hear groups like the Beach Boys.⁹ And how about Soviet children watching "Sesame Street."¹⁰

⁸ See footnote 10, Document 106.

⁹ Reference is to the American rock band, founded in California in 1961 by Brian, Carl, and Dennis Wilson; Mike Love; and Al Jardine, known for its songs "California Girls," "In My Room," "Surfin' Safari," "Good Vibrations," and "Wouldn't it be Nice," among others.

¹⁰ Reference is to the children's educational television program produced by the Children's Television Workshop, which debuted on the NET network (later PBS) in November 1969.

We've had educational and cultural exchanges for 25 years and are now close to completing a new agreement.¹¹ But I feel the time is ripe for us to take bold new steps to open the way for our peoples to participate in an unprecedented way in the building of peace. Why shouldn't I propose to Mr. Gorbachev at Geneva that we exchange many more of our citizens from fraternal, religious, educational, and cultural groups? Why not suggest the exchange of thousands of undergraduates each year, and even younger students who would live with a host family and attend schools or summer camps? We could look to increased scholarship programs, improve language studies, conduct courses in history, culture, and other subjects, develop new sister cities, establish libraries and cultural centers, and, yes, increase athletic competition. People of both our nations love sports. If we must compete, let it be on the playing fields and not the battlefields. In science and technology, we could launch new joint space ventures and establish joint medical research projects. In communications, we'd like to see more appearances in the other's mass media by representatives of both our countries. If Soviet spokesmen are free to appear on American television, to be published and read in the American press, shouldn't the Soviet people have the same right to see, hear, and read what we Americans have to say? Such proposals will not bridge our differences, but people-to-people contacts can build genuine constituencies for peace in both countries. After all, people don't start wars, governments do.

Let me summarize, then, the vision and hopes that we carry with us to Geneva. We go with an appreciation, born of experience, of the deep differences between us—between our values, our systems, our beliefs. But we also carry with us the determination not to permit those differences to erupt into confrontation or conflict. We do not threaten the Soviet people and never will. We go without illusion, but with hope, hope that progress can be made on our entire agenda. We believe that progress can be made in resolving the regional conflicts now burning on three continents, including our own hemisphere. The regional plan we proposed at the United Nations will be raised again at Geneva. We're proposing the broadest people-to-people exchanges in the history of American-Soviet relations, exchanges in sports and culture, in the media, education, and the arts. Such exchanges can build in our societies thousands of coalitions for cooperation and peace. Governments

¹¹ See footnote 7, Document 209. In telegram 16334 from Moscow, November 15, the Embassy transmitted the final agreed text of the "General Agreement Between the Government of the United States of America and the Government of the Union of Soviet Socialist Republics on Contacts, Exchanges and Cooperation in Scientific, Technical, Educational, Cultural and Other Fields." (Department of State, Central Foreign Policy File, Electronic Telegrams, D850820-0890)

can only do so much. Once they get the ball rolling, they should step out of the way and let people get together to share, enjoy, help, listen, and learn from each other, especially young people.

Finally, we go to Geneva with the sober realization that nuclear weapons pose the greatest threat in human history to the survival of the human race, that the arms race must be stopped. We go determined to search out and discover common ground—where we can agree to begin the reduction, looking to the eventual elimination, of nuclear weapons from the face of the Earth. It is not an impossible dream that we can begin to reduce nuclear arsenals, reduce the risk of war, and build a solid foundation for peace. It is not an impossible dream that our children and grandchildren can someday travel freely back and forth between America and the Soviet Union; visit each other's homes; work and study together; enjoy and discuss plays, music, television, and root for teams when they compete.

These, then, are the indispensable elements of a true peace: the steady expansion of human rights for all the world's peoples; support for resolving conflicts in Asia, Africa, and Latin America that carry the seeds of a wider war; a broadening of people-to-people exchanges that can diminish the distrust and suspicion that separate our two peoples; and the steady reduction of these awesome nuclear arsenals until they no longer threaten the world we both must inhabit. This is our agenda for Geneva; this is our policy; this is our plan for peace.

We have cooperated in the past. In both world wars, Americans and Russians fought on separate fronts against a common enemy. Near the city of Murmansk, sons of our own nation are buried, heroes who died of wounds sustained on the treacherous North Atlantic and North Sea convoys that carried to Russia the indispensable tools of survival and victory. While it would be naive to think a single summit can establish a permanent peace, this conference can begin a dialog for peace. So, we look to the future with optimism, and we go to Geneva with confidence.

Both Nancy and I are grateful for the chance you've given us to serve this nation and the trust you've placed in us. I know how deep the hope of peace is in her heart, as it is in the heart of every American and Russian mother. I received a letter and picture from one such mother in Louisiana recently. She wrote, "Mr. President, how could anyone be more blessed than I? These children you see are mine, granted to me by the Lord for a short time. When you go to Geneva, please remember these faces, remember the faces of my children—of Jonathan, my son, and of my twins, Lara and Jessica. Their future depends on your actions. I will pray for guidance for you and the Soviet leaders." Her words, "my children," read like a cry of love. And I could only think how that cry has echoed down through the centuries, a cry for all the

children of the world, for peace, for love of fellow man. Here is the central truth of our time, of any time, a truth to which I've tried to bear witness in this office.

When I first accepted the nomination of my party, I asked you, the American people, to join with me in prayer for our nation and the world. Six days ago in the Cabinet Room, religious leaders—Ukrainian and Greek Orthodox bishops, Catholic church representatives, including a Lithuanian bishop, Protestant pastors, a Mormon elder, and Jewish rabbis—made me a similar request.¹² Well, tonight I'm honoring that request. I'm asking you, my fellow Americans, to pray for God's grace and His guidance for all of us at Geneva, so that the cause of true peace among men will be advanced and all of humanity thereby served.

Good night, and God bless you.

¹² On November 8, the President hosted a luncheon meeting in the Cabinet Room from 12:04 until 1:27 p.m. in order to discuss the Geneva meeting with religious leaders. (Reagan Library, President's Daily Diary) No memorandum of conversation was found. In his personal diary entry for November 8, the President recalled: "Lunch was with a large group of leaders of Christian & Jewish denominations. Subject was Summit & Human Rights. I believe I have their support & their prayers." (Brinkley, ed., *The Reagan Diaries*, vol. II, November 1985–January 1989, p. 538)

256. Editorial Note

From November 19 until November 21, 1985, President Ronald Reagan and General Secretary of the Central Committee of the Communist Party of the Soviet Union (CPSU) Mikhail Gorbachev met in Geneva. The memoranda of conversation from the Geneva summit meeting are printed in *Foreign Relations, 1981–1988*, volume V, Soviet Union, March 1985–October 1986, Documents 150–159.

On November 21, the United States and Soviet Union released a joint statement at the conclusion of the meeting. The statement noted that the discussions had "covered the basic questions of U.S.-Soviet relations and the current international situation. The meetings were frank and useful. Serious differences remain on a number of critical issues.

"While acknowledging the differences in their systems and approaches to international issues, some greater understanding of

each side's view was achieved by the two leaders. They agreed about the need to improve U.S.-Soviet relations and the international situation as a whole.

"In this connection, the two sides have confirmed the importance of an ongoing dialogue, reflecting their strong desire to seek common ground on existing problems.

"They agreed to meet again in the nearest future. The General Secretary accepted an invitation by the President of the United States to visit the United States of America, and the President of the United States accepted an invitation by the General Secretary of the Central Committee of the CPSU to visit the Soviet Union. Arrangements for and timing of the visits will be agreed upon through diplomatic channels."

The joint statement also noted agreements reached on specific issues. These included: security, the Nuclear and Space Talks, risk reduction centers, nuclear nonproliferation, chemical weapons, Mutual and Balanced Force Reductions, the Stockholm Conference on Confidence and Security-Building Measures and Disarmament in Europe, the process of dialogue, Northern Pacific air safety, civil aviation and consulates, environmental protection, exchange initiatives, and fusion research. (Department of State *Bulletin*, January 1986, pages 7–10)

Reagan and Gorbachev offered remarks on November 21 in the International Press Center in Geneva. Following Gorbachev's remarks, the President expressed his personal appreciation to the people and Government of Switzerland for welcoming the U.S. and Soviet delegations and then stated: "We've packed a lot into the last 2 days. I came to Geneva to seek a fresh start in relations between the United States and the Soviet Union, and we have done this. General Secretary Gorbachev and I have held comprehensive discussions covering all elements of our relationship. I'm convinced that we are heading in the right direction. We've reached some useful interim results which are described in the joint statement that is being issued this morning. In agreeing to accelerate the work of our nuclear arms negotiators, Mr. Gorbachev and I have addressed our common responsibility to strengthen peace. I believe that we have established a process for more intensive contacts between the United States and the Soviet Union. These 2 days of talks should inject a certain momentum into our work on the issues between us, a momentum we can continue at the meeting that we have agreed on for next year.

"Before coming to Geneva, I spoke often of the need to build confidence in our dealings with each other. Frank and forthright conversation at the summit are part of this process, but I'm certain General Secretary Gorbachev would agree that real confidence in each other must be built on deeds, not simply words. This is the thought that ties

together all the proposals that the United States has put on the table in the past, and this is the criteria by which our meetings will be judged in the future." (*Public Papers: Reagan, 1985*, Book II, page 1411)

Also on November 21 in Geneva, Secretary of State George Shultz briefed the press and took questions. Echoing the President's remarks, Shultz stated: "The President came to Geneva with a constructive approach and with an effort to make a fresh start in our relationship with the Soviet Union, and I think he achieved that fresh start.

"All of us who have worked in support of the two leaders who met here this week, I think, share the view that perhaps we have a process underway that can lead to a more stable and constructive relationship. Of course, as both men basically emphasize, that remains to be seen. And we will be looking, over the coming months and years, to see what truly happens. But at any rate, we have made a fresh start."

In response to a question as to whether the summit meeting had turned out as he expected, Shultz answered: "It's hard to know exactly what to expect in meetings of this kind. But what is set out in the joint statement, I think, represents a first step in the sense that some concrete things were put down and moved along as well as a process started, that interaction.

"But I believe that the most important thing that happened here is that these two individuals took this over completely. It was very much their meeting, and they spent a lot of time together. It got to be a problem for the schedulers because every time they got together they went much longer than was thought. But that was really what we came here for and was very fruitful. And I think that length of time and the intensity and the frankness and the scope of what was talked about between the two by the fireside really went beyond anything I could have expected, although I felt myself that that kind of pattern was the desirable way to do it." (Department of State *Bulletin*, January 1986, pages 11, 13)

Reagan departed Geneva on November 21 for Washington. That evening, at 9:20 p.m., he addressed a joint session of Congress at the Capitol. His remarks were broadcast live on radio and television networks. The President provided an overview of the summit structure and context before describing the issues under consideration at the summit: "We discussed nuclear arms and how to reduce them. I explained our proposals for equitable, verifiable, and deep reductions. I outlined my conviction that our proposals would make not just for a world that feels safer, but one that really is safer. I am pleased to report tonight that General Secretary Gorbachev and I did make a measure of progress here. We have a long way to go, but we're still heading in the right direction. We moved arms control forward from

where we were last January, when the Soviets returned to the table. We are both instructing our negotiators to hasten their vital work. The world is waiting for results.

“Specifically, we agreed in Geneva that each side should move to cut offensive nuclear arms by 50 percent in appropriate categories. In our joint statement we called for early progress on this, turning the talks toward our chief goal—offensive reductions. We called for an interim accord on intermediate-range nuclear forces, leading, I hope, to the complete elimination of this class of missiles—and all of this with tough verification. We also made progress in combating, together, the spread of nuclear weapons, an arms control area in which we’ve cooperated effectively over the years.

“We are also opening a dialog on combating the spread and use of chemical weapons, while moving to ban them altogether. Other arms control dialogs—in Vienna on conventional forces and in Stockholm on lessening the chances for surprise attack in Europe—also received a boost. And finally, we agreed to begin work on risk reduction centers, a decision that should give special satisfaction to Senators Nunn and Warner who so ably promoted this idea.

“I described our Strategic Defense Initiative, our research effort, that envisions the possibility of defensive systems which could ultimately protect all nations against the danger of nuclear war. This discussion produced a very direct exchange of views. Mr. Gorbachev insisted that we might use a strategic defense system to put offensive weapons into space and establish nuclear superiority. I made it clear that SDI has nothing to do with offensive weapons; that, instead, we are investigating nonnuclear defense systems that would only threaten offensive missiles, not people. If our research succeeds, it will bring much closer the safer, more stable world that we seek. Nations could defend themselves against missile attack and mankind, at long last, escape the prison of mutual terror. And this is my dream.

“So, I welcomed the chance to tell Mr. Gorbachev that we are a nation that defends, rather than attacks; that our alliances are defensive, not offensive. We don’t seek nuclear superiority, we do not seek a first-strike advantage over the Soviet Union. Indeed, one of my fundamental arms control objectives is to get rid of first-strike weapons altogether. This is why we’ve proposed a 50-percent reduction in the most threatening nuclear weapons, especially those that could carry out a first strike.

“I went further in expressing our peaceful intentions. I described our proposal in the Geneva negotiations for a reciprocal program of open laboratories in strategic defense research. We’re offering to permit Soviet experts to see firsthand that SDI does not involve offensive

weapons. American scientists would be allowed to visit comparable facilities of the Soviet strategic defense program, which, in fact, has involved much more than research for many years. Finally, I reassured Mr. Gorbachev on another point. I promised that if our research reveals that a defense against nuclear missiles is possible, we would sit down with our allies and the Soviet Union to see how together we could replace all strategic ballistic missiles with such a defense, which threatens no one.

“We discussed threats to the peace in several regions of the world. I explained my proposals for a peace process to stop the wars in Afghanistan, Nicaragua, Ethiopia, Angola, and Cambodia—those places where insurgencies that speak for the people are pitted against regimes which obviously do not represent the will or the approval of the people. I tried to be very clear about where our sympathies lie; I believe I succeeded. We discussed human rights. We Americans believe that history teaches no clearer lesson than this: Those countries which respect the rights of their own people tend, inevitably, to respect the rights of their neighbors. Human rights, therefore, is not an abstract moral issue; it is a peace issue. Finally, we discussed the barriers to communication between our societies, and I elaborated on my proposals for real people-to-people contacts on a wide scale. Americans should know the people of the Soviet Union—their hopes and fears and the facts of their lives. And citizens of the Soviet Union need to know of America’s deep desire for peace and our unwavering attachment to freedom.

“As you can see, our talks were wide ranging. And let me at this point tell you what we agreed upon and what we didn’t. We remain far apart on a number of issues, as had to be expected. However, we reached agreement on a number of matters, and as I mentioned, we agreed to continue meeting, and this is important and very good. There’s always room for movement, action, and progress when people are talking to each other instead of about each other.

“We’ve concluded a new agreement designed to bring the best of America’s artists and academics to the Soviet Union. The exhibits that will be included in this exchange are one of the most effective ways for the average Soviet citizen to learn about our way of life. This agreement will also expand the opportunities for Americans to experience the Soviet people’s rich cultural heritage, because their artists and academics will be coming here. We’ve also decided to go forward with a number of people-to-people initiatives that will go beyond greater contact, not only between the political leaders of our two countries but our respective students, teachers, and others as well. We have emphasized youth exchanges. And this will help break down stereotypes, build friendships, and, frankly, provide an alternative to propaganda.

“We’ve agreed to establish a new Soviet consulate in New York and a new American consulate in Kiev. And this will bring a permanent U.S. presence to the Ukraine for the first time in decades. And we have also, together with the Government of Japan, concluded a Pacific air safety agreement with the Soviet Union. This is designed to set up cooperative measures to improve civil air safety in that region of the Pacific. What happened before must never to be allowed to happen there again. And as a potential way of dealing with the energy needs of the world of the future, we have also advocated international cooperation to explore the feasibility of developing fusion energy.

“All of these steps are part of a long-term effort to build a more stable relationship with the Soviet Union. No one ever said it could be easy, but we’ve come a long way. As for Soviet expansionism in a number of regions of the world—while there is little chance of immediate change, we will continue to support the heroic efforts of those who fight for freedom. But we have also agreed to continue, and to intensify, our meetings with the Soviets on this and other regional conflicts and to work toward political solutions.” (*Public Papers: Reagan, 1985, Book II, pages 1412–1414*)

In his November 23 radio address on the summit meeting, the President summarized his November 21 address before Congress. At the conclusion of the radio address, the President stressed: “If there is one conclusion to draw from our fireside summit, it’s that American policies are working. In a real sense, preparations for the summit started 5 years ago when, with the help of Congress, we began strengthening our economy, restoring our national will, and rebuilding our defenses and alliances. America is strong again, and American strength has caught the Soviets attention. They recognize that the United States is no longer just reacting to world events; we are in the forefront of a powerful, historic tide for freedom and opportunity, for progress and peace.

“There’s never been a greater need for courage and steadiness than now. Our strategic modernization program is an incentive for the Soviets to negotiate in earnest. But if Congress fails to support the vital defense efforts needed, then the Soviets will conclude that America’s patience and will are paper thin, and the world will become more dangerous again. Courage and steadiness are all important for freedom fighters, too. I made it clear in Geneva that America embraces all those who resist tyranny and struggle for freedom. Breaking faith with freedom fighters would signal that aggression carries no risk, and this we will not allow. My fellow Americans, we are entering a season of hope. If we remain resolute for freedom and peace, if we keep faith with God, then our American family, 238 million strong, will be even more thankful for next year.” (*Ibid., pages 1417–1418*)

257. Letter From Robert McFarlane to William Safire of the
*New York Times*¹

Washington, December 5, 1985

Dear Bill,

I would like to ask that you never draw upon this letter for any article you write or share it with third parties. If you don't feel you can do that then please do me the favor of discarding it at this point.

On most issues I expect we agree, but that's neither here nor there. My purpose in writing is, I suppose, only to acknowledge that I am stung by your criticism of me.² It may be an expression of my respect for you that I care what you think. But to the point.

In your judgment, for one of my predecessors to base his world view on the inevitable decline of the west and then proceed to express that view in trying to "cut the best deal we can" with our ideological competitor (in the Paris accords, the SALT I agreement and the ABM treaty—none of which served the national interest) is "Weltanschauung."³

For another (me) to base US strategy on the superiority of western values as well as our political and economic systems and then to apply one of the superior manifestations (e.g. high technology) of those systems to beating the Russians is somehow "Option three."⁴ It wouldn't take too much for a sensible person to ponder what the real prospects

¹ Source: National Security Council, NSC Institutional Files, McFarlane Personal 1983–1986, Box SR–157, RCM Personal Chron File (1985). No classification marking. The letter is on White House letterhead.

² Reference is to William Safire, "Mr. Option Three," *New York Times*, December 5, 1985, p. A31. In the essay, Safire referenced McFarlane's departure and Poindexter's appointment as President's Assistant for National Security Affairs. The kind of advice a National Security Adviser offered a President, Safire stressed, was reflective of the type of adviser the President selected. Safire then proceeded to describe the various types of adviser in the remainder of the column.

³ In his piece (see footnote 2, above), Safire wrote: "If you choose a national security adviser with a pronounced *Weltanschauung*—a Kissinger or Brzezinski—you will get the independent judgment of an opinionated authority. Such advice, by its nature, invites friction and demands decisions."

⁴ "Option Three" is a reference to the presentation by an adviser of "five options, ranging from abject surrender as Option One to nuclear war as Option Five." In his piece (see footnote 2, above), Safire wrote, "In choosing Adm. John Poindexter to succeed Col. Robert McFarlane, President Reagan has indicated that, at this stage, he wants a man who knows how to give him Option Three. As his national security adviser, he prefers a broker to a player." He added, "But Colonel McFarlane, the tightly contained apparatchik operating between the doves of Defense and the hawks of State, saw himself as a lubricator rather than a force. A born Number Two, he is succeeded by his own Number Two."

were three years ago for deterring the Soviets in the late 20th century and to conclude that the program put forward by Dick Allen (a man who has never had a strategic thought in his life) would not even come close to restoring the strategic nuclear balance. Worse still, the systems relied upon to do so (e.g. MX) would not have done it even if successfully promoted in the Congress. We needed something more. In order to determine what was needed, it was sensible to consider both the technical probabilities in both the offensive and defensive domains and separately, to ponder how to stress the Soviets best in non-military ways—that is, to stress their economy, with all that implies for their being able to sustain high levels of investment in military hardware. We did so—McFarlane and Poindexter (another option 3 man)—not the Defense department that is regularly lionized by Mr. Safire; not President Reagan (who, if he had considered defensive systems certainly did not put it into any of his budgets until I came to the White House).

And on any number of other issues, such as, influencing change in developing countries, sustaining the strategic leverage of China (again through the use of our high technology leverage (and again, with your much-admired Pentagon “strategists” kicking and screaming all the way)), and little things like keeping countries afloat and turning around congressional thinking on the importance of supporting Freedom Fighters, which of my predecessors even thought in these terms, much less was able to do it from deep within a community of strong willed but rather modestly endowed people.

Thanks to President Reagan our economy has produced the resources to sustain a strategy of competing successfully with the Soviet Union. I didn’t have anything to do with the economic recovery. But I certainly had everything to do with the forging of the strategy which relied upon our technological advantage to stress the Soviet economy and in the bargain, engender a retrenchment on their expansionist policies. Let’s see now. How did your Weltanschauungers do on that score? As near as I can recall, those Spenglerian giants gave us Angola, South Yemen, Cambodia (not to mention Vietnam), Afghanistan and Nicaragua.

If that is weltanschauung, give me option 3 every time.

Lest I sound ungracious, there is much for which I do credit Henry;⁵ specifically, the China opening. But that’s pretty much it. And I certainly acknowledge that he served at a time of enormous political and institutional weakness. But we are talking about the ability to think conceptually and act successfully in a political community to execute a sensible strategy. Who has, and who has not thought originally? The China opening was brilliant. Just about everything else he did wasn’t.

⁵Henry A. Kissinger.

I suppose I am surprised Bill. How is it that a man of your own history (including your relationship to Henry) justify so superficial a reckoning of Henry's account—and of mine? Is it that a public official must pander to the press to have any hope of salvation? Is it really true that doing your job in obscurity means that you are presumed unoriginal or stupid?

Best wishes for the holidays.

Bud

258. Memorandum From the President's Assistant for National Security Affairs (Poindexter) to the White House Chief of Staff (Regan)¹

Washington, undated

SUBJECT

National Security Initiatives and Scheduling—January–June 1986

Key Theme: Building a safer and better world.

The Setting

After an exceptionally busy fall, the President faces an equally challenging winter and spring. The Tokyo Summit in May² and the Washington Summit in June will dominate his national-security time from at least mid-April on. The President's initiatives in other areas—whether in Central America or the Middle East, on counter-terrorism or counter-intelligence—must be maintained and, where possible, advanced. On some issues, he will also need to consider new initiatives that continue to define the agenda in his own terms and keep critics on the defensive. In many of these instances, the personal diplomacy of the President will be crucial to success.

¹ Source: Reagan Library, Donald Fortier Files, Subject File, Planning. Secret. Printed from an uninitialed copy. Attached but not printed is an undated paper, "Schedule of National Security Events (January–December 1986)." Pearson sent the memorandum to Poindexter under a December 11 covering memorandum, indicating that it responded to Regan's request, made at a November 29 planning meeting. There is no indication that Poindexter approved Pearson's recommendation that Poindexter sign the memorandum. (Ibid.)

² Scheduled to take place May 2–7, 1986.

Given these demands, and the likelihood that some activities will expand to fill even greater time, we have tried to sketch out a schedule that meets his top-priority objectives while retaining flexibility. In particular, we recommend a head-of-government meeting-slate that emphasizes individual and group meetings with leaders from regions vital to US economic and security interests. In addition to Gorbachev and the participants in Tokyo, these include the leaders of ASEAN states, of the Caribbean basin, and of our North American neighbors.

In general, we are helped in the foreign policy area by a front-loaded domestic agenda in the first three months. This can serve to deflect attention from Soviet public pressure on us in advance of the June summit. At the same time, we must be sensitive to domestic and budget defeats that create the impression of weakness during this same period.

Objectives

—Prepare and hold productive meeting with *Gorbachev in Washington* and expose him to the US by travelling together to other key locations around the country.

- Expectations are higher than for Geneva, and the Soviets will try to exploit. We have to prevent too strict a definition of success, and avoid one-sided concessions. If major breakthrough is possible—on arms control, regional conflicts, human rights, exchanges—may see signs in preparations over next several months. Shultz-Shevardnadze meetings in Washington will require some direct role by President. Itinerary around US should reinforce our basic themes.

- As before Geneva, maintaining strong Allied consensus on East-West issues will strengthen President's hand. Tokyo Summit allows such consultation before June meeting.

- Sustained support for democratic resistance movements globally (and for President's UNGA initiative)³ needed to convey steadiness, keep pressure on exposed Soviet positions. Probe for Soviet give, perhaps on Afghanistan.

- Major downside: impression that US-Soviet summits will be all talk, no action unless US yields on SDI.

—Pursue successful *Tokyo Economic Summit*.

- Could be a high risk event: press corps is bored by economic summits and will look for negatives in US-Japan relations, try to tear

³ See Document 253.

down “Ron-Yasu” relationship when Nakasone visits in April.⁴ We need progress in key areas of US-Japan relations, i.e. higher Japanese defense spending, demonstrable action on trade, greater sharing of security assistance burden, etc. Challenge will be to create a public diplomacy program and policy benchmarks that show progress over last 5 years. We should preserve good news on trade, defense spending, etc., for President, not Cabinet officers.

- Major downside: lack of progress in opening Japanese markets before May kindles protectionist sentiment, producing divisive meeting.

—Sustain support for *defense, security assistance, covert action*.

- Maintain sustainable growth in the national security budget in the context of a program of defense reform; continue to build support for SDI and strategic modernization program (against backdrop of arms talks); preserve security/economic assistance programs from budget cutbacks.

- Gramm-Rudman constraints may draw President into tough programmatic decisions on resources and commitments.⁵ His hand will be strengthened if we can energize search for defense strategies that do better for less, by exploiting our competitive (especially technological) advantages.

- Major downside: budget crunch forces choices that undercut us with Soviets.

—Emphasize *Western Hemisphere* policy, with special emphasis on successful record (and need to stay the course) in *Central America and the Caribbean*.

- Meeting with Caribbean leaders in Grenada⁶ will dramatize; newly elected Guatemalan President will visit in May, a big turn-around from Carter era. Focus on democratization in all of Latin America.

- Legislative effort on covert action (especially Nicaragua) will be time-consuming, but essential to meeting Gorbachev on a strong footing.

⁴ The President often referred to Nakasone Yasuhiro as “Yasu,” a shortened version of his name.

⁵ Reference is to the Gramm-Rudman-Hollings Balanced Budget and Emergency Deficit Control Act of 1985 (P.L. 99-177; 99 Stat. 1037), which the President signed into law on December 12.

⁶ Scheduled to take place February 20, 1986.

- Visit to Mexico⁷ and Mulrone State visit⁸ round out theme.
- Major downside: serious reverses for *contras*.

—Emphasize *Pacific Basin* policy by meeting with leaders of ASEAN nations before or after Tokyo Summit.

• A visit to a common site (tentatively, Bali) would allow the President to keep his commitment to visit ASEAN without doing a three-country tour. The President has underscored place of Pacific Basin in future US security and economic interests; work in this area has, however, lost much momentum. Downsides include textile exports and situation in Philippines.

—Show continued interest in issues of importance that require *little Presidential time* now.

• Increase counter-terrorism measures (in light of VP report,⁹ combine stronger international cooperative efforts with improved pre-emption and response capabilities).

• Seize possible opportunities that may appear in Middle East peace process.

• Continue to associate ourselves with the successful evolution in Indo-Pak relations following Armacost-Fortier mission.¹⁰

• Protect strategic interest and promote reform in the Philippines (downside: elections may seem sham).

- Sustain counter-intelligence efforts.

⁷The President was scheduled to take part in an informal meeting with de la Madrid in Mexicali on January 3.

⁸Scheduled to take place March 17–20.

⁹Reference is to the final report of the Vice President's Task Force on Combating Terrorism. The report, dated December 20, is scheduled for publication in *Foreign Relations, 1981–1988*, vol. XLVII, Part 2, Terrorism, June 1985–January 1989.

¹⁰See footnote 13, Document 248.

259. Information Memorandum From the Director of the Policy Planning Staff (Rodman) to Secretary of State Shultz¹

Washington, December 19, 1985

SUBJECT

Trends in 1986

In the speeches we have been producing, we have been expressing great optimism about the near-term and long-term future of the democratic world. I hope this optimism is justified. As we enter the sixth year of the President's term, however, there are some serious negative trends that are bound to burden our foreign policy:

—As you have noted, Gramm-Rudman² spells not only the end but possibly even the beginning of a reversal of the President's defense buildup. Just as our five-year buildup has put us into a strong bargaining position with the Soviets, several years of defense and aid cutbacks will undercut our position—especially if Gorbachev next year launches some serious reforms which stimulate Soviet economic growth and support a new burst of Soviet military growth.

—In addition, the loss of Republican control of the Senate would be widely seen as a repudiation of the President and would instantly make him a lame duck with severely diminished political clout. We would find the Democratic Congress an increasingly aggressive and destructive force on foreign policy issues. This could affect everything—covert action, security assistance, Mideast arms, the Philippines, etc.—and we could be faced with even more restrictive legislation than we suffer from now.

All this makes 1986 a crucial year. It will be the year of our maximum strength vis-a-vis the Soviets and the Congress. We are almost certain to be weaker in 1987 and 1988. What follows from this?

—It suggests that we are in our maximum bargaining position in arms control in 1986. As a general principle, we may be better off cashing in some of our chips in 1986 rather than “hanging tough” only to find our position eroding domestically in the following years. (The ASAT ban is a foretaste.)

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons 12/1–31/85. Secret. Drafted by Rodman. There is no indication that Shultz saw the memorandum.

² See footnote 5, Document 258.

—In other areas (e.g., aid to the Contras and to Savimbi), we will face a similar problem. The Nicaraguans and Angolans will eventually start to hang tough themselves in expectation of being rescued by the Democrats. This might perhaps be cited as a reason for caution now, i.e., for not undertaking commitments we might not be able to sustain. I would draw the opposite conclusion, however. Without support for the Contras and for Savimbi, it's our diplomatic objectives that become unsustainable. Here I would urge a stepped-up Administration effort for the Contras and Savimbi in order to improve their position rapidly, to get them over a crucial hump before the rot sets in on our side.

—As you have noted, it also puts a premium on issues where we can have an impact by policy moves or shifts that don't cost resources. E.g., Eastern Europe. There may not be many of these.

All this may be overly gloomy. Other trends may become apparent. If Gramm-Rudman really does put our economy on a sounder footing, the prospect is for solid sustained growth in the whole Western world, easing many of our other problems. Gorbachev may not be able to launch the kind of radical reforms the Chinese have undertaken, so he may not be in so great a position to exploit our weaknesses. Our SDI research program, if it retains substantial Congressional support next year, will continue to give us major leverage on arms control even if overall defense spending takes a beating. And the Republicans might squeak by in the Senate.

Nevertheless, the worst-case scenario is worth thinking about. These are only some preliminary thoughts about a problem that clearly deserves further examination.

Foundations of Foreign Policy, 1986

260. Paper Prepared in the Department of State¹

Washington, January 8, 1986

MEETING WITH THE PRESIDENT

Checklist and Overview of Next Six Month's Events

Theme: In every major problem area we need to stay intensively but carefully *engaged*; whenever we stand back, events tend to take charge and run counter to our interests.

For example, we have lost ground since your meeting with Gorbachev in Geneva.² As events come along, they by their nature tend to put us opposite the Soviets. Unless we are active, the passage of time works against us.

With the *Soviet Union* we need to fix a date quickly. We want to get a sense of positive momentum going before the arms control negotiations begin again. How much flexibility in timing do we have?³

The *Middle East peace process* is nearing the end of one phase and the start of another. We have between now and March to see if anything

¹ Source: Reagan Library, George Shultz Papers, Secretary's Meeting with the President, (01/24/1986); NLR-775-18-99-1-3. Secret. No drafting information appears on the paper. Shultz's stamped initials appear at the top of the paper. The paper was prepared in advance of Shultz's January 24 meeting with the President. In the same folder are a January 22 letter from Armacost to Shultz, a January 21 memorandum from Wolfowitz to Shultz with attached talking points, and a second January 22 memorandum from Armacost to Shultz, all concerning the Philippines and all prepared for Shultz's meeting with Reagan. According to the President's Daily Diary, the President met with Shultz and Poindexter in the Oval Office from 1:32 until 2:08 p.m. (Reagan Library, President's Daily Diary)

² See Document 256.

³ In his memoir, Shultz described the segment of the meeting devoted to U.S.-Soviet issues: "I went to the President on January 24 and told him I wanted to set up a special group to work on our broad approach to arms control and our ability to initiate and react to the Soviets in this new stage. My idea was not to create a new decision-making body but rather to get all the key people together outside the petrified, stultified 'interagency process.' I wanted to create the general understandings within which detailed new proposals would be developed, thereby speeding up the process and rising above the usual carping. I advised the president that we had to respond to Gorbachev seriously. 'Your response is going to be controversial,' I said, 'because your arms control community disagrees with your desire to get rid of nuclear weapons.'" (Shultz, *Turmoil and Triumph*, pp. 702-703)

can be made of the scattered and limited positive elements of the past year. If progress is not possible, we have to get ready for soured relations across the board with the Arabs and more attempts by the Soviets to increase their influence. To move things forward could require a high-profile American effort with an increased risk of visible failure. I will go over our ideas in detail with you next Wednesday.⁴

Southern Africa It is vital for us to keep the negotiating effort alive. Even when progress is not possible, the activity itself helps us keep the Front line States and others well-disposed to us. Chet Crocker is there now; we can assess the situation in detail after he reports on his visit.⁵

We need to move fast after Congress is back to get a hortatory resolution that puts Congress on record in support of Savimbi but does not force conditions on us or require an overt program.

In the spring we will face growing Hill pressure for more sanctions from those up for election this year. One idea is to dangle a trip to the U.S. in front of Botha as a means of inducing him to grant some changes.

Nicaragua and Contras Elliott Abrams is active on the Hill arguing for removal of restrictions on our aid to the Contras.⁶ It will be a tough battle, but we can win it if we go all out. We have to keep Contadora live or at least avoid the blame for its demise. Without a negotiating side to our strategy, our efforts to keep the military pressure on Nicaragua will be undermined. And security assistance is needed to keep the Core Four⁷ on track.

The Philippines The election February 7 could be fair and far-reaching in its consequences. Things could change, fast. We have to be fair and appear to be fair. A Presidential Observer Group for the elections will be important.⁸ If Aquino wins, we will have to find ways to

⁴ January 29.

⁵ Crocker visited South Africa, January 12–14, as part of a larger trip to several African nations. For additional information, see Allister Sparks, "American Ends Visit to S. Africa: Crocker Criticizes 'Economic War'," *Washington Post*, January 15, 1986, p. A7. In telegram 1031 from London, January 16, the Embassy provided an overview of Crocker's visit. At the time the telegram was sent, Crocker was in London to meet with FCO officials. (Department of State, Central Foreign Policy File, Electronic Telegrams, D860038–0866)

⁶ For an overview of Abrams' efforts at lobbying Congress regarding the resumption of military aid to the Contras, see Shirley Christian, "Administration Awaits Sign From Congress on Rebel Aid," *New York Times*, January 3, 1986, p. A4.

⁷ El Salvador, Honduras, Costa Rica, and Guatemala.

⁸ In telegram 5374 to Manila, January 8, the Department forwarded "a draft list of potential members of a possible U.S. observer delegation" to the Philippines, adding: "In compiling this list of potential official observers we considered the unique nature of the U.S. relationship with the Philippines, based on shared historical experiences and a common belief in basic democratic values; the broad range of our interests there—political, economic, social and strategic; the past nature of Philippine elections; and the concern among some influential segments of the American public with the human rights situation in the Philippines." (Department of State, Central Foreign Policy File, Electronic Telegrams, D860015–0924)

show immediate tangible support. The Vice President should go to the inaugural. I would double back after Tokyo. If you go Southeast Asia before Tokyo, it would be hard to avoid a stop in Manila.

India-Pakistan Another area which requires careful, constant "gardening." No high points ahead, but some tough decisions, particularly on assistance to Pakistan in view of the nuclear issue. A Presidential Trip in 1987?

Budget As the above indicates, our number one priority with the Hill is to protect the defense budget and security assistance programs. Unless we do, we cannot keep up the level of diplomatic engagement that our interests require.

261. Night Note Prepared by the Director of the Policy Planning Staff (Rodman)¹

Washington, January 15, 1986, noon

NIGHT NOTE

I gave a luncheon speech today, at Cap Weinberger's invitation, at a Defense Department conference on "low-intensity warfare."

I commended the Pentagon for its efforts to examine the whole range of new military and paramilitary challenges—from counterterrorism, to aid for freedom fighters, to Grenada-type operations. We clearly need to develop our military doctrines and tactics—and our security assistance and covert programs—to defend our interests in these new situations. I noted there is a wide spectrum of challenges, but their common feature is ambiguity: They are problems that seem to throw us off balance and leave us groping for ways to respond or even debating about the need to respond. Our adversaries try to ensnare us in our own moral scruples. They have deliberately shifted to these more ambiguous kinds of threats *because* we have successfully deterred nuclear and conventional war.

I argued strongly that we cannot let our adversaries use our devotion to peace to paralyze us. In particular, it is clear (contrary to what Mrs. Thatcher said the other day) that international law gives us the

¹Source: Reagan Library, Peter Rodman Files, Department of State Chronological File, Chron 01/09/1986-01/20/1986; NLR-488-12-19-13-3. No classification marking.

right to defend ourselves.² When we let extremists succeed, we only undermine our moderate friends. We need to develop all our tools, military and non-military; we need to re-learn how to keep secrets; and we need to show staying power.

² Presumable reference to remarks Thatcher made at a January 10 news conference in London for U.S. correspondents. In reference to questions posed regarding the possible British response to the Reagan administration's call for retaliatory strikes against Qaddafi, Thatcher asserted that both Great Britain and Northern Ireland were subject to terrorist attacks but that "at no stage has anyone in this country suggested that we make retaliatory strikes or go in hot pursuit or anything like that." Thatcher "quickly acknowledged that the analogy she appeared to be drawing was inexact, noting that the position of the Irish Republic on terrorism was 'wholly different' from Libya's. 'But once you start to go across borders,' she said, 'then I do not see an end to it. And I uphold international law very firmly.'" ("Thatcher Asserts Strikes on Libya Could Sow Chaos: Says Terror Must Be Fought Legally—Rejects Trade Curbs as Ineffective," *New York Times*, January 11, 1986, pp. 1, 4)

262. Editorial Note

On February 25, 1986, President Ronald Reagan sent a message to Congress transmitting a request for assistance for the Nicaraguan Democratic Resistance. In the message, the President requested Congressional approval "for the transfer of \$100,000,000 from funds already appropriated for the Department of Defense so that those funds would also be available for assistance to the Nicaraguan democratic resistance. I am requesting this transfer authority, in lieu of a supplemental appropriation, because I regard this request as a matter of high priority for the national security of the United States."

In concluding his message, the President underscored the need for Congressional support: "Congress must act decisively to prevent an outcome deeply injurious to the security of our Nation.

"If the enemies of democracy thousands of miles away understand the strategic importance of Nicaragua, understand that Nicaragua offers the possibility of destabilizing all Central America, of sending a tidal wave of refugees streaming toward our southern border, and of tying down the United States and weakening our ability to meet our commitments overseas, then we Americans must understand that Nicaragua is a foreign policy question of supreme importance which goes to the heart of our country's freedom and future. With its vote, Congress will make its decision.

“Those fighting for freedom in Nicaragua deserve and desperately need our help. The humanitarian assistance approved by the Congress in 1985 has proven insufficient. Cuban and Soviet military aid in the form of training and sophisticated hardware have taken their toll. If the Nicaraguan democratic resistance is to continue its struggle, and if peace, democracy, and security in this hemisphere are to be preserved, the United States must provide what is necessary to carry on the fight. If we fail to help friends in need now, then the price we will pay later will be much higher.

“Your approval of the request I am transmitting to you will provide the necessary help. I urge the prompt enactment of a joint resolution expressing that approval.” (*Public Papers: Reagan, 1986*, Book I, pages 254, 257)

On March 16, 1986, the President addressed the nation concerning the situation in Nicaragua, speaking at 8 p.m. from the Oval Office. His remarks were broadcast live on television and radio. Reagan began his address by highlighting the current threat posed by Nicaragua and its Sandinista regime, before describing the early efforts his administration had taken to secure bipartisan Congressional support for assistance “for the nations surrounding Nicaragua.” Noting the “debt of gratitude” the United States owed the Nicaraguan Contras, Reagan continued: “Since its inception in 1982 the democratic resistance has grown dramatically in strength. Today it numbers more than 20,000 volunteers, and more come every day. But now the freedom fighters’ supplies are running short, and they are virtually defenseless against the helicopter gunships Moscow has sent to Managua. Now comes the crucial test for the Congress of the United States. Will they provide the assistance the freedom fighters need to deal with Russian tanks and gunships, or will they abandon the democratic resistance to its Communist enemy?”

“In answering that question, I hope Congress will reflect deeply upon what it is the resistance is fighting against in Nicaragua. Ask yourselves: What in the world are Soviets, East Germans, Bulgarians, North Koreans, Cubans, and terrorists from the PLO and the Red Brigades doing in our hemisphere, camped on our own doorstep? Is that for peace? Why have the Soviets invested \$600 million to build Nicaragua into an armed force almost the size of Mexico’s, a country 15 times as large and 25 times as populous. Is that for peace? Why did Nicaragua’s dictator, Daniel Ortega, go to the Communist Party Congress in Havana and endorse Castro’s call for the worldwide triumph of communism? Was that for peace?”

“Some Members of Congress ask me, why not negotiate? That’s a good question, and let me answer it directly. We have sought, and still seek, a negotiated peace and a democratic future in a free Nicaragua. Ten times we have met and tried to reason with the Sandinistas; 10 times we were rebuffed. Last year we endorsed church-mediated negotiations between the regime and the resistance. The Soviets and the Sandinistas responded with a rapid arms buildup of mortars, tanks, artillery, and helicopter gunships.

“Clearly, the Soviet Union and the Warsaw Pact have grasped the great stakes involved, the strategic importance of Nicaragua. The Soviets have made their decision—to support the Communists. Fidel Castro has made his decision—to support the Communists. Arafat, Qadhafi and the Ayatollah Khomeini have made their decision—to support the Communists. Now we must make our decision. With Congress’ help, we can prevent an outcome deeply injurious to the national security of the United States. If we fail, there will be no evading responsibility—history will hold us accountable. This is not some narrow partisan issue; it is a national security issue, an issue on which we must act not as Republicans, not as Democrats, but as Americans.”

After referencing an earlier era of bipartisan consensus, the President said: “My fellow Americans, you know where I stand. The Soviets and the Sandinistas must not be permitted to crush freedom in Central America and threaten our own security on our own doorstep. Now the Congress must decide where it stands.”

He concluded: “So, tonight I ask you to do what you’ve done so often in the past. Get in touch with your Representative and Senators and urge them to vote yes; tell them to help the freedom fighters. Help us prevent a Communist takeover of Central America.

“I have only 3 years left to serve my country; 3 years to carry out the responsibilities you entrusted to me; 3 years to work for peace. Could there be any greater tragedy than for us to sit back and permit this cancer to spread, leaving my successor to face far more agonizing decisions in the years ahead? The freedom fighters seek a political solution. They are willing to lay down their arms and negotiate to restore the original goals of the revolution, a democracy in which the people of Nicaragua choose their own government. That is our goal also, but it can only come about if the democratic resistance is able to bring pressure to bear on those who have seized power.

“We still have time to do what must be done so history will say of us: We had the vision, the courage, and good sense to come together and act—Republicans and Democrats—when the price was not high and the risks were not great. We left America safe, we left America

secure, we left America free—still a beacon of hope to mankind, still a light unto the nations.

“Thank you, and God bless you.” (*Public Papers: Reagan, 1986*, Book II, pages 353, 355, 356–357) The full text of the President’s address is *ibid.*, pages 352–357.

263. Editorial Note

President Ronald Reagan discussed national security in a February 26, 1986, address to the nation, delivered 8 p.m. from the Oval Office and carried live on nationwide radio and television. After reviewing the accomplishments of his administration in the area of national security and arguing against cuts to the defense budget, the President outlined the four principles of a responsible defense program: “Some argue that our dialog with the Soviets means we can treat defense more casually. Nothing could be farther from the truth. It was our seriousness about defense that created the climate in which serious talks could finally begin. Now that the Soviets are back at the table, we must not undercut our negotiators. Unfortunately, that’s exactly what some Members of Congress have done. By banning any U.S. tests of antisatellite systems, Congress not only protected a Soviet monopoly, it unilaterally granted the Soviets a concession they could not win at the bargaining table.

“So, our defense program must rest on these principles. First, we must be smart about what we build. We don’t have to copy everything the Soviets do. We don’t have to compete on Soviet terms. Our job is to provide for our security by using the strengths of our free society. If we think smart enough, we don’t have to think quite so big. We don’t have to do the job with large numbers and brute force. We don’t have to increase the size of our forces from 2 million to their 5 million as long as our military men and women have the quality tools they need to keep the peace. We don’t have to have as many tanks as the Soviets as long as we have sophisticated antitank weapons.

“Innovation is our advantage. One example: Advances in making airplanes and cruise missiles almost invisible to Soviet radar could neutralize the vast air defense systems upon which the Soviets and some of their most dangerous client states depend. But innovation is not enough. We have to follow through. Blueprints alone don’t deter

aggression. We have to translate our lead in the lab to a lead in the field. But when our budget is cut, we can't do either.

"Second, our security assistance provides as much security for the dollar as our own defense budget. Our friends can perform many tasks more cheaply than we can. And that's why I can't understand proposals in Congress to sharply slash this vital tool. Military assistance to friends in strategic regions strengthens those who share our values and interests. And when they are strong, we're strengthened. It is in our interest to help them meet threats that could ultimately bring harm to us as well.

"Third, where defense reform is needed, we will pursue it. The Packard Commission we created will be reporting in 2 days. We hope they will have ideas for new approaches that give us even better ways to buy our weapons. We're eager for good ideas, for new ideas—America's special genius. Wherever the Commission's recommendations point the way to greater executive effectiveness, I will implement them, even if they run counter to the will of the entrenched bureaucracies and special interests. I will also urge Congress to heed the Commission's report and to remove those obstacles to good management that Congress itself has created over the years.

"The fourth element of our strategy for the future is to reduce America's dependence on nuclear weapons. You've heard me talk about our Strategic Defense Initiative, the program that could one day free us all from the prison of nuclear terror. It would be pure folly for the United States not to press forward with SDI, when the Soviets have already invested up to 20 years on their own program. Let us not forget that the only operational missile defense in the world today guards the capital of the Soviet Union, not the United States.

"But while SDI offers hope for the future, we have to consider today's world. For too long, we and our allies have permitted nuclear weapons to be a crutch, a way of not having to face up to real defense needs. We must free ourselves from that crutch. Our goal should be to deter and, if necessary, to repel any aggression without a resort to nuclear arms. Here, again, technology can provide us with the means not only to respond to full-scale aggression but to strike back at terrorists without harming innocent civilians. Today's technology makes it possible to destroy a tank column up to 120 miles away without using atomic weapons. This technology may be the first cost-effective conventional defense in postwar history against the giant Red army. When we fail to equip our troops with these modernized systems, we only increase the risk that we may one day have to resort to nuclear weapons.

“These are the practical decisions we make when we send a defense budget to Congress. Each generation has to live with the challenges history delivers, and we can’t cope with these challenges by evasion. If we sustain our efforts now, we have the best chance in decades of building a secure peace. That’s why I met with General Secretary Gorbachev last year, and that’s why we’re talking to the Soviets today, bargaining—if Congress will support us—from strength.

“We want to make this a more peaceful world. We want to reduce arms. We want agreements that truly diminish the nuclear danger. We don’t just want signing ceremonies and color photographs of leaders toasting each other with champagne. We want more. We want real agreements, agreements that really work, with no cheating. We want an end to state policies of intimidation, threats, and the constant quest for domination. We want real peace.

“I will never ask for what isn’t needed; I will never fight for what isn’t necessary. But I need your help. We’ve come so far together these last 5 years; let’s not falter now. Let’s maintain that crucial level of national strength, unity, and purpose that has brought the Soviet Union to the negotiating table and has given us this historic opportunity to achieve real reductions in nuclear weapons and a real chance at lasting peace. That would be the finest legacy we could leave behind for our children and for their children.

“Thank you. God bless you, and good night.” (*Public Papers: Reagan, 1986*, Book I, pages 275–276)

The complete address is *ibid.*, pages 272–276. In his personal diary for February 26, the President wrote: “Then 8 P.M. my T.V. address from the Oval office—on Defense. We got more calls & wires than on any other speech on defense & the favorable ran 91.4%. ABC put a Soviet commentator on the air to reply to my speech.” (Brinkley, ed., *The Reagan Diaries*, volume II, November 1985–January 1989, page 576)

264. Information Memorandum From the Director of the Bureau of Intelligence and Research (Abramowitz) to Secretary of State Shultz¹

Washington, March 6, 1986

SUBJECT

Democratic Transitions

I am responding to your request for a quick analysis of democratic transitions, more fun to do than our papers alerting you to perils, substantial or otherwise. The persistence of the democratic ideal—in the face of severe challenges from the extremes of left and right—is a success story.² It is easier, however, to categorize transitions, as we first do, than to draw up generalizations about their dynamics which comprise the last part of the paper. Some caveats:

—Transitions are fragile; they require nurturing or they will fail.³

—Africa—with the exception of Kenya and Senegal—is absent from this calculus. Colonial, tribal and educational patterns have something to do with this, but it deserves a separate analysis, which I have asked our people to do.⁴

—Except for Turkey and Malaysia, democracy is largely absent from states where the dominant religion is Islamic. In the more secular (Westernized?) states, such as Egypt, there is concern about democratic forms but less attention to substance. (The Asian traditions, however, seem more hospitable, e.g., Japan, Thailand, India.)⁵

—Formulas abound for transitions from traditional authoritarian rule; there isn't much yet in the way of successful models—particularly peaceful ones—for getting rid of Marxist-Leninist regimes.⁶

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons 3/1–31/86. Confidential. An unknown hand wrote “3/6/86 INR memo w/RHS penciled comments” in the top right-hand corner of the memorandum. Solomon wrote in the top right-hand corner of the memorandum: “1. List of who became democratic. 2. fragility & west support (p.4).” Abramowitz signed “Mort A.” next to his last name in the “From” line.

² Solomon underlined most of this sentence.

³ Solomon underlined “Transitions are fragile” and “nurturing or.”

⁴ Not found.

⁵ In the right-hand margin next to this point, Solomon wrote “Pakist[an]—[unclear].”

⁶ Solomon placed a checkmark in the right-hand margin next to this point.

Transition Categories

In describing categories several approaches are possible, including a time line beginning in 1944 that shows expansion in the late forties and fifties, a marked contraction in the sixties and early seventies, and recovery and expansion from the mid seventies and eighties. We prefer the following scheme:

V-Day Transitions
 Colonial Transitions
 The Western Tradition countries
 The Relative Outsiders

V-Day Transitions - Friend and Foe

The victory of the Allies produced the most successful blanket set of transitions to democracy that the world has yet seen, even though Eastern Europe fell to the Soviet *imperium*. In Western Europe democracy was restored and we now take for granted the devotion of Germany, Japan, and Italy to democracy.

Colonial Transitions

De-colonization produced over the years a large number of democratic transitions. Many were unsuccessful, particularly in Africa. Nonetheless, they worked in Israel and India (with a brief interruption), in almost all the Caribbean (except Guyana, Suriname and Grenada), in Malaysia, Sri Lanka, and, in a singular way, Singapore.

The Western Tradition Countries—From Breach to Observance

Latin America. In 1948 and 1959, respectively, Costa Rica and Venezuela restored democratic institutions. Both have been highly successful ever since. The decade of the sixties—when a number of democratic experiments failed—led scholars to claim, without much reason, that democracy was dead in Latin America and the future belonged either to Castro or to “Nasserite” military. The scholars notwithstanding, the list of transitions in the late 1970s and the 1980s is impressively long. The circumstances varied; some, as in Brazil, were evolutionary, and others, as in Argentina, were more dramatic. The Latin transition can be divided into three categories:

- Democracy Restored. Countries with a working democratic tradition, lost for a period, e.g., Costa Rica, Uruguay, Brazil, Colombia.
- Democracy Retrieved. Countries with brief, off-again, on-again democratic experiments, e.g., Ecuador, Peru, Honduras, Guatemala.
- Democracy Invented. First-timers, e.g., El Salvador, Dominican Republic.

Each successive transition took heart from the previous ones.⁷ Many were influenced by the successful transitions in Spain and, to a lesser extent, Portugal.⁸ All were supported by the United States, usually in bi-partisan⁹ fashion. Many, though unfortunately not all, were given some support by our western democratic allies.

Some—El Salvador and Peru are obvious examples—are under violent assault from the extreme left.¹⁰ All face major economic difficulties and huge debt burdens. But all represent the will of the people and all of them, to paraphrase Winston Churchill, look much better than the alternatives.

Europe. Spain and Portugal, neither of which had ever enjoyed a successful democratic period, engaged in historic transformations, in their different ways as remarkable and as dramatic as the Philippine transformation that we have just witnessed.¹¹ Greece, the cradle of democracy, suffered military rule for a period, but restored democracy.¹²

The Philippines. A difficulty in understanding the prospects for a Philippine transition—particularly evident in some CIA analysis—lay in underestimating the degree that Western tradition had taken hold in Philippines.¹³ Of the three layers—Malay, Spanish, and American—that permeate the Philippine culture, two interacted to drive the Filipino toward the dramatic outcome we have just witnessed.¹⁴ The Philippine church—an inheritance of Spanish culture—and the long, American inspired, democratic tradition confounded both Marcos and the NPA.¹⁵

The Relative Outsiders

Turkey—half Western-half Islamic—has restored democratic institutions after a period of military rule.¹⁶

⁷ Solomon underlined “successive transition took heart from.”

⁸ Solomon underlined “by the successful” and “extent, Portugal.” He also placed a checkmark in the right-hand margin next to this sentence.

⁹ Solomon underlined “United States, usually in bi-partisan.”

¹⁰ Solomon placed a checkmark in the right-hand margin next to this sentence.

¹¹ Solomon underlined “Spain and Portugal.”

¹² Solomon underlined “Greece.” He also placed a vertical line in the right-hand margin next to this paragraph and placed a checkmark to the right of it.

¹³ Solomon underlined “in underestimating the degree that Western tradition had taken hold in the Philippines.”

¹⁴ Marcos called for Presidential elections to take place in the Philippines on February 7. A U.S. election observer team, headed by Lugar and Murtha, alleged electoral fraud and claimed that Marcos’ opponent Corazon Aquino had won the Presidency. Marcos fled the Philippines on February 26 after military officials had defected to Aquino. (*Congress and the Nation*, vol. VII, 1985–1988, pp. 184–185)

¹⁵ Solomon placed a vertical line in the right-hand margin next to this sentence and placed a checkmark to the right of it.

¹⁶ Solomon underlined most of this sentence.

Thailand has moved on an evolutionary path, shaky though its process may be.

Factors of Transition

We don't have precise criteria that can be matched to each and every transition as measures of what makes them succeed (or fail.) *A reductio ad absurdum* helps explain why.

—The King was the “motor of the Spanish transition” and consequently, all transitions require monarchies. (Juan Carlos' brother-in-law—Constantine—got washed out in the Greek restoration, an example that was constantly before Juan Carlos, who drew from it a valid rule, in the Western World, only a constitutional monarchy can survive.)

There are some fairly rigorous rules, which cover the essentials, though not the precise forms, of what constitutes a functioning democracy, i.e., periodic free and honest elections under conditions of universal suffrage, and constitutional protection for civil liberties. Political development, however, is a chaotic process, subject to national idiosyncrasy. What is crucial one place, may not be elsewhere. Nonetheless, there are certain overlapping fundamentals common to most transitions, which combined with other more singular factors to produce them.

- *The Exhaustion of Legitimacy.* The old order fails. Repression, corruption, and economic travail and mismanagement are the most usual causes, as in Manila. In Buenos Aires and Lisbon a bad war was added to the list. Often, as in Peru, economic failure helps persuade the military to leave voluntarily in order to preserve the military institution. In Franco's Spain legitimacy was personal; it died with him. However it happens, legitimacy is lost and something new takes its place. The more violent and protracted the struggle, as in Managua, the more likely the levers of power will be grasped by revolutionaries of the far left rather than those who want a democratic transition.¹⁷

- *The Temper of the People.* They have to “want” democracy, if only in a vague sense and their collateral drives have to be consonant with democratic institutions. The Spanish case is instructive; almost to a man the Spanish said “never again” to civil strife, a powerful force for installing democratic institutions as a peaceful means of resolving the contention for political power that would ensue upon Franco's death.

¹⁷ Solomon underlined “more violent and protracted the struggle” and “the levers of power will be grasped.” He also bracketed this sentence in the right-hand margin and placed a checkmark to the right of it.

• *The Temper of the Elites.* Democratically minded elites—or at least elites that accept the practical necessity of democracy—are essential. These provide the leadership for the transition. The Makati businessmen of today and the Spanish technocrats of 1976 share a set of attitudes that saw modernization and reform as synonymous with democratization. There are differences, of course. The Philippine elites want to restore democracy; the Spanish elites wanted to institute it and to become part of Europe.

• *The Existence of Western Political and Economic Support.* Transitions take place through the efforts of the people themselves, as in the Philippines, but support from the US and the West can be crucial to immediate success and to survival.¹⁸ Central America is an obvious case, but most South American transitions would not have occurred without support from the U.S. at crucial points., e.g., Ecuador, the Dominican Republic, Uruguay, Bolivia.¹⁹ In the Iberian peninsula the support of several Western European countries and the U.S. probably made a decisive difference, even though the major credit belongs to the Portuguese and the Spanish.²⁰ Had we been able to achieve a similarly coordinated approach to Central America with the Europeans, the conflict might have taken a better course.

• *Reconciliation and Amnesty.* In some states, the magnitude of past abuses requires a degree of accounting, as in Argentina, Venezuela, and at least on the fiscal side, in the Philippines. Nonetheless, an effort to “bind up the wounds,” in Lincoln’s phrase, has been a key element everywhere. In Peru, the military and APRA grudgingly promised to work with each other. In Spain, amnesty and elections healed most of the wounds between the “Two Spains,” though it didn’t end Basque terrorism. In less dramatic circumstances, most Latin governments have not pursued those who previously held *de facto* power, often a *quid pro quo* for military support.

• *The Role of the Military.* With the exception of Costa Rica, the military have been important. In Venezuela and Portugal, they threw out the dictator, in Spain they had to be contained, in Ecuador they fathered the transition, and in Brasil they set limits on the pace. Generally, the military must at least acquiesce. In Argentina, in Uruguay, and, to some extent, Spain, the military had to swallow it.

• *The Role of the Church.* In the western tradition countries, the role of the church, in areas as far flung as Spain and the Philippines, has been

¹⁸ Solomon underlined “can be crucial to immediate success.”

¹⁹ Solomon underlined “obvious case, but most South,” and “e.g. Ecuador, the Dominican Republic.” He also bracketed this sentence in the right-hand margin.

²⁰ Solomon bracketed this sentence in the right-hand margin.

crucial. The excesses of liberation theology notwithstanding, the mainstream of post-Vatican II church thinking in the Luso-Hispanic world has emphasized human rights and democratic institutions in opposition to the arch-conservative church of an earlier day that made common cause with *caudillos* as well as to the newer “popular church” of Daniel Ortega. In these circumstances, the Church, as in the Philippines and Spain, becomes a mediator and a vehicle for bestowing legitimacy upon the process of democratic change.

- *Keeping Out the Leninists.* Democratic elites must frustrate the efforts of Marxist–Leninist groups to take over the levers of change—as they did in Cuba and Nicaragua—or be pushed aside in a transition from one form of dictatorship to another. Managing the left—usually present everywhere—is first a political task, keeping the democratically minded left separate from the Marxist–Leninists. If the predominant communist groups are Euro-communist it helps, as it did in Spain. In making the Communists peaceful, legalization of the party has sometimes been useful (e.g. Iberia, Costa Rica, Venezuela). Third world Leninists, however are often insurrectionists and new democratic governments frequently face a military as well as a political dimension. One of Mrs. Aquino’s tasks will be to wean away through political means as many guerrillas as possible. Then she will probably have to fight the rest.

- *The Rules of the Road—A Consensual Approach.* Derivative of popular and elite attitudes and of the nature of the change, successful transitions generally take a consensual approach to the establishment of the new legitimacy, an agreement to submerge to a degree partisan differences while constructing a representative framework in which political forces compete for power on a level playing field. Neither the framers of the American or Spanish constitutions found this easy; nor will Mrs. Aquino.

- *Leadership.* The democratically minded elites provide the leadership in successful transitions and to some degree the circumstances call forth the leaders, as in the Philippines. But success is not guaranteed, and the failure of democratic leadership was an important component in the failed democracies, both in the post-colonial transitions and in the Latin America of the 1960s and early 70s, e.g. the collapse of democracy in Uruguay.

Finally, there are set forth below a few circumstances which are not absolutes, but which are relevant to the process of democratic political development.

- *Rupture vs. Reform.* On the record, a generalization cannot be made about whether it is preferable to throw out the old regime or take an evolutionary path. It is contingent on circumstance. Venezuela and Portugal threw out the old regimes. Ecuador and Brasil evolved gradually. Both

worked. In Spain, they had their cake and ate it too, a “reform” of the Franco structures that produced a “rupture” with the past.

- *A reasonably literate society*, remembering, however, that illiterates can make informed political choices, as in Guatemala and El Salvador.

- *A large or, at least significant, middle-class*, e.g. Spain, Brasil, Argentina, Costa Rica, Venezuela, etc. Even in countries with a small middle class, such as Peru, Guatemala and Honduras, one can argue that it provided the leadership and the values that made the transition possible.

- *A concomitant degree of economic growth* certainly makes it easier. On the recent record, democracies—because of their popular legitimacy—are better able to cope *in the short run* with severe economic problems and austerity than authoritarian regimes, who often tend to be economically inept, lacking understanding of the market mechanism and the rigors of the international economy. At writing, however, most of the third world democracies, particularly but not exclusively in South America, face prolonged economic hardship, dwindling resource flows and a heavy debt burden. Over time these factors will undermine their legitimacy and some will probably fall, as they have before, if there is no relief.

265. Memorandum From the Under Secretary of State for Economic Affairs (Wallis) to Secretary of State Shultz¹

Washington, March 13, 1986

SUBJECT

International Economic Policy

It is not possible in international economics to set a course and adhere to it. There are too many rocks, reefs and other vessels. So if policy is to move in the right direction, despite inevitable twists and turns, it is essential to have a compass, to indicate the right direction as we maneuver among the constraints on our course.

Such a compass seemed to guide international economic policy in the first Reagan Administration but in the second Administration, if

¹ Source: Department of State, Executive Secretariat, S/S Files, 1986 Official Office Files, Action/Briefing/Information/Through Memoranda/Chron Files/Memoranda to the Secretary Handled by Under Secretary Allen Wallis, (E) Economic Affairs: Lot 89D156, January/March—Memoranda to the Secretary. Limited Official Use; Eyes Only. Platt initialed the top right-hand corner of the memorandum and wrote “3/25.” Shultz’s stamped initials appear in the top right-hand corner of the memorandum.

there is a compass, it is not clear to the officers and, too frequently, the message they get is one of uncertainty of even that the principles that guided the first Administration have been abandoned—if not reversed.

Do we still favor floating exchange rates? Do we intend to sponsor an international monetary conference? Will we support target (or reference) zones? What do we believe the World Bank's policies should be—and why haven't we named the new President?² Just what are our ideas for services in the new trade round? Do we favor orderly markets, to be attained through government allocations? Do we admit that free trade has been overdone? Will we stick to our requirement of policy reform as a prerequisite to debt relief? Do we ignore the effects on American business of foreign policy controls?

Following are suggestions for the elements of an international economic policy that would constitute a reliable compass to coordinate all participants in our international economic policy as they make numerous individual decisions or represent the U.S. Government at home or abroad.

First, the essential foundation of a sound international economy is sound economies in each country, especially ours; that is, economies which allow scope for individual initiative and enterprise in a system of law and respect for human rights, especially (in this economic context) property rights.

Second, a sound international economy requires freedom of exchange, in order to get the greatest advantage from the division of labor.

Third, if freedom of exchange is to be effective there must be a system of commercial laws and practices and methods of resolving disputes that covers transactions between participants in different nations.

Fourth, freedom of exchange will be far more effective if there is a stable medium of exchange and efficient markets in credit and foreign currencies.

Fifth, trade should not be allowed to bring a military advantage to our enemies even if it brings an economic advantage to us.

As I said in the beginning, we cannot just define a policy on these principles and set an automatic pilot. To illustrate, consider the question of government intervention in foreign exchange markets. This is contrary to the preceding principles, and in addition it has no effect (other than to waste money) except the effects of monetary expansion, whatever its form. During the first Reagan Administration, not only was the principle of nonintervention adhered to with only minor exceptions but other

² Clausen served as President of the World Bank until June; Barber Conable succeeded him as President in July.

countries were led to understand the issue through a joint study of experience carried out by the Finance Ministers of the seven Summit countries, and thus to focus attention on their own domestic policies. This important and hard-won victory of the first Administration has been surrendered. But presumably it was surrendered because of rocks, reefs or other vessels in the form of protectionist pressures. The high value of the dollar was making it difficult to sell abroad, and businessmen were generating political pressures to “do something.” Perhaps foreign pressures played some role, since other countries were complaining that the “overvalued” dollar was causing them dire troubles. Although the intervention³ had little effect on the exchange rate, which already had been declining for nearly seven months and continued to decline at about the same rate, it was an unqualified public relations and political success and appears to have helped contain protectionist pressures, at least for the time being. So while it weakened one element of a sound policy, it may have strengthened another.

One of the effects within the government, however, has been detrimental. Top economic officials not only have no idea what our policy is but they doubt that there is one, other than to avoid rocks, reefs and other vessels, with no idea what the direction will be after the avoidance maneuvers.

Similarly, some high Civil Service officials are reported to be expressing relief that the Administration has at last abandoned its free-trade policies that were destroying American industry. It does, indeed, seem that we are devoting more attention (and enthusiasm) to the “strike force”⁴ and possible unfair-trade or countervailing-duty charges than to the new trade round, reform of the multi-fibre arrangement,⁵ or the Canadian free-trade area.⁶ We are participating in apportioning the world steel market. Even the debt policy worked

³ Reference is to the Plaza Accord of September 22, 1985. Documentation is scheduled for publication in *Foreign Relations, 1981–1988*, vol. XXXVII, Trade; Monetary Policy; Industrialized Country Cooperation, 1985–1988.

⁴ Reference is to the establishment of a Trade Strike Force, announced on October 2, 1985. Documentation is scheduled for publication in *Foreign Relations, 1981–1988*, vol. XXXVII, Trade; Monetary Policy; Industrialized Country Cooperation, 1985–1988.

⁵ Reference is to the Arrangement Regarding the International Trade in Textiles signed at Geneva on December 20, 1973. The Multi-Fiber Arrangement was extended in 1977 and 1981; negotiations on another extension began in 1985.

⁶ In a statement made before the Canadian House of Commons on September 26, 1985, Mulroney indicated that he had informed Reagan of Canada’s interest in negotiating a bilateral agreement with the United States reducing tariff and non-tariff barriers to trade. (Douglas Martin, “Canada Seeking Pact With U.S. On Freer Trade: Protectionist Mood Seen as a Threat to Ottawa,” *New York Times*, September 27, 1985, pp. A1, D5) In telegram 7451 from Ottawa, September 27, the Embassy reported on the initial Canadian reaction to the Mulroney announcement. (Department of State, Central Foreign Policy File, Electronic Telegrams, D850690–0606)

out at the Williamsburg, London, and Bonn Summits has been partly disavowed as “austerity,” and “anti-growth”—though it appears to have been successfully reincarnated in the “Baker Plan.”⁷ The world believes, because of statements by our officials, that we want Germany and Japan to engage in pump priming, and some of our own people think so too. At least three high economic officials have said publicly that they know better than the market what the exchange rate of the dollar should be, but none has defended the market.

Postscript on organization: During the first Administration, there was a plethora of Cabinet Committees on economics. In fact, each appropriate Cabinet member had his own. Their jurisdictions overlapped, and they consumed a lot of time—I averaged probably three meetings a week. This has been cleared up in the second Administration by having only two or three committees. It turns out, however, that the new arrangement, though more efficient, has reduced the *esprit de corps* among top economic officials. Meetings afford not only opportunities to do business, but also opportunities for informal exchanges on the margins—and even the business parts of the meetings help build rapport and (usually) respect and collegiality. Our collegiality or *esprit de corps* has been attenuated, at some loss, I believe, to our morale and effectiveness.

Allen Wallis⁸

⁷ In an October 8, 1985, address delivered at the 40th annual meeting of the Board of Governors of the International Monetary Fund and the World Bank Group in Seoul, James Baker outlined the Program for Sustained Growth in the Developing Countries, subsequently known as the Baker Plan. For the text of the address, see *American Foreign Policy: Current Documents, 1985*, pp. 153–159. Documentation on the Baker Plan is scheduled for publication in *Foreign Relations, 1981–1988*, vol. XXXVIII, International Economic Development; International Debt; Foreign Assistance.

⁸ Wallis signed “AW” above his typed signature.

266. Information Memorandum From the Director of the Policy Planning Staff (Solomon) to Secretary of State Shultz¹

Washington, March 18, 1986

SUBJECT

The Fuller Memorandum: New Fluidity on the International Scene
Provides Opportunities for the U.S.²

SUMMARY: I find the Fuller memorandum's assessment of the elements of "fluidity" on the international scene a bit too pessimistic, but he does begin to identify opportunities for the U.S. in the present situation. These include contrasting U.S. and Soviet performances in managing political change (e.g., Philippines vs. South Yemen), more effectively using our economic and technological strengths in competing with the Soviets, developing more effective military capabilities for low-intensity conflict, and better managing our alliance relationships.
END SUMMARY.

A Dynamic, Yet More Responsive World

While the major states seem to be having greater difficulty in anticipating or controlling the natural evolution of international events, the present situation is *not* more unstable, threatening or confusing than any other post-World War II period. Conversely, the principal causes of the present fluidity of events, e.g., Soviet interventions abroad, economic problems, and Third World political instability, are more evident and *potentially* more amenable to manipulation than at any other time in recent history. Indeed, the superpower that best adapts its foreign policy and associated resources to the challenges and opportunities of the current international scene will be the one best prepared to meet its own interests in this dynamic situation.

U.S. Competence; Soviet Ineptitude

Several recent events demonstrate that the United States can handle effectively the rapid flux of international events. While luck and developments beyond our control, of course, are major factors in shaping the outcome of complex foreign events, the recent bloodless

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons 3/1–31/86. Confidential. Drafted by Steve Pieczenik (S/P) and Solomon.

² Attached but not printed is a February 27 memorandum from Vice Chairman of the National Intelligence Council Graham Fuller to Casey and McMahon, entitled "New Fluidity on the International Scene?"

leadership transitions in both Haiti³ and the Philippines⁴ were abetted by intelligent U.S. policy and actions. At the same time, the USG did not seem prepared in advance to take actions which would effectively follow-up on these successes.

There seems to be an unstated assumption that when the dictator is gone, the problem is gone. Of course, the most fluid (and most manageable) period of change comes *after* the leadership changes. This is an important point because we must make clear to the world, and particularly to the public and Congress, that spasms of political change can be handled effectively—even by the United States Government. We *can* pursue our interests competently, and with an appropriate measure of activism.

In contrast, the USSR has recently demonstrated poor judgment and a wanting performance in the management of political changes within their client states—e.g., Afghanistan, Grenada and South Yemen. We should take steps to build on our own recent successes (which we will have to do, for example, in South Korea) while devaluing the Soviet's recent performances to relevant elites and publics. We should place special emphasis on sensitizing Moscow's Third world client states and East European allies to the economic decay, political interventions and violence that invariably arise whenever the Soviets establish a political alliance, economic association or military pact with a given country.

*ELEMENTS OF A U.S. STRATEGY FOR DEALING
WITH A FLUID WORLD*

The Byplay of Alliance Politics

The Soviet Union obviously makes a major effort to disintegrate our alliances. This is much of the content of their public and private diplomacy directed at Western Europe, especially on arms control issues. While some commentators on international affairs now assert that our allies have become liabilities in the pursuit of U.S. interests, the Soviets clearly see them as assets to us and worthwhile targets of political manipulation. It is evident to most American observers that there is more gain than pain in our alliance relationships. The challenge we face is to manage more effectively alliance politics (the better to foil Soviet troublemaking), while at the same time pursuing more purposeful efforts to weaken ties between Moscow and its allies and client states.

³ On February 7, Duvalier and his family departed Port-au-Prince for asylum in France. That day the new Haitian Government—the National Council of Government—was announced.

⁴ See footnote 14, Document 264.

Rivalry in the Third World

Some foreign affairs specialists have suggested that we try to reach a “cease fire” with the Soviet Union in our rivalry for influence in the Third World. This objective, of course, was at the heart of the 1973 U.S.-Soviet agreement on mutual restraint in our relations in order to build confidence and strengthen detente.⁵ The outcome of this effort, however, was Moscow’s adventurism—from Angola to Afghanistan—that followed Watergate, the Vietnam collapse, and the associated paralysis of Presidential initiative in foreign affairs and Congressional micromanagement of foreign policy issues.

While we should show restraint in our dealings with the Third World, we nonetheless have to take actions which will induce caution on Moscow’s part by demonstrating (as we did in Grenada and the Philippines) that we have the capabilities and the will to pursue our interests and support our friends.

We should also take advantage of opportunities to publicize Soviet manipulations in developing countries, highlight Moscow’s limited economic capacity to assist in the development process, and reinforce in the minds of Second and Third World elites the devalued influence of Marxism-Leninism for dealing with the challenges of economic and social development. We have superior resources for this competition relative to the Soviets; but we have to marshal them more effectively in concert with the efforts of our allies in Europe and Asia.

Develop Capabilities for Low-Intensity Conflict

There is a serious mismatch in U.S. defense spending and foreign policy planning between our major investment in strategic forces designed to deter war with the Soviets, and our underfunded and weakly developed capabilities for the most probable forms of conflict—insurgencies in the developing world, regional conflicts involving friends and allies, terrorism and infiltration of our borders by illegal immigrants and drug smugglers.

Resolving the mismatch problem presents a major challenge to our military in a time of fiscal austerity; but unless we address the issue we will have attenuated capabilities for coping with the most frequent—if low level—threats to U.S. security.

Economic Health and Adaptability

Our economic vitality and technological prowess are among the strongest assets we have for managing alliance relationships,

⁵ Presumable reference to the Joint U.S.-Soviet Communiqué released at the conclusion of the June 16–23, 1973, summit meeting between Nixon and Brezhnev, held in Washington; Camp David, Maryland; and San Clemente, California. The text of the communiqué is printed in Department of State *Bulletin*, July 23, 1973, pp. 130–134.

strengthening our appeal to the Third World, and competing with the Soviets on a global scale. While much is already being done to remedy the vulnerabilities in our economic circumstances (reducing the budget deficit, encouraging the diffusion of new technologies to heighten the competitiveness of our industries, etc.) we must do more to strengthen our position for dealing with adversaries and coping with the fluidity of the international environment.

Areas where more should be done include: stimulation of technological innovation and the commercialization of advanced technologies (through improved scientific education, tax incentives for investment in new production techniques, etc.); upgrading the quality and job mobility of the labor force (to make it more adaptable to a dynamic global economy); etc.

*INTEGRATING THE ELEMENTS OF OUR NATIONAL POWER
IN PURSUIT OF A MORE PURPOSEFUL FOREIGN POLICY*

The ultimate challenge to those who design and manage U.S. foreign policy is to better coordinate the resources we *do* have in pursuit of our interests in a fluid international environment. The bureaucratic nature of the foreign policy process, the division of powers between the Executive Branch and an assertive Congress, and a public (and press) reluctant to pursue a more activist foreign policy—not to mention the constraints of alliance politics—all impede our ability to implement more purposeful and coherent measures for dealing with international challenges.

Here we encounter a fundamental dilemma for effective policy implementation. On the one hand, as Fuller points out, the issues we confront and the variety of situations affecting our interests are increasingly diverse and complex. Likewise, the policies now required to advance our interests demand ever more complex mixes of political, economic and military actions. At the same time, however, the expanding roles of Congress and the media drive us toward policy lines which are excessively simplified and can be easily articulated. We are also constrained by budgetary pressures to reduce our presence abroad and to contract our cadre of senior professionals at just the time the need for these resources is growing.

We must avoid the trap of allowing the requirements of public diplomacy to define the task of integrating the available instruments of our policy, and to assure that the human resources of our foreign relations are not depleted by rigid budgetary considerations.

The successes we have had in recent years under the leadership of the President and yourself have done much to rebuild public and allied confidence in America's capacity for constructive engagement in the world—and to strengthen the public's will to challenge threats to

U.S. interests. We have an increasingly solid foundation on which to base a less reactive, more assertive set of policies designed to shape a dynamic international environment in ways consonant with U.S. interests and values.

267. Address by Secretary of State Shultz¹

Paris, March 21, 1986

The Shape, Scope, and Consequences of the Age of Information

I'm always pleased to be in Paris. And I'm especially pleased to be here when the centennial celebration of the Statue of Liberty is only a few months away. That engineering marvel of the 19th century is an apt symbol of my theme tonight—the relationship between the advance of technology and the advance of liberty. For 100 years, that statue has been a beacon to mankind and a testimony to the unbreakable bond between our nations. On behalf of Americans everywhere, I extend our appreciation and deepest affections to France.

I'm also pleased to be speaking as the Secretary of State from Washington to an audience of ex-Californians, Parisians, and other Europeans at a meeting organized by Stanford University. Tonight's gathering is an appropriate setting for my subject: the shape, scope, and consequences of the age of information. Geography and borders have always constrained everyday life. Today, the information revolution is undermining their ancient dictates. It is shifting the balance of wealth and strength among nations, challenging established institutions and values, and redefining the agenda of political discourse.

The information revolution promises to change the routine of our planet as decisively as did the industrial revolution of the past century. The industrial age is now ending. In some places, it has already passed. The United States and most of the free nations in the developed world are already seeing how the age of information is transforming our economies. A century ago, we moved from an agricultural to an industrial phase in our development. Today, we remain agriculturally and industrially productive; but the basis of our economy is shifting

¹ Source: Department of State *Bulletin*, May 1986, pp. 40–43. All brackets are in the original. Shultz addressed the Stanford University Alumni Association's first International Conference.

rapidly from industrial production to information-based goods and services. Our economic indices—such as productivity and the structure of employment—are being decisively altered by our entry into the new age.

Yet these changes have been so pervasive, and their pace so rapid, that we have been unable to comprehend them in their full scope. We are very much like the leaders of the early 19th century as they tried to grasp the unfolding consequences of industrialization. No one has taken the full measure of our own new age. But if we are to seize the opportunities and understand the problems that this new phase of technological transformation will bring, we must try to grasp both its particulars and its broad outlines.

Dimensions of the New Age

What is the information age? The answers to that question are as numerous as the age itself is pervasive. There is, most obviously, a scientific dimension. Our thinking about our physical environment is changing with unprecedented speed. That change has been reflected most dramatically in our technological prowess—particularly in the development, storage, processing, and transfer of information. While the industrial age found its proper symbol in the factory, the symbol of the information age might be the computer, which can hold all the information contained in the Library of Congress in a machine the size of a refrigerator. Or its proper symbol may be a robot, a machine, capable of supplementing age-old manual labor and liberating human beings from the most arduous and repetitive of tasks. Or perhaps its symbol is the direct broadcast satellite, which can send television programs directly into homes around the globe.

This list does not begin to capture the variety or capacity of these new technologies. Indeed, these are only the beginnings of what will be far-reaching and profound technical developments. Two decades from now, our computers will be 1,000 times more powerful than they are today. In a few short years, the most advanced technology of 1985 will seem as obsolete to us as the transistor—which made its debut some 40 years ago—seems today. Our scientific advances are affecting everything from the biological sciences to national defense. The President's Strategic Defense Initiative (SDI), with its promise of making deterrence more stable by reducing reliance on offensive nuclear weapons, is one dramatic example of the impact of intellectual and scientific change on our ways of dealing with the world. SDI can well be described, in fact, as a gigantic information processing system.

The economic dimension of this new age is just as revolutionary as its scientific and technological counterparts. Information, as Walter Wriston observed years ago, is our new international standard.

Fortunes rise and fall according to its dissemination. With the advent of “real time” transfers of information, an announcement made in the Rose Garden can be reflected 2 minutes later in the stock market in Singapore. The information age is bringing a new conception of economic efficiency not just to entrepreneurs, and not just to corporations, but to the entire global market.

These and other economic consequences of the new age are transforming the way nations trade with one another. They are bringing new uncertainties to the marketplace and to the politics of regulation. Across the globe, the foreign policy agenda reflects new economic disputes as developing and advanced nations alike struggle to come to grips with transborder data flows, technology transfers, satellite transmissions, and the crowding of the radio spectrum. Some of these disputes are between governments. Others are between governments and private corporations. U.S. computer manufacturers, for example, are now disputing with several European governments over the issue of transborder data transfers. The U.S. companies believe that they should be allowed to compile data and have market access rights, while some governments believe that the data should be centrally controlled. Like the technologies themselves, the disputes created by the permeability of geographical borders to information flows are growing at a rapid rate.

Yet, these economic disputes are only one example of the effects of information technologies on international relations. The proliferation of information has also sparked new concerns over national security. Information is intrinsically neutral. It can be used for multiple purposes, good and bad. Governments everywhere are finding it harder to control the flow of sensitive information in the critical areas of intelligence and national defense. In free countries, where openness is valued in its own right, we must be careful not to underestimate the ability of others to manipulate new technologies for repressive purposes. In the TWA hijacking² and in other such incidents, for instance, terrorists exploited our open system of mass communication to create a global forum for their brutal acts.

The social dimension of the information age may seem more intangible, but it is equally profound. More than 6 million American homes now have personal computers. By 1990, according to some estimates, half of all our households—and an untold number of our schools, offices, and factories—will be computerized. The impact of that change on our young people is already extraordinary. Their attachment to now commonplace video games and to video cassettes is a symbol of adaptation to the new age. Whole generations are now growing up with the

²See Document 244 and footnote 2 thereto.

computer, taking it for granted, understanding its languages, and using it with ease. What does their nonchalance imply? I was thinking of this recently as I watched my granddaughter play with a computerized toy. To her generation, the technologies of tomorrow will be as integral to her lifestyle as the telephone is to ours.

Nor is the social revolution limited to the most developed countries. Television, for example, lets people see how others live in distant countries and invites comparison. The information revolution is raising expectations not only in advanced nations but in corners of the world that have little experience of high technology itself.

These various dimensions—technological, economic, political, and social—are only a few ways of describing what the information revolution is about. Today, in the middle of the 1980s, the outlines of some broader implications are also becoming clear. I would like to reflect on some of the deeper economic and political challenges that the new age is bringing to us and then say a few words about America's response to them.

The Challenge to Individuals

First of all, any nation that wants to profit from the information revolution must understand where innovation comes from. In this era of rapid technological change, the pace of obsolescence is accelerating as never before. Innovation—and risk taking—are more than ever the engines of progress and success. This is true both in the economic marketplace and in the marketplace of ideas. So the challenge of economic success in this new age is, in large part, a challenge to the individual entrepreneur.

For obvious reasons, the free nations of the world are best positioned to meet this challenge. By their very nature, they guarantee the individual freedom that is necessary to the entrepreneurial spirit. And they have the confidence in their citizenry to encourage, rather than stifle, technological development.

In the United States, inventors, innovators, and entrepreneurs are symbols of our pioneering tradition. Our nation grew because there were enterprising Americans willing to take economic risks. A few statistics from our recent economic recovery tell the story. Last year over 666,000 new corporations were established in the United States—nearly 100,000 more than in 1981. Of these, some 50,000 failed—a dramatic measure of entrepreneurial spirit and the willingness to take risks.

We have also generated over 9 million new jobs in the past 5 years, reflecting the commercialization of new technologies. Our tax system encourages the economic risks that lead to innovation. In 1983 alone, we committed over \$2.8 billion in venture capital to start-up costs.

Public and private institutions alike encourage us to try the untried, to adapt ourselves to the unaccustomed.

And Americans as consumers are familiar and comfortable with technological innovation. Our fascination with gadgets and new products is legendary. From the days of the first automobile, Americans have been willing and eager for the novel, the improved, the latest model.

So we are disposed, as a people, to encourage entrepreneurship and to accept innovative technologies.

We have our qualms, of course. Like all other peoples, we have been sensitive to the impact of technological advance on the workplace—to the dislocations that follow from the replacement of manual labor. But, more than most nations, we tend to have confidence in our ability to resolve the social dilemmas that changing technologies present. Silicon Valley is only one symbol of our dedication to risk and reward. To us, the information age represents a new avenue to economic growth, an opportunity to do what we do best: to explore, to innovate, and, ultimately, to succeed.

The United States is far from alone, of course, in the development of new information technologies. France has pioneered the remarkable MINITEL system—a keyboard and TV screen linked to the phone system that now gives nearly 3 million subscribers instantaneous access to more than 1,200 different data bases, banking and financial services, press hookups, and educational and cultural channels. Such information technology gives the individual enormous personal outreach, expanding to global limits his access to information, ideas, and personal services.

Free Trade: The Challenge to the Free World

Success in the information age depends on more than our own innovation and entrepreneurship. The new age also presents us all with a global challenge. New technologies circumvent the borders and geographical barriers that have always divided one people from another. Thus, the market for these technologies depends to a great extent on the openness of *other* countries to the free flow of information.

Open markets allow comparative advantage to express itself. The United States, as a country that seeks to explore and trade in technological services, has always opposed international attempts to stifle the workings of the information revolution. In our view, every country willing to open itself to the free flow of information stands to benefit.

Some critics have charged us with simple self-interest. The United States, they say, urges open trade because it is so well positioned to profit from it. They point out that American research, development, and marketing can compete favorably with those of other countries.

The interesting thing about this charge is that it captures a truth, but it expresses that truth exactly backwards. The United States does not advocate free trade because we are adept at pioneering technologies; we are adept at them *because* the dedication to freedom is intrinsic to our political culture. By maintaining that dedication throughout our history, we have been the pioneers of change both at home and abroad—in the agricultural phase of our development, in our industrial phase, and now, in the age of information.

Opposition to open trade is sometimes linked to a charge of cultural imperialism. The more international markets are open, it is said, the more smaller countries will be flooded with American movies and American television and radio programs—resulting in a kind of “cultural imperialism.” I find this view ironic. If any nation would seem to be vulnerable to the widespread import of information and news from other cultures, it is the United States itself. As a nation of immigrants, we are the most international society on earth. Our cultural heritage—not to mention our cuisine—has been shaped by Asians, Europeans, Africans, and Latin Americans; by Christianity, Judaism, Islam, Buddhism, Hinduism; by almost every religious and ethnic influence imaginable. We urge would-be cultural imperialists to take note: the United States, with our international heritage, represents the largest market in the world for information from other cultures.

That international heritage is already encouraging foreign entrepreneurs. The Spanish International Network, for example, which is programed *outside* the United States, now has over 200 broadcast and cable outlets in our country. The United States does not fear an influx of information from other countries. On the contrary, we welcome it. And our reasons for welcoming it go beyond any simple adherence to the free flow of ideas and to open markets, beyond even the economic benefits that open trade would surely bring us. Those reasons go to the heart of the broad philosophical and political questions that the age of information has raised anew for all of us.

Fundamental Freedoms

The information age poses profound *political* challenges to nations everywhere. As any economist knows—or, for that matter, any alumnus of the Stanford Business School—the laws of economics do not exist in a vacuum. Even the most commonplace decisions—such as where to open a plant and when—must take into account social and political realities as well as economic considerations. Likewise, the freedom that makes America’s economic success possible does not stand on its own; it is an integral part of our political system. So is the intellectual freedom that makes innovation and entrepreneurship possible.

The relationship between individual rights and economic dynamism is fundamental. The United States has seen that truth at work in

our early agricultural age, in our age of industry, and in today's era of information. The Model T, the Wright brothers' plane, the telephone, the movie reel, the transistor radio, the VCR [video cassette recorder], the personal computer—these and other innovations have shaped and revolutionized our society. They have spread prosperity not just to an elite but to everyone. Thus, they mark the success of our democracy and the progress of our freedom. They are the material symbols of our dedication to individual choice, free enterprise, open markets, free scientific inquiry—indeed, to the very idea that the freedom of the individual, not the power of the state, is the proper foundation of society.

The same is true of free governments everywhere. The technological and economic successes of the entire free world are direct consequences and incontrovertible proof of the benefits that flow from self-government. The more the West dedicates itself to its freedoms, the stronger it becomes—both politically, as an attractive and viable alternative to statism, and economically, as a dynamic and expanding system of material productivity that brings benefits on a mass scale. In an era of technological revolution, our rededication to the liberty that makes innovation possible is imperative.

That rededication has strategic importance as well. The information revolution is already shifting the economic balance between East and West. The leaders of closed societies fear this shifting economic base, and for good reason. First, they are afraid that information technologies will undermine the state's control over its people—what they read, watch, hear, and aspire to. In most of these countries, familiar means of communication like the mimeograph machine and photocopier are already kept under lock and key. The specter of direct broadcast satellites alarms their leaders even more. In Moscow, they're paying up to 300 rubles—that's \$450—for black market videotapes smuggled in from the West.

East-bloc leaders also fear that they will be unable to compete with the research, development, and marketing of information age technologies. Here, too, they are right to be worried. The incentive to improve information technology is unlikely to come from countries in which the pen is regarded as an instrument of subversion. The science and technology of the future will be directly tied to access to information, for the important scientific ideas will come from the accumulation and manipulation of data bases.

So these regimes face an agonizing choice: they can either open their societies to the freedoms necessary for the pursuit of technological advance, or they can risk falling even farther behind the West. But, in reality, they may not have a choice. The experience of the Chinese communists, who are now trying to release the talents of a billion people, will continue to be a fascinating test of whether a once-closed society can be opened.

That is why the promise of information technology is so profound. Its development not only strengthens the economic and political position of democracies: it provides a glimmer of hope that the suppressed millions of the unfree world will find their leaders forced to expand their liberties. But that is not all. If totalitarian leaders do loosen their grip in order to compete with the free countries, they may find themselves, in that process, contributing dramatically to an improvement in relations between East and West. That easing of tensions would benefit not only the Soviet Union and the United States but the nations across the globe whose destinies are linked to the East-West conflict.

The developing world, too, stands to benefit from an expanded flow of information. Some of these nations are already seizing their opportunities. I notice that Barbados, for instance, advertises to potential investors by emphasizing that it has a sophisticated telecommunications system. Other countries are using information technologies to enhance their agricultural or industrial capacities. With the aid of modem communications, Colombia now markets fresh-cut flowers in New York City. Developing countries that profited from the "green revolution"³ know that information modernization offers the vast promise of integration into the world economy.

Nations throughout the developing world must decide how to view these new international markets. If they fear outside influences and seek to restrain technological trade, they will only fall farther behind the developed world and increase the gulf between us. If, on the other hand, they remain open, they will find themselves rewarded with rare opportunities for developing their material and human resources and for accelerating their movement toward modernization.

In the industrially advanced world, the information revolution is already transforming the multinational corporation. Today, sophisticated communications enable people from across the oceans to work together with the same efficiency of those who work across town. In the coming years, we can expect to see new supranational corporate entities whose employees are drawn from all corners of the world. That's one possible consequence of the shrinking importance of geography. Another is that the developing nations will have access as never before to data and communications in the advanced nations—access that could only increase the efficiency with which developing nations use their resources.

A Test of Principle

Because of the information revolution, all nations—free and unfree, developing and developed—must confront a key challenge that I have

³See footnote 12, Document 66.

already mentioned: the way nations trade with one another. None of the opportunities before us will bear fruit unless the free nations can agree to open rather than restrictive trade in these revolutionary products and services.

This same challenge is also affecting our diplomacy. Technologies are being transformed even as we negotiate over their transfer abroad. The United States has pressed strongly for a new round of multilateral trade negotiations in the GATT [General Agreement on Tariffs and Trade] to ensure that key issues relating to the trade in these emerging technologies are taken up. Meanwhile, we are keeping open the possibility of increasing bilateral free trade arrangements, as we are pursuing now with Israel and Canada.⁴ Our overall purpose remains the same: to maximize the development of and trade in these information age products and services, especially those that increase the free flow of data and ideas. To do otherwise would betray the vast promise that the information age holds out to us.

That betrayal would be a great misfortune for the free world—yes, because of the economic opportunities that would be lost but, more, because of the implications for the idea of freedom. We are proud of our freedom, and we are right to be proud. But today's disputes over the technologies that cut across our borders put our dedication and commitment to a new test. Are we secure enough in our principles to act in ways that promote, rather than discourage, the technologies that leap across borders?

The United States is confident in its own answer. We welcome these technologies as we have welcomed, in times past, other advances whose implications were uncertain. In fact, we invite other nations to practice a little "cultural imperialism" of their own on us. We weren't shaken when Mr. Gorbachev appeared live via satellite on our televisions.⁵ And it doesn't bother us to hear that engineers from the

⁴ In 1983, the President and Shamir agreed to proceed with negotiations concerning a U.S.-Israel free trade arrangement. On April 22, 1985, in Washington, Brock and Sharon signed a trade agreement that would eliminate tariffs between the two countries by 1995. (Martin Tolchin, "U.S. Signs Trade Pact With Israel," *New York Times*, April 23, 1985, p. D2) On May 7, the House of Representatives and the Senate Finance Committees approved the agreement. ("House Votes Israel Accord," *New York Times*, May 8, 1985, p. D14) For information about the Canadian proposal, see footnote 6, Document 265.

⁵ Reference is to Gorbachev's January 1 remarks to the American people, broadcast by ABC, CBS, NBC, and CNN. For additional information, see Bernard Gwertzman, "Reagan Exchanges Greetings on TV With Gorbachev: New Year's Greetings: Leaders Look to Narrowing of Differences in Addressing Each Other's Nations," *New York Times*, January 2, 1986, pp. A1, A8. The text of Gorbachev's address, as provided in translation by TASS, is *ibid.*, p. A9. In his personal diary entry for December 27, 1985, the President wrote: "On Sat. the 28th did my radio cast at the Century Plaza where we were staying and taped my New Years greeting to the Soviet people. This is a big 1st. Gorbachev is doing one for us Americans—it's never been done before. There'll be no editing & we each provide our own translator." (Brinkley, ed., *The Reagan Diaries*, vol. II, November 1985–January 1989, p. 556)

Soviet Union have been known to amuse themselves by intercepting Hollywood movies from American satellite transmissions. We just hope they enjoyed *Rambo*.⁶

Approaching Horizons

This cultural dimension leads me to my final point. The greatest minds of the past century bent their powers toward understanding the significance of the industrial revolution. Theorists and intellectuals, novelists and poets alike devoted themselves to examining the dimensions of their new age. Today, with the passing of the industrial era, a new consciousness is developing. Its impact on our art and literature and music is already apparent; its impact on our social behavior is already underway. In the long run, the most exciting challenge posed by the new age is not to nations or corporations or societies but to the individual human imagination.

Meanwhile, those of us who must grapple with the daily realities of the information revolution face formidable challenges of our own. We can learn a practical lesson from a wise and thoughtful banker. Fifteen years ago, when even pocket calculators were a novelty, Walter Wriston foresaw the implications of this new age for the field of finance. His vision helped to revolutionize the entire financial industry and turned his company, Citicorp, into a giant of imagination and profit.

Wriston succeeded because he was able to grasp both the particular details of his chosen sector and the daunting conceptual outlines of the information revolution at large. By never losing sight of either, he contributed to both. Those of us who confront other practical dimensions of our new age—in my own case, the political dimension—can benefit from his example.

So, as we face the many challenges that the new age presents, we must never lose sight of our most fundamental principles. We are reminded with every advance that in this age of revolution our commitment to freedom is our single greatest asset. With all the information we have amassed, with all the discoveries at the frontiers of all the sciences, we still find that answers bring with them new questions. Our policies must always be based on the fundamental process of freedom—freedom of thought, freedom of research, and the free flow of ideas. If we keep that in mind, we will benefit from our dedication to liberty even as we secure it.

⁶ Reference is to the *Rambo* series of films starring Sylvester Stallone as John Rambo, a Vietnam war veteran and former member of an Army Special Forces unit. The first film in the series, entitled *First Blood*, was released in 1982.

268. Information Memorandum From the Director of the Policy Planning Staff (Solomon) to Secretary of State Shultz¹

Washington, March 30, 1986

SUBJECT

Some Themes from your “Cultural Tour” of Southern Europe²

One of the benefits of your trip to Paris, Turkey, Athens and Rome—including the touring of cultural sites—is the historical perspective it provides on your current diplomacy:

The endurance of regional and religious conflicts. The friezes on the Parthenon capture ancient “national” rivalries that remain very much alive today, several millenia after their time. Iranians (Persians), Turks, Greeks, Egyptians all contended with each other, had their periods of dominance and decline, and fought for the advance of their versions of civilization, culture and religion over the forces of barbarism, violence and religious heresy.

These conflicts endure for us—Turks vs. Greeks, Islam vs. Christianity and Judaism—in contemporary variations, giving a humbling sense of the limits of our diplomatic efforts in the flow of time. Terrorism is only one manifestation of the contemporary clash of great and contrasting cultures and political aspirations.

The Iran-Iraq war at present is the most pivotal of these conflicts. If Iran should defeat Iraq, radical Islam is likely to advance its influence throughout Asia Minor and North Africa, eventually sharpening the confrontation within the Arab world between revolutionary (revivalist) and conservative states, between Islam and Israel, and eventually between Arab and Christian states.

If Iran’s military impulse fades, however, the Islamic world is likely to remain fractured and unstable. The current decline in oil prices will help to constrain the outreach of the radicalized Arabs (Libya, Iran), but our security cooperation with both moderate Arab and European states in the areas of conventional defense and counterterrorism is important to dampening the violence and containing the influence of would-be empire builders like Khomeini and Qadhafi.

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons 3/1–31/86. Confidential. A stamped notation on the memorandum reads: “EXPEDITE.” McKinley’s stamped initials appear on the memorandum.

² Shultz visited Paris, March 21–22; Istanbul, March 22–24; Ankara, March 24–25; Athens, March 25–28; Rome, March 28–30; and the Vatican, March 29.

In your tour, the impact on the region of Soviet power—today's version of the threat from barbarians to the north—was remarkably muted. The Soviets are not a major source of influence in the Islamic world, although they can incite existing conflicts via arms sales and will intervene with their own forces when tempted/threatened (as in Afghanistan and Yemen). The disparity between our global concerns about the extension of Soviet power (in Europe and East Asia) and the secondary concern of the Mediterranean states for Moscow's influence relative to regional rivals (Greek vs. Turk, radical vs. conservative Arab) presents an ongoing problem for us as we try to maintain a coalition of states that will contain Moscow's imperialism.

The advance and decline of major power centers. One sees in the ruins of Istanbul, Athens and Rome the historical truth that centers of power and culture grow and flourish for a time, but then pass into decline and ruin. We are still flourishing, with our sense of moral purpose (democracy, human rights, and the advance of material well-being), as well as our technology (of the new information age) and economic power, as the core of Western vitality. But if, like ancient Egypt, Greece, Rome and Constantinople, we fail to maintain our economic strength, and if our elite loses its sense of moral purpose and discipline, we too will enter a period of degeneration. The administration's efforts to resolve the budget problem and to manage the development and transfer of new technologies, are all vital to this effort.

The evolution of a new economic power center (Japan) is before us, even if it does not as yet have a global political vision or the military power to promote its objectives. And if we do not manage the energy issue well and take advantage of our current good fortune in the dramatic decline in oil prices, we could again see our economy drained by the Islamic states who, most unfortunately, do not share our global sense of purpose or our desire to ameliorate regional conflicts.

A particular economic challenge, we face is to manage the dynamic commercial linkages which unite the U.S. with its allies and friends and gives vitality to the free world in its confrontation with the Soviets and other ideological socialist powers. The access we can give a Turkey or an Egypt to U.S. markets and technology is a major vehicle for projecting our influence and strengthening our global coalition. The difficulty of handling the textile issue, however, underscores the need to make our own economy more flexible and adaptive by heightening the mobility of our domestic labor force and promoting the technological advance of our production processes.

Alliance-management. Unlike past imperial powers, the U.S. relies heavily on a diverse coalition of states to project its influence and protect its interests. Your trip gave evidence—as if it was needed—of the difficulty of maintaining this coalition where enduring geopolitical rivalries, reinforced by differing cultures, divide our allies. Turkey now

offers us the prospect of a more intimate association, via economic and military cooperation, which would give the U.S. a “regional anchor” for our defenses against the Soviets and the projection of influence into the Islamic world. Our interest in pursuing Prime Minister Ozal’s opening is constrained, however, by Turkey’s limited capacity to actually support our objectives in the region—even as its economy grows—and our need to maintain concurrent defense and economic relations with the Greeks and West Europeans.

Libya’s threat to our interests is not so much the outrage of terrorism, but its effort to use its self-created conflict with the U.S. to build its own power center in North Africa and the Middle East (which would give it the power base it does not now have). Italian criticism of our approach to Qadhafi is a way of saying we are playing into the Colonel’s political game. Our limited military actions against him are not hurting him (unless they stimulate a domestic coup); yet we can’t ignore him as he will continue to provoke us for his own purposes. Something more drastic is likely to be required.

269. Memorandum From the White House Chief of Staff (Regan) to President Reagan¹

Washington, April 2, 1986

SUBJECT

Senior Staff Planning Meeting

The White House Senior Staff met for an hour and a half yesterday in the latest of a series of planning sessions designed to prepare for the issues that will be facing us over the next few months, through Labor Day.

In the first of these planning sessions, held last August, several critical objectives were established.² Foremost among them was maintenance of the economic recovery. We reasoned that continued economic growth would put you in the strongest possible position to achieve your domestic and foreign policy objectives. We also reasoned, with persuasive support from Dick Wirthlin, that maintenance of the

¹ Source: Library of Congress, Manuscript Collection, Donald T. Regan Papers, Box 213, White House, Subject File, Planning, 1985–87. No classification marking. Printed from an uninitialed copy.

²No record of this planning session has been found.

economic recovery was the single most important factor in assuring continued control of the United States Senate. This strategy, which you endorsed, has paid off well. The economic recovery appears well established and prospects for beyond 1986 are looking up as well. This is reflected not only in the surging stock and bond markets but also in our own polling which shows that your approval rating remains high and that the “pocketbook” issues which so often have turned elections in the past are very much on our side.

While we should all be pleased that our position is strong (and I would note that this perception is beginning to attract public notice—see Monday’s *Wall Street Journal* editorial which is attached),³ we should not underestimate the challenges that lie ahead. Our discussion identified literally dozens of issues that *could* merit your attention in the next few months. Some are issues with long-term “pay offs” while others are more short-term in nature, requiring decisions and action in the near future. For ease of discussion we have divided the issues across international/domestic lines. In each area we have separately identified those which are “action-forcing” and those which we may wish to take the initiative.

[Omitted here is discussion of domestic issues.]

INTERNATIONAL ISSUES

The agenda in the international arena is similarly full. The first, and highest, priority is passage of the aid package for the Freedom Fighters in Nicaragua.⁴ Like other action-forcing events, the timing is tight but we are committed and will be going all out for positive House action after your return from the Ranch.⁵ We will also need to ensure that the legislation reaches your desk as soon as possible although we face some parliamentary obstacles in reconciling the Senate passed measure with whatever comes out of the House.

³ Attached but not printed is an editorial entitled “Second-Term Agenda,” *Wall Street Journal*, March 31, 1986, p. 18.

⁴ The administration submitted its aid package to Congress on February 25, with Reagan appealing for bipartisan support of the request in his March 16 address on the situation in Nicaragua (see Document 262). Congress took up the administration’s request in two resolutions: H.J. Res. 540 and S.J. Res. 283. On March 20, the House rejected the \$100 million White House request by a 210–222 vote. The Senate approved the \$100 million request on March 27 by a 53–47 vote. Following the Senate vote, the request was attached to a bill (H.R. 4515) to make supplemental appropriations for FY 1986. On April 16, Republicans voted for a Democratic-sponsored amendment to the supplemental, which withheld Nicaraguan aid, allowing the amendment to pass 361–66. House Democrats subsequently halted action on the bill. Eventually, the House agreed to allow a vote on Nicaraguan aid in a new bill appropriating funds for military construction in FY 1987 (H.R. 5052). (*Congress and the Nation*, vol. VII, 1985–1988, pp. 178–179) For the outcome of the vote on H.R. 5052, see footnote 4, Document 274.

⁵ On March 27, the President arrived in Santa Barbara. He was scheduled to return to Washington on April 6. (Reagan Library, President’s Daily Diary)

Over the next few months we will need to spend considerable time on the defense budget. In some sense this is both a domestic as well as an international issue. It is also both an action-forcing event (because of the budget) and an initiative (taking advantage of the Packard Commission report to re-build the defense constituency that has eroded lately).⁶ Jim Miller and John Poindexter have begun discussion on this and we will be developing an action plan to deal both with the short and longer range aspects. As noted above, this may be an issue where holding firm on our budget at this point may be the best strategy even though compromise will be necessary later in the year. Longer run, however, we should be under no illusion; achieving anything close to your defense budget is perhaps the hardest task that confronts us.

In a chronological sense the next international issue will be formal submission of the Saudi Arms sale package.⁷ Here we are essentially following a “veto” strategy in trying to avoid a Congressional blockage of the sale by sustaining a veto in the Senate. We are cautiously optimistic but will delay formal submission of the sales package so that the veto test will come shortly after your return from Tokyo.⁸

⁶ On June 17, 1985, the President indicated that he had, upon the recommendation of Weinberger and in consultations with members of Congress, established the Blue Ribbon Commission on Defense Management and appointed Packard as chair. The President explained that the Commission “will review the progress already made in improving management and procurement. And we’ve also asked them to look at the organization and decisionmaking procedures at Defense and give us their recommendations.” (*Public Papers: Reagan, 1985*, Book II, p. 775) On February 28, 1986, the President received the Packard Commission’s interim report. For the text of the President’s and Packard’s remarks, made in the Cabinet Room, see *Public Papers: Reagan, 1986*, Book I, p. 279. For the text of the interim report, see *An Interim Report to the President by the President’s Blue Ribbon Commission on Defense Management*, February 28, 1986 (Washington: President’s Blue Ribbon Commission on Defense Management, 1986). For the text of the final report, submitted to the President on June 30, see *A Quest for Excellence: Final Report to the President by the President’s Blue Ribbon Commission on Defense Management*, June 1986 (Washington: President’s Blue Ribbon Commission on Defense Management, 1986). Additional documentation on the Packard Commission is scheduled for publication in *Foreign Relations, 1981–1988*, vol. XLIV, Part 1, National Security Policy, 1985–1988.

⁷ Reference is to the administration’s proposal to sell \$354 million worth of advanced arms to Saudi Arabia. The Senate voted 73–22 on May 6 to reject the sale. (Steven V. Roberts, “Senate Rejects Saudi Arms Sale, 73–22,” *New York Times*, May 7, 1986, p. A3) The next day, the House also voted to block the sale. (Edward Walsh, “House Bars Arms Sale To Saudis: 356-to-62 Decision Called ‘Veto Proof’ By Deal’s Opponents,” *Washington Post*, May 8, 1986, pp. A1, A13) Following Congressional action, Reagan removed from the package 800 Stinger anti-aircraft missiles and launchers. On May 21, the President vetoed S.J. Res. 316, a resolution that would have blocked the remainder of the sale. On June 5, the Senate sustained the President’s veto. (Steven V. Roberts, “President Vetoes Effort to Block Arms for Saudis: Forces Delay by Senate: Vote to Override Put Off After Foes of Deal Detect Shift to Reagan’s Position,” *New York Times*, May 22, 1986, pp. A1, A19, and David Shribman, “Senate Vote Clears Arms Sale To Saudi Arabia: Chamber Narrowly Sustains Reagan Veto of Effort Against Missile Delivery,” *Wall Street Journal*, June 6, 1986, p. 29) See also *Congress and the Nation*, vol. VII, 1985–1988, p. 198.

⁸ The President was scheduled to visit Tokyo, May 2–7, to attend the G–7 Economic Summit meeting, May 4–6.

The Tokyo Summit is an event of major international and domestic significance. A demonstrated willingness by our Summit partners to continue growth oriented policies is important for sustained world economic recovery. Similarly, eyes in Washington will be on you to see whether contentious trade issues can be solved. As noted above, the House will be acting in mid-May on what appears to be a terrible trade bill.⁹ Any sign of progress on trade issues in Tokyo can only help. Finally, we can expect continued study of possible monetary reform although this is an idea whose time may not come this year.

A final "action-forcing" event is, of course, the second meeting with Gorbachev (or as the staff calls, it Gorbachev II). As you have made clear, the ball is in their court. We should not appear anxious to have the Summit by any particular date. Such a sign could well be misconstrued as being over-eager or even weak. You have played this on a very high level and should continue to do so. On the other hand, because the timing is in the Soviet's control we need to be prepared to act quickly when we hear from them. NSC, as you are aware, and our advance people, are quietly preparing so that we can hit the ground running when the word comes.

A truly action-forcing event is the possibility, perhaps likelihood, of a terrorist act on the part of, or sponsored by, Libya. Again, we must be prepared for the unexpected and John Poindexter is taking the lead.

You will be also facing a decision soon on a highly contentious arms control issue which will get considerable public scrutiny: interim restraints under SALT in the context of Soviet violations of arms agreements. There will be another NSPG on this later in the month, but we need to be prepared to handle this both domestically and on a public diplomacy basis once a decision is made.¹⁰ The issue is particularly sensitive since the Soviets in Geneva are still not seriously negotiating with

⁹ On May 1, the House Ways and Means Committee approved an omnibus trade bill (H.R. 4750), which was ultimately combined with bills generated by six different committees and reintroduced as H.R. 4800. (*Congress and the Nation*, vol. VII, 1985–1988, pp. 142–143) On May 22, the House voted 295–115 to approve the bill, which "would require the President to take more vigorous action against trading partners that subsidize exports to this country while they hinder American goods from entering their markets." (Steven V. Roberts, "House, 295 to 115, Votes to Tighten Trade Regulation: President Assails Move: Democratic Measure Requires Retaliation if Partners Are Deemed to Be Unfair," *New York Times*, May 23, 1986, pp. A1, D4)

¹⁰ The NSPG meeting took place on April 16 in the Situation Room from 10:22 until 11:24 a.m. (Reagan Library, President's Daily Diary) The minutes are scheduled for publication in *Foreign Relations*, 1981–1988, vol. XLIV, Part 1, National Security Policy, 1985–1988. In his personal diary entry for April 16, the President wrote: "An N.S.C. meeting—this time subject was SALT II & what to do about Soviet violations. The Soviets have called off the May 15 meeting with Shevardnadze. But that was after a meeting with W. German Foreign Minister Genscher." (Brinkley, ed., *The Reagan Diaries*, vol. II, November 1985–January 1989, p. 590)

us and we must continue to make clear that the ball here too is in their court.

The Rogers Commission and our own internal review of the future of the Space program will soon be completed.¹¹ We will have to face decisions with significant budgetary impact over the next several months (i.e., a replacement shuttle and expendable launch vehicle).

Finally, while much in the international arena seems to be action-forcing at best (and out of our control at worst) we do have initiatives to pursue. Two that come to mind that will get renewed emphasis in the months ahead are encouraging freedom fighters throughout the world and promoting your Strategic Defense Initiative. In both areas we are on the moral and political “high ground” and can generate considerable support at home and abroad. We have the Soviets literally on the defensive in both areas and should continue to press our advantage.

THE POLITICS OF IT ALL

Except in setting the scene at the beginning, this memorandum has not focussed on the “politics.” This is as it should be. While we should never forget the politics, often in setting policy the best politics is no politics. Nonetheless, some explicit consideration on the subject is appropriate. Our first priority is clearly retaining control of the Senate. We have followed a policy of regular appearances in support of our candidates and this will continue. While your level of activity will clearly increase in the fall, much of the work at present involves staff, departments and agencies working with candidates to be as helpful as possible, including avoiding public fights with our own Senators (although this, of course, is not entirely under our control). The “macro” elements are in place: a popular President and a growing economy. For the time being, the best payoff is at the micro level with your involvement largely limited to fundraisers, and occasional special events (such as your meeting with Henson Moore on off shore leases).

Staff will also be working at helping House members to the extent possible and on selected gubernatorial races where a “reapportionment” bonus may be possible.

¹¹ Following the January 28 *Challenger* disaster, in which seven astronauts were killed, the President announced on February 3 the establishment of the Presidential Commission on the Space Shuttle *Challenger* Accident. The President indicated that former Secretary of State Rogers would serve as Chairman and former astronaut Neil Armstrong would serve as Vice Chairman. For the text of the President’s remarks, see *Public Papers: Reagan, 1986*, Book I, p. 118. For the text of the final report, submitted on June 6, see *Report to the President By the Presidential Commission on the Space Shuttle Challenger Accident* (Washington: Presidential Commission on the Space Shuttle *Challenger* Accident, 1986).

CONCLUSION

I felt the planning session was extremely useful, and a number of working groups are being established to follow through on all the items mentioned above (as well as some not mentioned). It will be important for you, and your staff, to focus on those issues where Presidential involvement can make a difference. Detailed communications plans will be developed for the major issues identified above. I plan to reconvene our group next week in order to review follow-up plans and assign priorities. Any reaction you have, of course would be most appreciated.

270. Address by Secretary of State Shultz¹

Manhattan, Kansas, April 14, 1986

Moral Principles and Strategic Interests: The Worldwide Movement Toward Democracy

It is, of course, an honor and a privilege to take part in an event that is named after Governor—as he is known throughout the country—Alf Landon.² It has the symbolism of dignity, of intelligence, of commitment, and of humor. And I might say those virtues are embodied in Washington in Senator Nancy Kassebaum,³ with whom it is my pleasure to work, since she, particularly, is a member of the Foreign Relations Committee, my committee that I report to. And, of course, we have Senator Bob Dole who is giving us leadership in the Senate and other members of the Kansas delegation.

Someone once said of Alf Landon that “like every typical Kansan, he is an honest believer in self-government and civil liberties.” So the Landon Lecture Series is an appropriate forum for some basic questions about self-government and civil liberties. Today, I would like to talk about democracy—although not inside the United States but abroad.

¹Source: Department of State *Bulletin*, June 1986, pp. 35–39. All brackets are in the original. Shultz spoke as part of the Landon Lecture Series at Kansas State University.

²Landon served as the Republican Governor of Kansas from 1933 until 1937. He was the Republican nominee for President in 1936 and was defeated by incumbent President Roosevelt. Landon delivered the first lecture in the Alfred M. Landon Lecture Series on December 13, 1966.

³Kassebaum was the daughter of Alf Landon.

A struggle is spreading around the world for democracy. Kansas itself is a symbol of our own national struggle for this ideal. Kansas—"Bleeding Kansas"—was once an infamous battleground. In the middle of the 19th century, this State—and this country—were bitterly divided by an institution that denied human beings their most fundamental rights. The destruction of slavery was slow and agonizing, requiring the bloodiest war this nation has ever known. But by redeeming its democratic promise, America was able to survive its wounds and, ultimately, to prosper.

Today, an extraordinary movement toward democracy is unfolding in diverse corners of the globe. Only a few days ago, the Roman Catholic Church published an "Instruction on Christian Freedom and Liberation," which observes that:

One of the major phenomena of our time . . . is the awakening of the consciousness of people who, bent beneath the weight of age-old poverty, aspire to a life in dignity and justice and are prepared to fight for their freedom.⁴

The evidence of this movement is striking, particularly in the developing world. The most dramatic example is the growth of the democratic center and the decline of social oligarchies in Latin America and the Caribbean. Today, 90% of the people of this neighboring region enjoy democratic government, compared to only one-third a decade ago. Examples in other areas include the return to democracy in the past dozen years in Spain, Portugal, Greece, and Turkey; a new government in the Philippines; and the movement toward democracy in Pakistan, Thailand, and Haiti.

We should also note the prosperity and stability under free institutions of the Association of South East Asian Nations, called ASEAN, and other Asian countries. The movement toward more open governmental and economic arrangements there and elsewhere has been aided by a growing recognition—in states as diverse as China and several in Africa—that socialist economics does not spur development, that free markets are the surer path to economic growth.

⁴ The Vatican released the 59-page document, issued by its Congregation for the Doctrine of the Faith and signed by Cardinal Joseph Ratzinger, at an April 5 news conference. Ratzinger indicated that the document's "goal was to update Roman Catholic social teaching with an eye more to 'ethical' than 'political' ends." See E.J. Dionne, Jr., "Vatican Backs Struggle by Poor to End Injustice: But Document Also Sees New Forms of Slavery," *New York Times*, April 6, 1986, pp. 1, 15. See also Majorie Hyer, "Vatican Paper on Liberation Accepts 'Last Resort' Violence: Study Warns Against 'Myth of Revolution,'" *Washington Post*, April 5, 1986, pp. A1, A13. The *New York Times* also printed translated "key sections" of the document in its April 6 edition on page 15.

The best evidence for the growing power of this movement comes from people struggling against tyranny—particularly communist tyranny. The Soviet Union and its satellites, once thought immune to popular pressures, are now being challenged around the world: most notably by resistance movements in Afghanistan, Angola, Cambodia, Ethiopia, and Nicaragua.

Factors Common to Most Democratic Transitions

Nations have undergone different types of transitions to freedom and self-government. It is a complex process, which can move slowly and imperceptibly or explode in violent convulsion. Indigenous factors are central, and what is crucial in one place may not be in another. Nonetheless, there are certain overlapping factors common to most democratic transitions.

The first is the ruling order's loss of legitimacy. Economic decline, war, corruption, the death of a longtime leader—each factor alone, or with others, signals the failure of the ruling order and creates pressures for a new one to take its place.

A second consideration is the temper of the people and of the nations' elites. They have to “want” democracy. Elites favoring democracy, or who at least accept it as a practical necessity, are essential to providing the leadership necessary for the transition. Connected to this is the *quality of leadership*. Mrs. Aquino is proving an able leader in the Philippines, and King Juan Carlos has proven a model constitutional monarch in Spain. But poor leadership was a factor in the failed democracies of Latin America in the 1960s and early 1970s and in many of the states that became newly independent in the 1950s and 1960s.

The third factor is Western political and economic support. Democratic transitions take place through the efforts of the people themselves, but support from the United States and other Western countries can be crucial. In El Salvador, U.S. involvement has been decisive; and it has been important in Ecuador, Uruguay, and elsewhere in Latin America. Such support played a helpful role in the return of Spain and Portugal to democracy and in Turkey as well.

A fourth factor has been local reconciliation and amnesty. Without an effort to “bind up its wounds,” a nation in transition cannot build the tolerance and compromise that are essential to democracy.

A fifth factor in transition to democracy is the role of independent power centers, such as the military and, in Roman Catholic countries, the church. The military is usually a crucial player: it may help to throw out the autocrat, as in Portugal and the Philippines. It may be a positive force for stability and encouragement of movement toward democracy, as in Brazil. Or it may acquiesce in the transition, as in Argentina and

Uruguay. In recent years, the Roman Catholic Church has played a key role in countries like Spain and, again, the Philippines.

There are other factors shaping the complex process of democracy, such as the degree of literacy, the size of the middle class, the condition of the economy, and the strength of the democratic center against extremes of right and left. My point is simply that democratic transitions are complex; they are fragile, and they require careful nurturing to succeed. Just because we played a successful role in the Philippines doesn't mean we will always succeed. Some people fear the risks in such transitions, recalling developments of the 1970s in Iran and Nicaragua. But the many successful transitions to democracy that I've noted should give us confidence. And if we use our power wisely, become engaged where we can help, and understand the local forces at work, we can advance the ideals we hold so dear.

The U.S. Response

This democratic movement is out there; it's happening. The United States, as the strongest free nation in the world, is in a position to influence it. How should we respond?

Our position is unambiguous. The Reagan Administration supports human rights and opposes tyranny in every form, of the right as well as the left. Our policy is unequivocally on the side of democracy and freedom. [Applause] I'm glad to hear there is support for democracy and freedom in Kansas. [Applause]

But not everyone thinks we should respond. A leading argument against an activist U.S. policy comes from the "realist" school of critics. It accepts the fact of American power in the world but argues that we must exercise that power through a cool if not cold, a detached if not amoral, assessment of our interests. Our interests must predominate. In this view, the promotion of democracy abroad is a naive crusade, a narcissistic promotion of the American way of life that will lead to overextension and ill-advised interventionism. Moral considerations, we are told, should not have important weight in our foreign policy.

There are two problems, in my view, with this argument. The first is that the American people believe in our nation's ideals, and they want our foreign policy to reflect them. That is the reason why our recent actions in Haiti and the Philippines evoked such widespread support at home. The second is that the basis for this argument—the old dichotomy between realism and morality—is one whose meaning has changed sharply in today's world.

The realist critique ignores the crucial fact that our principles and interests are converging as never before. The reason is that in the modern world, which is shrinking to intimate size through new technologies, the growth of democratic forces advances our strategic interests in

practical, concrete ways. What happens in southern Africa or East Asia matters to us economically, politically, and socially; and television and the jet plane won't let us ignore once-distant realities.

I find this convergence of principles and interests one of the most promising developments of this decade, because it gives us an opportunity to rebuild the once great bipartisan consensus on foreign policy, the consensus that fragmented over Vietnam.

National Interests

Just how does active U.S. support for democracy serve our interests? First, on the most fundamental level, we are aligning ourselves with the desires of growing numbers of peoples throughout the world. But there is more. We believe that when governments must base policy on the consent of the governed, when citizens are free to make their views known to their leaders, then there is the greatest prospect of real and lasting peace. Just as people within a democracy live together in a spirit of tolerance and mutual respect, so democratic states can—and do—live together the same way. The European Community and other inter-European bodies, for example, are models of international cooperation.

A second reason—democratic nations are the best foundation of a vital world economy. Despite our current trade problems, international commerce is central to our own economic well-being. Twenty percent of our gross national product is connected to trade today, compared with only 10% in 1950. People overseas have to be able to afford our goods; and nations that permit open economies, that give free rein to the individual and minimize government interference, tend to be the most prosperous. Not all such nations are democratic, but most are. They have confidence in their citizens and encourage them to act in ways that stimulate, rather than hamper, economic growth. Democracies also provide the political stability needed for economic development. Further, nations that experience rising living standards through peaceful trade do not want to risk their prosperity in war.

President Reagan put it simply to the UN General Assembly last October:

Free people, blessed by economic opportunity and protected by laws that respect the dignity of the individual, are not driven toward the domination of others.⁵

Third, the movement toward democracy gives us a new opportunity to advance American interests with only a modest commitment

⁵ See Document 253.

of our resources. In the past, it was thought that we could advance our interests, particularly in the developing world, only with a massive commitment of our political, economic, and, sometimes, military power. Today, the reality is very different: we have partners out there eager for our help to advance common interests.

America's friends and allies are all the more important today given the limits on our own resources, the steady growth in our adversaries' power, and the understandable concern of the American people that our friends carry their fair share of the burden. In Central America, Southeast Asia, Turkey, the Philippines, and elsewhere, the success of democracy furthers our own strategic interests.

Fourth, I believe that prudent U.S. support for democratic and nationalist forces has a direct bearing on our relations with the Soviet Union. The more stable these countries, the fewer the opportunities for Soviet interference in the developing world. Remember that it was Soviet intervention in Angola, in Ethiopia, and especially in Afghanistan that helped to undermine confidence in Soviet-American relations in the late 1970s. Success by freedom fighters, with our aid, should deter the Soviets from other interventions. A less expansionistic Soviet foreign policy would, in turn, serve to reduce tensions between East and West.

In an imperfect and insecure world, of course, we have to cooperate and sometimes assist those who do not share our principles or who do so only nominally. We cannot create democratic or independence movements where none exist or make them strong where they are weak. But there is no mistaking which side we are on. And when there are opportunities to support responsible change for the better, we will be there.

Foreign Policy Instruments

Our national interest in promoting democratic forces requires us to take a long, hard look at the means available to us. Despite recent successes, we have to be sober about what we can achieve; and we should anticipate setbacks. As I said earlier, political transitions are fraught with complexity.

The United States possesses a wide range of instruments for promoting our interests abroad. Decisions about which to use, and in what combination, will vary from case to case. Congress has to give us the necessary flexibility. Excessive restraints and micromanagement only complicate our efforts.

One factor is a fundamental aspect of every situation: *our own military and economic strength*. Diplomatic efforts and economic assistance cannot succeed if the United States is seen as unable or unwilling to defend its ideals, its interests, and its friends. That's why President Reagan's achievements in rebuilding our military and restoring our

economic prosperity have done so much to enhance our position in the world. Congress ought to keep this in mind when it votes shortly on proposals that would sharply cut back on defense preparedness.

Let me now turn to the more specific instruments used to implement our policy.

Economic Assistance. The first is economic assistance. Sound economic development is conducive to democratic political development and stability. Openness to fair trade on our part contributes powerfully to this objective and benefits us as well. And this objective also explains why economic assistance has constituted the overwhelming percentage of our direct help to other governments. Under the Reagan Administration, three-quarters of our aid to the countries of Central America has been economic, rather than military, assistance. Worldwide, in the past 5 years, almost two-thirds of our assistance has been economic; only one-third military. And the Administration's Caribbean Basin Initiative, as an example, opened special trading opportunities to neighboring small economies.

American economic aid can be a powerful tool for democratic development. In Haiti, for example, we exerted the influence of our economic aid at a key moment to facilitate a peaceful transition to a new era, bringing the promise of democracy to a country long ruled by dictatorship. And we are now doing all we can to support the parties trying to establish democratic government there.

Security Assistance. The second instrument is security assistance to friends, which often complements our economic help. Security assistance serves a number of purposes: it helps allies and friendly countries to defend themselves and to deter threats of outside interference; it gives us influence to help mediate conflicts; it helps sustain our access to valuable bases in strategic areas; and it gives us the opportunity to promote the importance of respecting civilian government and human rights. Security assistance also enables allies and friends to accept defense responsibilities that we might otherwise have to assume ourselves—at much greater cost in funds and manpower. Dollar for dollar, it's the most cost-effective security money can buy.

El Salvador is the most recent example of how our military and economic assistance works together to enhance our security even as they strengthen indigenous democratic institutions. Five years ago, the communist guerrillas in El Salvador had launched their so-called final offensive. Rightwing death squads seemed out of control. And, to many, the prospects for democracy seemed hopeless. Our critics—many of whom also oppose aid to the Nicaraguan democratic resistance today—opposed our aid program as a waste of money, as support for an oppressive regime. How wrong they were.

After considerable debate, a majority in Congress came to support our program. The results are something all Americans can be proud of. Today, strengthened by our military aid and stabilized by our economic assistance, El Salvador is writing an extraordinary chapter in the history of democracy. In the midst of a guerrilla war, four fair elections were held in 3 years; a constituent assembly drafted a constitution; and a president, national legislature, and local officials have been elected according to the constitution's rules. Our assistance gave the long suffering people of that country the chance to speak out and choose democracy as the road to a better life. And they are carrying on the fight themselves. Contrary to the critics, we have not been drawn into any quagmire in El Salvador.

Diplomatic Engagement. The third instrument of U.S. policy in promoting democratic reform is diplomatic engagement. In the Philippines, our influence helped to bring about an election that enabled the Filipino people to make their views known—an election that ultimately led to a new government. Throughout that crisis, we put our prestige firmly behind the principles of democratic choice and nonviolence. The jubilant faces of the crowds in Manila in the days following Mrs. Aquino's accession to the presidency demonstrated for all the world to see just what America's ideals really mean.

Our diplomatic efforts directly advanced our strategic interests as well. A new, friendly government whose legitimacy is firmly based on the will of the people offers far better prospects for our future base rights in the country. Imagine the enmity we would have earned—and deservedly so—had we tried to block the will of the people and encouraged the use of military force to suppress them. What would have been the future prospect for our bases then?

We are also active in trying to help resolve a number of regional conflicts, believing that in each case a lasting solution depends on the free choice of the people involved: in Afghanistan, Cambodia, Ethiopia, southern Africa, and Central America. To facilitate such solutions, last October President Reagan proposed at the United Nations a plan designed to persuade the Soviet Union and the warring parties to work for peace, rather than to continue to pursue a military solution in each of these areas. We're still waiting for a positive response from Moscow.

We have broad agreement in this country on the use of these foreign policy instruments—U.S. military and economic strength, economic assistance, security assistance, and diplomatic engagement—to promote our goal of democratic development.

U.S. Military Power. The last of our policy instruments, one which evokes some controversy, is U.S. military power. It includes a variety of options: weapons sales, the use of military advisers, training, and, as a last resort, direct U.S. military action—as in Grenada.

Political support and modest U.S. military assistance to those resisting Soviet-supported or Soviet-imposed regimes are certainly a prudent exercise of U.S. power. In most cases, the resources involved are small; \$100 million for the Nicaraguan democratic resistance, for example, is a modest investment in a region so critical to our security.

In such a case the power developed through our assistance may be the only force capable of bringing communist rulers to the negotiating table. But if the adversary won't negotiate, we must be prepared to offer the material assistance needed for victory. We do not favor open-ended escalation or a cynical policy of using the struggles of courageous people to "bleed," in Mr. Gorbachev's phrase, the Soviet empire. But we will help these people be effective in the fight that they have chosen to make for themselves.

Sometimes, our aid needs to be covert. Friendly countries which would funnel our aid may fear open involvement. The local group we are helping may have legitimate reasons not to have us identified as its ally. Covert U.S. aid may give us more room for political maneuver and our adversary more room for compromise. There are other factors as well.

We can never succeed in promoting our ideals or our interests if we ignore one central truth: *strength and diplomacy go hand in hand*. No matter how often this is demonstrated by history, some people simply cannot—or will not—grasp it. Over and over again we hear the refrain: "Forget strength, let's negotiate." No chips; no cards; no hand to play—just negotiate. Unfortunately, it's an objection based on an illusion.

As we work to support the trend toward democracy in the world, we must also remember an important lesson: formulas abound for transitions from traditional authoritarian rule, and recent history shows that such transitions do occur. But there are no successful, peaceful models for getting rid of Marxist-Leninist totalitarian regimes.

That is why our aid to the Nicaraguan resistance is so crucial. The tools we are working with—diplomatic and economic—will not prove effective without a sustained program of military assistance to the democratic resistance. If America is stripped of this tool, we inevitably will face the unwelcome choice between helplessness and starker action. Negotiations are a euphemism for capitulation if the shadow of power is not cast across the bargaining table. How many times must we learn this simple truth?

Critics who would deny us that tool refuse to face the fact that power is the language the Nicaraguan communists understand. These critics favor the moral ends—the human rights—that have always comprised the idealistic element in U.S. foreign policy; but they ignore the fact that power is necessary as a guarantor of these noble ends. They advocate Utopian, legalistic means like outside mediation, the United Nations, and the World Court, while ignoring the power

element of the equation—even when faced with a communist regime whose essence is a monopoly of power and the forcible repression of all opposition.

Such an approach is riddled with contradictions. It applauds our support for freedom in the Philippines, Haiti, and South Africa. Some of its advocates even endorse our support for freedom fighters in far-off Afghanistan and Cambodia. But it opposes active efforts to bring freedom to nearby Nicaragua, where democrats on our very doorstep are fighting to save their country from communism.

This schizophrenic approach is not a policy, it's an evasion. It would doom the very ideals and hopes for negotiated solutions it advocates and would make the United States impotent where we are needed most.

Guarding Democracy

My topic today has been the significant trend toward democracy in diverse areas of the world and the consequences for the United States. Events—and U.S. policy—have been fostering a world of greater openness and tolerance. But democracy faces many enemies, brutal leaders who feel threatened by tolerance, by freedom, by peace and international cooperation. These enemies will stop at nothing in trying to destroy democracy: deception, propaganda, terrorist violence against innocent men, women, and babies. No tactic is too gruesome in their destructive manipulations. They are at war with democracy, and their means make all too clear their hostility to our way of life.

The terrorists—and the other states that aid and abet them—serve as grim reminders that democracy is fragile and needs to be guarded with vigilance. These opponents of our principles and our way of life think they can vanquish democracy by exploiting free peoples' love of peace and respect for human life and by instilling fear in ordinary citizens to demoralize them and undermine their faith in democracy. The most challenging test for the global movement toward democracy—the sternest test for all free nations—is to summon the will to eradicate this terrorist plague. Because terrorism is a war against ordinary citizens, each and every one of us must show a soldier's courage. If the terrorists cannot instill fear in us, they are beaten. If free peoples demonstrate what Israel's Ambassador to the United Nations calls "civic valor," and if we do not hesitate to defend ourselves, democracy will prevail.

We live in a dynamic era. In the 1950s and 1960s, Marxist-Leninist revolutions and socialist economics seemed the wave of the future in the developing world. But today, those models have proved bankrupt—morally, politically, and economically. Democracy and freedom are the wave of the future. This trend is opening up new opportunities for U.S.

foreign policy. We helped to create this trend, and we can continue to help it along with prudent policies that support other peoples as they strive to realize their own aspirations. In so doing, we advance both our moral ideals and our national interests.

This notable convergence of ideals and interests is the reason why I am optimistic about the future. As the world's first constitutional democracy, we Americans have always felt a profound stake in the ideal of democracy and its future in the world. As citizens of a nation founded on ideals, the American people want their foreign policy to promote their highest values. I am confident the American people can support the goals I have enunciated here today.

I am also confident that we have broad public support for the basic policy instruments I have outlined. When we reach a broader understanding of the inescapable role of military power—our friends' power as well as our own—as one of these instruments, we will have completed the rebuilding of the once great bipartisan foreign policy consensus. And the United States will be an immeasurably stronger force for peace and freedom in the world.

271. Information Memorandum From the Director of the Policy Planning Staff (Solomon) to Secretary of State Shultz¹

Washington, April 22, 1986

SUBJECT

Time to Reactivate Relations with China

SUMMARY: You have urged us “not to go to sleep” regarding relations with China, and to avoid drift in our policy toward Asia. We should take some steps to inject more focussed activity into our dealings with China, defining clearly for ourselves a strategy and tactics

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons 4/1–30/86. Secret; Sensitive. Shultz's stamped initials appear at the top of the memorandum. In the top right-hand corner, Shultz wrote: “Let us have a good discussion with Win Lord when he is back here.” A typed transcription of Shultz's notation bears the date April 24. Quinn initialed the memorandum and wrote “4/22.” “CJ” (presumably Cozetta D. Johnson, S/S) initialed the memorandum for Platt and wrote “4/25.”

to make the relationship serve our interests in the region. The timing is right, and there are opportunities in upcoming exchanges to impart new momentum to our China policy, especially in relation to the continuing Soviet military buildup in Asia and regional security issues (primarily Korea and Indochina). *END SUMMARY*

Soviet Regional Gains Require a Response; China is the Key

In contrast with most places around the world, the Soviet Union is slowly improving its position in Asia, particularly in Indochina and on the Korean Peninsula. Although China remains fundamentally at odds with the USSR, nonetheless Beijing's aloofness from strategic cooperation with the US has lessened Moscow's anxiety about our potential for coordinated security activity with China. We need to think about how to reverse these developments, starting from the strong position we occupy in the region.

It is imperative that we shape our dialogue with the Chinese to address our common concern with preventing or reducing Soviet inroads. The Chinese ultimately will have to be involved if we are to achieve any lasting stability on the Korean Peninsula or a settlement in Cambodia. By working with the Chinese we stand to increase our chances of avoiding unfavorable outcomes in Korea and Indochina; and by being seen by Moscow to enhance our cooperation, we complicate Soviet plans for future adventures.

Make US-PRC Military Cooperation Serve Our Goals

Our military cooperation with China has had an unfocused quality. We react to Chinese "wish lists" for technology or weaponry rather than define our own objectives in such security cooperation. The place to start in defining what we want out of such cooperation is our common concern for an adequate defense against the buildup of Soviet forces in the Far East and Pacific.

At this early stage of our security relationship with Beijing, and given the state of the China-Taiwan issue, it is not at all clear, for example, why we are getting involved in the modernization of China's navy, an activity that troubles our allies and friends. Our focus should be, instead, on intrinsically defensive common measures such as air defense warning systems (to counter the Soviet *Backfire* threat).

The Time to Move Is Now

China has tried unsuccessfully in recent years to use diplomatic carrots to prompt the Soviets to act on Beijing's security concerns—removal of the "three obstacles" associated with the Soviet military

encirclement of the PRC.² To date, the Chinese have found the Soviets totally unresponsive to their security concerns, yet they have given Moscow the appearance of an improvement in Sino–Soviet relations: trade is up, political tensions are lower, and the Chinese appear to be more forthcoming than the Soviets.

Since late last autumn, the Chinese have sharpened their criticism of the Soviets. It is now in China's interest to make itself less "available" to Moscow, shore up relations with the West, and build pressure—the stick—for Soviet concessions. Beijing may also believe that having gone as far as it did to normalize relations with Moscow, it gave away too much and now needs to restore some balance in its dealings between the US and USSR.

Our own activity in US–PRC relations has flagged since the high points of 1983–84, culminating in the President's trip to China. It is time to inject some clear purpose into our high level conversations lest they become mere hollow exercises.

Upcoming Exchanges Can Be the Starting Point

Your visit to Korea,³ Vice Premier Yao Yilin's impending trip to Washington,⁴ and the subsequent visit to the US of PRC Chief of Staff Yang Dezhi⁵ present opportunities to freshen our thinking on the China relationship and start things moving.

Your trip to Seoul will help to activate consideration of Korea-related issues, including the North–South dialogue, possible US dealings with the North, etc. Given growing Soviet involvement with the North Koreans, the Chinese are dropping their facade of indifference and showing real concern in private. We share a mutual interest in working this problem, and your visit to Seoul is an occasion to look for

² See footnote 5, Document 242.

³ Shultz was scheduled to travel to Seoul, May 7–8, following the G–7 Tokyo Economic Summit meeting (see footnote 8, Document 269). Documentation on his discussions with Chun and other senior South Korean officials is scheduled for publication in *Foreign Relations*, 1981–1988, vol. XXXI, Japan; Korea, 1985–1988.

⁴ In telegram 1508 from Beijing, January 22, Lord indicated that after a working luncheon "I was taken aside by Zhang Wenpu and Li Baocheng (Director and Deputy Director respectively of the Department of American and Oceanian Affairs, Ministry for Foreign Affairs). Zhang wished to tell me informally that the Chinese would like to have Vice Premier Yao Yilin visit the U.S." and noted, "Zhang thought mid-May would be convenient for him if it were also for the U.S. side. The Chinese would be coming to me officially concerning this visit in a few days." (Department of State, Central Foreign Policy File, Electronic Telegrams, D860212–0023, D860208–0460, D860051–0921) Yao was scheduled to visit Washington, May 14–17.

⁵ Scheduled to take place in May.

ways we might engage with the Chinese more constructively on the future of the Peninsula.

When Yao is in the US, a meeting with the President⁶ can convey symbolically our sense of the importance of the China connection. The President might, for example, express to Yao his determination to overcome opposition to Senate passage of the Bilateral Tax Treaty.⁷

Your meeting with Yao can communicate where we want to see the relationship go over the next year or so:

—You might tell Yao of your interest in visiting China sometime in the early part of 1987.

—Our differences with the Chinese over Cambodian strategy should be aired again, stressing our inability to work with the Khmer Rouge, yet our interest in working with the Chinese in developing a longer term approach to Indochina which will work toward our common goal of eliminating the Soviet presence in Vietnam. As part of this effort, we have to be prepared to do more ourselves to support the non-communist resistance.

—We should also propose working together more closely against the Soviet military threat in Northeast Asia, and to weaken growing Soviet influence in North Korea.

⁶ The President met with Yao on May 15 in the Oval Office from 11 until 11:35 a.m. (Reagan Library, President's Daily Diary) The memorandum of conversation is scheduled for publication in *Foreign Relations, 1981–1988*, vol. XXIX, China, 1984–1988. In telegram 173099 to Beijing, June 2, the Department sent a synopsis of the meeting, noting: "The meeting was essentially a courtesy call, but there was a good exchange of views. The President emphasized the importance he attached to continued development of U.S.-Chinese relations and the value of these high-level exchange visits. He reviewed U.S.-Chinese relations, stating that they are mature, broad-based, and genuinely friendly. He suggested that efforts be directed at expanding areas of consultation and cooperation to increase common interests and minimize differences. He also briefed the Vice Premier on the meetings in Bali and Tokyo. He noted that the US is determined to work for a lasting improvement in relations with the Soviet Union. The President assumed there would be a summit by the end of this year, as Gorbachev agreed." (Department of State, Central Foreign Policy File, Electronic Telegrams, N860006–0148)

⁷ During the President's 1984 trip to China, he and Zhao signed a bilateral tax agreement to encourage private investment. (Lou Cannon, "President Calls for 'Friendship': Reagan Signs Pacts on Exchanges and Taxes in Peking," *Washington Post*, April 30, 1984, pp. A1, A19) For the text, see *Tax Agreement With the People's Republic of China: Message from the President of the United States, 98th Congress, 2d Session*, Treaty Document 98–30 (Washington: Government Printing Office, 1984). As of April 1986, the Senate had failed to ratify the treaty. In May, James Baker traveled to Beijing and negotiated with Chinese officials changes to the treaty designed to limit benefits accruing under the treaty. ("China and U.S. Agree To Close a Loophole In Plan for Tax Treaty," *Wall Street Journal*, May 12, 1986, p. 14) The Senate ratified the treaty on July 24. Documentation on the treaty is scheduled for publication in *Foreign Relations, 1981–1988*, vol. XXIX, China, 1984–1988.

At the same time, the Chinese should not be left in doubt about our unhappiness with their condemnation of our attack on Libya,⁸ arms sales to Iran, and actions promoting nuclear proliferation in South Asia.

When General Yang visits, our military can present our view of the priorities in the US-China relationship. These might include Over-The-Horizon radar data sharing to deal with the common threat posed by Soviet Backfires. We can inform him or, preferably, someone lower ranking in his party, of our willingness to join with Chinese experts in SDI research projects of mutual benefit, despite Beijing's rhetorical posture against weapons in space.

The Strategic Picture

By using the tools and opportunities at our command, we can impart more direction and momentum into the US-China relationship. This will restore us to the "swing" position in the US-USSR-China strategic triangle that we occupied in the 1970s, given the fact that both China and the USSR have more to gain from positive relations with us than with each other.

Our assertion of the lead will also demonstrate to the Chinese our determination to pursue shared interests with them. And, as we deepen the relationship with China in areas of mutual advantage, we give Beijing added incentives for restraint on the Taiwan issue.

⁸ On the evening of April 14, U.S. air and naval forces launched a series of strikes against various targets in Libya.

272. Handwritten Notes by Secretary of State Shultz¹

Washington, June 6, 1986

US-USSR

I. Relative position [of] the two countries

- A. Freedom works and is spreading
- B. Free markets, entrepreneurship is the way to go—even China
- C. Their only forward positions are based on military force—
- D. Even on basic ability to project force, we are in drivers seat

- bases
- projection capability

E. Only one area of true comparative advantage: land-based, mobile, ballistic missiles

- a nuclear ~~free world~~ and ballistic missile free world would be to our advantage

- impact of Chernobyl²

II. The concept of linkage

A. Nixon era and beyond advocacy

- =past notion that the rising tide will lift all the boats
- didn't work

¹ Source: Reagan Library, George Shultz Papers, Arms Control (12/09/1984–07/15/1986); NLR-775-22-76-2-2. No classification marking. The editor transcribed the text from Shultz's handwritten notes specifically for this volume. An image of the notes is Appendix A. Shultz's notes were taken during a June 6 NSPG meeting, which took place in the Situation Room from 10:58 until 11:51 a.m. (Reagan Library, President's Daily Diary) A memorandum for the record of the meeting, prepared by Casey, is in *Foreign Relations, 1981–1988*, vol. V, Soviet Union, March 1985–October 1986, Document 239. The minutes are in the Reagan Library, Executive Secretariat, National Security Planning Group (NSPG), NSPG 134 06/06/1986 [US-Soviet Relations]. In his personal diary entry for June 6, the President recalled: "We had a short N.S.P.G. meeting about what we can do with the Soviets. It had to be called off before any decision—we'll take it up next week. Then Nancy & I had lunch with Suzanne Massie who truly is a great authority on the Russian people & the Soviets. She's convinced the govt. there is having real problems with Gorbachev & the old guard at odds. I believe this is true." (Brinkley, ed., *The Reagan Diaries*, vol. II, November 1985–January 1989, p. 606)

² On April 26, a nuclear accident occurred at the Chernobyl Nuclear Power Plant in the Soviet Union, resulting in the release of radioactive material. Documentation on the accident is in *Foreign Relations, 1981–1988*, vol. V, Soviet Union, March 1985–October 1986.

II. B. Reagan concept

- illustrated by sending negotiators to Geneva at [unclear—height?] of furor over Korean air liner
- =will work on areas when we stand to gain
- corollary—we will pursue interests independently where it is to our advantage
- RAND speech & Soviet attitude conditioned by Afghan

C. Soviet problem with “spirit of Geneva”

- Why the [illegible]
- Libya

III. Post-summit [unclear—moves?]

- see notes³

IV. Fork in the road—we have choices & so do they

A. For them.

- Divide and wait
- UN budget, Europe, next will be more malleable, they are young and have time
- But chance to [unclear] with man who can carry his country
- military=block economic plans

IV. A. —moves suggest he is probing

B. For us

- exam [main?] objectives=
- deep cuts in strategic systems
- SDI [unclear] built into the system of the 1990s
- strong alliances
- strong defense
- need to get going this year if we are to get to strategic systems

V. Our priority actions

- Restore funding for defense and foreign affairs
- Shore up alliances
- Advance positions that can lead to good agreements

³Not found and not further identified.

273. Memorandum From Secretary of State Shultz to President Reagan¹

Washington, undated

SUBJECT

Arms Reduction: Getting to the Pay-Off Stage

Your policies on strategic modernization, SDI, and alliance strength have made a big impact on the Soviets. As a result, our diplomatic strategy, from the summer of 1984 to Geneva 1985 to your meeting with Gorbachev last November, is paying off.

The Soviets no longer are standing there flat-footed calling for a “ban on space strike weapons.” They are moving swiftly and skillfully with a wide range of clear, substantive proposals. Most important, they are now talking about *our* agenda. They have made the decision to play in *our* ball park.

—We said the Soviets should prove their seriousness by advancing proposals confidentially at Geneva rather than publicly—they have done that.

—We said the key barrier to progress in START was Soviet insistence on including U.S. forward-based systems in strategic reductions—they have largely dropped it.

—We said ALCMs and SLCMs must not be banned—they have agreed.

—We said the Soviets must back up their assurances that they will accept extensive verification measures—they have provided details that incorporate our ideas.

—We said the Soviet demand that SDI be halted must be dropped—they have shifted their position in a way that creates the potential for an outcome that would allow the current research program and protect future deployment options.

The Soviet offer to cut strategic weapons, properly defined, by less than 50% is far better than their old offer for 50% cuts based on a one-sided definition. More important than the size of the first step toward elimination of nuclear weapons is that the *right weapons* be reduced.

¹Source: Reagan Library, Robert Linhard Files, Compartment File, SAGE 03–Tactics. Secret. The President initialed the top right-hand corner of the memorandum.

And the impact of the Chernobyl accident is immense. Gorbachev's thinking must be affected by it.² Now is the time to capitalize on its implications for achieving a non-nuclear weapons world of the future.

So, for the first time since 1981, we have got the Soviets to play the game. We are ahead and we will win—but not if we just sit on our lead.

A good agreement is the only way to make your achievements permanent. It has to have two parts: one that locks in the Soviets, and one that locks in your successors in office. We cannot get to a non-nuclear world or one less dependent on nuclear ballistic missiles without a U.S.-Soviet treaty.

But this requires practical *near-term steps* aimed at making SDI a permanent fixture of the U.S. strategic posture, and not just another costly program under perpetual attack by the media and voted on by Congress every few months, under constant threat of emasculation or cancellation.

This is the moment to make our next move. The Soviets are signaling a readiness to deal. We need to put substantive proposals in play. We should instruct Max³ to make a plenary statement before the end of this round that we regard elements in their new positions as serious and constructive, and that we are preparing a response that will build on those elements.

We would put the details of our comprehensive proposal on the table during the next round—and work to lay the foundation for it through private channel talks between the rounds. We would also use this channel to engage the Soviets in discussions on the meaning of Chernobyl.

Clearly, the Soviet proposal to tie offensive arms cuts to a 15–20 year commitment not to withdraw from the ABM Treaty aims to impede SDI. But we can avoid such a problem by *adjusting the timing* of the commitment. After all, we've said that SDI research would be conducted within ABM Treaty limits and those most intimately involved in the research say that a deployment cannot intelligently be made until the early 1990's at best. A negotiator who gets something in return for the sleeves from his vest is doing okay.

We could propose that the offensive cuts we seek and a commitment not to withdraw from the ABM Treaty be *mutually contingent* over the next 5–6 years. SDI research could proceed as planned. The program

² See footnote 2, Document 272.

³ Kampelman.

would be institutionalized beyond your term because *SDI would become the enforcer* to ensure Soviet compliance with agreed offensive cuts.

The SALT II protocol, which temporarily banned deployment of long-range sea-launched or ground-launched cruise missiles, provides a precedent for such a short-term commitment. During the period of the protocol, robust SLCM and GLCM research and development programs proceeded; after the commitment expired, both systems were deployed. There is no reason why we cannot repeat this experience with SDI.

Attached is a set of elements of a comprehensive U.S. counterproposal.⁴ These elements are designed to form the basis of a constructive response while fully protecting—more importantly, providing long-term support for—the strategic modernization program and SDI.

The counterproposal encompasses all three subjects being addressed in Geneva, and nuclear testing as well:

—In START, we would continue to press for 50% reductions in warheads and throw-weight, and make adjustments on secondary issues such as mobile ICBMs and SLCMs to show movement toward the Soviet position.

—In Defense and Space, we would clarify the ABM Treaty to explicitly permit the SDI program, and on that basis agree not to withdraw during the 5–6 years the offensive reductions are underway.

—In INF, we would pursue the deep reductions in INF missiles contained in the first two phases of your February proposal.

—In Nuclear Testing, we would make a specific proposal based on our position, focussing first on verification procedures for the existing threshold test ban, followed by reductions in the number of tests linked to reductions in offensive missiles.

Such a comprehensive package is necessary to achieve the deep reductions we seek in offensive nuclear forces and to safeguard the future of SDI.

Mr. President, the strong U.S. stance has brought us to the historic juncture of your Presidency. *The Soviets have blinked.* With an appropriate counterproposal, we can put ourselves in the *strongest possible position* to obtain an historic arms reduction agreement. And, if the Soviets do not agree, we will have created the record necessary for Congressional, Allied, and public support of the efforts we must take to protect ourselves.

⁴ Attached but not printed is a June 17 paper entitled “Elements of a Comprehensive US Counterproposal.”

274. Memorandum From the Assistant to the President and Director of Communications (Buchanan) to the White House Chief of Staff (Regan) and the President's Assistant for National Security Affairs (Poindexter)¹

Washington, June 23, 1986

Understand there is some dissent to the idea of addressing the Congress on aid to the democratic resistance in Nicaragua. Seems to me that every argument is on the side of doing it—in a dramatic appearance Tuesday night.²

A) If we already have the votes to win narrowly, a Presidential address will garner *all* the credit for Ronald Reagan—and will likely increase our margin of victory. The speech is tailored to the Democratic arguments.

B) If we do not have the votes, the President will be given credit for Churchillian leadership, for going the last mile. Full responsibility will then fall, squarely and totally, on the Democratic House.

However, if we lose this vote narrowly,—and Ronald Reagan is watching on television from a vacation retreat in California—we will not escape blame. For the President to go to a fundraiser for a Democratic defector (Santini), and then go on vacation, before the vote even takes place, will send a message to the House—and the Washington community—that Nicaragua was not that high a priority.³ The effect of

¹ Source: Library of Congress, Manuscript Collection, Donald T. Regan Papers, Box 192, White House, Notes, Daily Meetings, June 1986 (2 of 2). No classification marking. Immediate. Although Buchanan indicated that he had attached a final draft of the proposed address, the final draft was not found attached.

² June 24.

³ Reference is to James Santini, Republican Senatorial candidate for Nevada. The President was scheduled to travel to Las Vegas June 24 to attend a Senate campaign fundraising dinner for Santini and then fly to California to vacation at his ranch. However, Reagan did not fly to Las Vegas until June 25. (Reagan Library, President's Daily Diary) In his personal diary entry for June 24, the President noted: "When I got to the office Don R. told me I just couldn't go with the Contra vote hanging over us & Tips refusal to let me address the House. Well I knew he was right but I was d--n mad. There was the matter of my appearance tonite in Las Vegas—a fund raiser for our cand. for Senate Cong. man Santini. Well, we got them to postpone it until tomorrow night." (Brinkley, ed., *The Reagan Diaries*, vol. II, November 1985–January 1989, p. 612) In his remarks at the June 25 dinner, the President addressed the delay: "Now, I imagine you're all well aware that the problem confronting us, and that caused the 24-hour delay, had to do with an amendment to a military construction bill, and the amendment that they were going to try to put on that bill was one that called for aid to the *contras* and to our other allied states down there in Central America." (*Public Papers: Reagan, 1986*, Book I, p. 841)

our defeat will be to divide our own people, raising the questions as to who was responsible for that narrow loss.

Rarely have I seen a no-lose proposition; but a dramatic and electric Presidential visit to Congress tomorrow might, postponing by a few hours both his vacation and a political appearance, will send a message to Congress, the country, and the Soviets—that Ronald Reagan is deadly earnest about Nicaragua aid.⁴

⁴ Although the President did not visit Capitol Hill on June 24, that day he did deliver an address to the nation on U.S. assistance for the Nicaraguan resistance. For the text of the address, see *ibid.*, pp. 833–838. He also transmitted his remarks in writing to Speaker O’Neill under a June 24 letter. For the text of the letter, see *ibid.*, p. 838. In his personal diary entry for that day, he wrote: “At 12 noon I went on T.V. with the speech I would have given to the House. I spent the day phoning & meeting with House members trying to line up votes—with some success.” (Brinkley, ed., *The Reagan Diaries*, vol. II, November 1985–January 1989, p. 612) The House of Representatives attached the contra aid package to the FY 1987 military construction appropriations bill (H.R. 5052) and approved it by a 249–174 vote on June 25. In a statement released on June 25, the President praised the decision, stating: “The vote today in the House of Representatives signals a step forward in bipartisan consensus in American foreign policy. I want to congratulate all those who voted to restore this spirit of bipartisan cooperation on foreign policy issues. Once again members of both parties stand united in resisting totalitarian expansionism and promoting the cause of democracy.” (*Public Papers: Reagan, 1986*, Book I, p. 840) The Senate approved the \$100 million aid package in votes taken August 12 and 13. The military appropriations bill, containing the contra provisions, was subsequently included within the FY 1987 continuing appropriations resolution (H.J. Res. 738). Public Law 99–591, (100 Stat. 3341), which the President signed into law on October 18, authorized the \$100 million in aid. Of the \$100 million, \$60 million could be spent at any time and \$40 million could be spent only after February 15, 1987. In addition, \$30 million was designated as humanitarian aid. (*Congress and the Nation*, vol. VII, 1985–1988, p. 179)

275. Address by Secretary of State Shultz¹

Cambridge, Massachusetts, September 5, 1986

Progress, Freedom, and Responsibility

Thank you very much, President [of Harvard University Derek] Bok. Thank you, ladies and gentlemen. Mr. President, Governor, Mayor, of course, Mr. Speaker, distinguished ladies and gentlemen.² Tip [Congressman O'Neill], we spend so much of our lives paying tribute to you in Washington that it's a real pleasure to come here and pay tribute to you in your hometown.

And, Mr. Governor, I will deliver the message you requested to Jim Baker, but I'd like to make a request. If he turns down those World Series tickets, would you save them for me?³

In the introduction, President Bok mentioned my diverse career, but you didn't mention the fact that my universities have been Princeton, M.I.T., Chicago, and now Stanford. So you can see how I feel right now—a chance to give a talk at Harvard. This magnificent institution stands for a great tradition of intellectual openness, free inquiry, and pursuit of truth. And as the nurturer of so many Presidents, Governors, Senators, Secretaries of State, and other public servants, Harvard also embodies a commitment to country—a devotion to the well-being of the nation and to its responsible role of leadership in the world.

So I know that I have come to the right place to voice a message of outrage at the detention of Nick Daniloff, Harvard class of 1956.⁴

¹ Source: Department of State *Bulletin*, November 1986, pp. 11–14. All brackets are in the original. Shultz spoke before Harvard University's 350th anniversary convocation. Excerpts from the address are printed in the *New York Times*, September 6, 1986, p. 7.

² References are to Bok, Dukakis, Boston Mayor Raymond Flynn, and O'Neill.

³ Presumably, Dukakis suggested that the Boston Red Sox would win the American League championship and the Houston Astros would win the National League championship, pitting the two teams against each other in the World Series. However, the New York Mets won the National League and defeated the Red Sox in the World Series in October.

⁴ Soviet authorities detained Daniloff in Moscow on August 30, following his meeting with a Soviet acquaintance who handed him a package containing maps classified as Top Secret. For additional information, see Philip Taubman, "A U.S. Journalist Is Held in Moscow: Seized After Being Given Maps by a Soviet Acquaintance," *New York Times*, pp. A1, A18, and Gary Lee, "Soviet KGB Arrests U.S. Reporter: State Department Protests 'Contrived' Detention of Daniloff," *Washington Post*, pp. A1, A30; both August 31, 1986. At a September 29 Senate campaign rally for Christopher Bond in Kansas City, the President announced: "Now, before I get into my remarks, I have—if you'll just wait a second—I have something of a news announcement I would like to make, that—in case you haven't heard it already—that at 12 p.m. central time, a Lufthansa airliner left Moscow bound for Frankfurt, West Germany, and on board are Mr. and Mrs. Nicholas Daniloff." (*Public Papers: Reagan, 1986*, Book II, p. 1284) Documentation on Daniloff's seizure and release is in *Foreign Relations, 1981–1988*, vol. V, Soviet Union, March 1985–October 1986.

The cynical arrest of an innocent American journalist reminds us of what we already know: our traditions of free inquiry and openness are spurned by the Soviets, showing the dark side of a society prepared to resort to hostage-taking as an instrument of policy. Let there be no talk of a “trade” for Daniloff.⁵ We, and Nick himself, have ruled that out. The Soviet leadership must find the wisdom to settle this case quickly in accordance with the dictates of simple human decency and of civilized national behavior.

So I know also I’ve come to the right place to deliver a message of concern, to speak of some disturbing trends I see in this country, to tell of some important lessons America has learned in recent years and some lessons we apparently have not yet learned. These disturbing trends at home are all the more paradoxical because they occur against the backdrop of powerful positive forces at work today in the world at large, forces that offer us an extraordinary opportunity if we don’t throw it away.

Change and Its Positive Implications

Ours is a time of many seemingly contradictory forces at work: even as communications shrink the planet and economics increases our interdependence, nationalism is more potent than ever; technology advances at dizzying speed even as, once again, religious faith becomes a powerful political force all around the world.

But one significant trend is already discernible. The advanced nations of the world are already in the throes of a new scientific and technological revolution—one whose social, economic, political, and strategic consequences are only beginning to be felt.

The industrial age is ending; in some parts of the world, it is already gone. A century ago, our country moved from an agricultural to an industrial phase of our development. Today, we remain agriculturally and industrially productive. We more than feed ourselves. Over the last 20 years, manufacturing as a share of our gross national product has remained constant at 22% even as the proportion of the labor force needed to produce those goods has declined from 24% to 18% during these same two decades. But if we try to put a label on our era, we would have to call it an information revolution. And it promises to transform the structure of our economies and the political life of the

⁵ Shultz is referring to the late August arrest in New York of Soviet physicist Gennadi Zakharov, assigned to the United Nations Secretariat, on charges of espionage. In his memoir, Shultz wrote: “We had arrested a real spy in a sting operation, and the Soviets had taken a reporter to use in bargaining for a swap. The wire services soon were carrying a story, datelined Santa Barbara, indicating that the United States would consider a ‘swap’ of Daniloff for Zakharov, a breathtakingly stupid thing to say. Someone in the California White House had blundered badly.” (Shultz, *Turmoil and Triumph*, pp. 728–729)

planet as thoroughly as did the industrial revolution of the 18th and 19th centuries.

I see this as a revolution of great promise. It's a stimulus to a new era of economic growth. It's a challenge that the free nations of the world, above all, are in the best position to meet. The President captured the essence of the essential relationship between freedom and progress when he noted:

Everywhere, people and governments are beginning to recognize that the secret of a progressive new world is the creativity of the human spirit. . . . Our open advocacy of freedom as the engine of progress [is one of] the most important ways to bring about a world where prosperity is commonplace, conflict an aberration, and human dignity a way of life.⁶

So it is no coincidence that the free nations have once again been the source of technological innovation. An economic system congenial to free scientific inquiry, entrepreneurial risk taking, and consumer freedom has been the fount of creativity and the mechanism for spreading innovation far and wide. A political system that welcomes, indeed, thrives on a free flow of ideas and information and people and goods across national boundaries finds itself the natural breeding ground of progress. The developing countries, seeking their own path to a better future, find the West their natural partner for cooperative endeavors. And even the countries of the communist world turn to the West as the source of advanced technology.

Our adversaries, indeed, face an inescapable dilemma. They see the new postindustrial era coming, and they see the West well poised to take advantage of it. And yet, opening themselves up to the information revolution and its benefits risks what is the essence of their political power—the effort to control thought and behavior through the tight monopoly they maintain over information and free communication. They fear losing control over what their people read and see. How can a system that keeps photocopiers and mimeograph machines under strict control and surveillance exploit the benefits of the video cassette recorder and the personal computer? With each innovation, the leaders of the totalitarian world are reminded of their agonizing choice: they can either open their societies to the freedoms necessary for the pursuit of technological advance or they can risk falling even further behind the West. In reality, though, it may be already too late for them to catch up with the future.

⁶The President offered these remarks within the context of his September 24, 1984, address before the United Nations General Assembly; see Document 206.

So we are learning that the information revolution holds out profound promise for America. And yet, it's only one of the positive forces at work in the world. Let me give you some examples of other things we have learned in recent years.

First, we have learned once again that freedom is a revolutionary force. Dictatorships—left or right—are not permanent. In Afghanistan, Angola, Cambodia, and Nicaragua, imperialism, oppression, and regimentation have given rise to resistance movements that struggle for the rights denied them by communist rule. In South Africa, the structure of apartheid is under siege as never before. In Latin America, the yearning for democracy has transformed the political complexion of the entire continent. Contrary to the expectations of many only 5 or 6 years ago, El Salvador, Honduras, and Guatemala have joined Costa Rica in the democratic trend in Central America—leaving only Nicaragua as the odd man out. In the Philippines, the same yearning brought a remarkable, peaceful transition to a new democratic way. And Thailand has not received the notice it deserves. Sharp political differences there led to vividly contested recent elections, and they have re-formed their government on the basis of that election result. Not so many years ago, democratic nations were thought to be a dwindling and embattled minority; today, the vitality of the idea of democracy is the most important political reality of our time.

And we have learned again that there is a connection between freedom and economic progress. Few countries around the world now dispute that entrepreneurial initiative in a market environment is the engine of development and growth. At the economic summits, all the leading industrial nations have acknowledged that structural rigidities imposed by government are the main obstacle to renewed growth. At the UN Special Session [on the Critical Economic Situation in Africa] in May, the African nations—including those hardest hit by experiments in collectivist planning—issued an extraordinary document calling for more open markets and less intervention by the state.⁷ These truths, too, are now being acknowledged even in the communist world, as reforms in China and Hungary demonstrate.

⁷ The thirteenth special session took place May 27–June 1. On June 1, the General Assembly approved a five-year program of action for African economic recovery and development. (Elaine Sciolino, "U.N. in Agreement on Steps to Bring African Recovery: A Pledge of Partnership: No Specific Aid Commitments Made at Special Session, but a Path is Charted," *New York Times*, June 2, 1986, pp. A1, A8) For the text of the United Nations Programme of Action for African Recovery and Development 1986–1990, printed as an annex to S-13/2, see *Resolutions and Decisions adopted by the General Assembly during its Thirteenth Special Session, 27 May–1 June 1986*, General Assembly, Official Records: Thirteenth Special Session, Supplement No. 2 (A/S-13/16), pp. 3–9.

Closer to home, we have rediscovered the truths that, as America's weakness makes the world a more dangerous place, America's strength deters aggression and encourages restraint and negotiation. We have seen how the rebuilding of America's defenses in the early 1980s gave the Soviets an incentive to return to negotiations on arms control. Our ability to project power abroad has helped us protect our vital interests and defend our friends against subversion and aggression. Our military strike against Libya⁸—undertaken as a last resort after years of Qadhafi's terrorism—has sent a powerful signal to friends and enemies alike. This morning our prayers and our all-out efforts go to the hostages on Pan Am Flight 73.⁹ Clearly, the day has not yet arrived when terrorism has taken its place among other vanquished barbarisms of our time. But that day will come—and when it does, history will show that American resolve, backed up by our power, tipped the balance in favor of peace and security.

And the past few years have reminded us of another truth: America is a powerful and constructive force in the world for progress and human freedom. Throughout the three centuries and a half we mark today, Americans have believed this country had a moral significance and responsibility that transcended our military and economic power. There is an irresistible current in our national character that impels us to serve as a human example and champion of justice.

Part of America's positive role has to do with our history. Our fight for independence and for political freedom began not far from here—with more than a few Harvard men in the vanguard. A century or so ago, we fought the bloodiest war in our history to try to eradicate the curse of oppression based on race. Today, that epic struggle for justice continues here at home. As our nation emerged as a world leader, especially in the past 50 years, we always sought to apply to our international endeavors the same high standards and high moral goals that we set for ourselves. From the founding of the United Nations, to the Marshall Plan,¹⁰ to the formation of our democratic alliances, to

⁸ See footnote 8, Document 271.

⁹ On September 5, Pan Am Flight 73 was hijacked while on the ground in Karachi, Pakistan. The flight had arrived from Bombay en route to Frankfurt and later New York. (Steven R. Weisman, "2 Terrorists Held: Shots Erupt on Pan Am 747 in Karachi After Its Lights Go Out," *New York Times*, September 6, 1986, pp. 1, 4) Shultz wrote in his memoir: "I had hoped to go back to the farm [his farm in western Massachusetts] for the weekend but returned to Washington to deal more effectively with the Daniloff case and with the hijacking of a Pan Am jet in Karachi by Arab terrorists. By the time I was back in my State Department office Friday afternoon, we had reports that the Pan Am plane had been stormed by Pakistani commandos. Later, passengers said they escaped after the terrorists panicked when a generator failed. The terrorists opened fire and survivors escaped in the chaos through emergency exits. This incident was over." (Shultz, *Turmoil and Triumph*, p. 729)

¹⁰ See footnote 3, Document 177.

our support for decolonization and for economic development, to our stance as a champion of human rights—this nation can be proud of what it has accomplished in the world. And we should find special satisfaction in seeing the trends I described earlier—the spread of democracy and economic freedom, the new technological revolution—trends that once again mean history is on our side.

Trends That Threaten Our Future

And yet now, when we can see for ourselves that a better future is likely to take shape if, and perhaps only if, America is there to help shape it, pressures are mounting within our country to turn our backs on the world. Ominous developments are on the all-too-near horizon, and most of us may not even realize it.

And this is not the first time. Our nation more than once has swung from involvement to isolation. And even in the decades since we supposedly put our isolationist past behind us, we have at times been tempted again by the illusion that we can promote justice by aloof self-righteousness, that we can promote peace by merely wishing for it. We are an impatient people. We sometimes have seemed to feel that problems should be solved quickly or not at all, that we best serve our principles by striking the right pose or doing what makes us, for the moment, feel good.

It's time to wake up—before we endanger the world's future and our own. These dangers take many forms, but they all have in common a thoughtless escapism, a retreat from responsibility, an attempt to evade the reality of our dependence on the world and the world's dependence on us. As such, whether we admit it or not, they amount to nothing less than an isolationist throwback that could once again propel the world toward catastrophe.

One danger sign is the evil of protectionism. Not since the days of Smoot-Hawley have the forces of protectionism been as powerful as they are today in the U.S. Congress.¹¹ We should have learned from the experience of 50 years ago how protectionism only impoverishes us along with our trading partners, spurs inevitable retaliation, and shuts down the engine of world trade and, therefore, of world growth.

In our earliest days as a nation, the founders of the United States understood that free trade was the key to growth and prosperity. Within the borders of our nation, they created one open trading system, and the world's biggest—and, because of that, most prosperous—economy was the result. Similarly, the statesmen at work after World War II knew well the lessons of the 1930s. They put in place a more and more open world economy, and generations benefited from the growth and stability that

¹¹ See footnote 10, Document 248.

followed. In today's global economy, our prosperity and that of other nations depend even more on an open trading system.

Yet now we see a new spiral of protectionism, and the spread of other anticompetitive practices like subsidies, endangering some of our most important political and security relationships with other countries. The new democracies in the Philippines and Latin America, the poorer countries burdened by debt, and many key friends around the world—who all wish to earn their way back to prosperity—find the road ahead threatened by protectionism in this country. Since our economy is the biggest—and since we have always been the pillar of free trade—if we succumb, we will do untold damage to the world's hopes for prosperity and peace. And our own citizens of the future will blame us for foolishly failing to uphold our own nation's interests.

Another form of escape is self-righteous moralism. I have to say I see signs of this in the fervor for punitive sanctions against South Africa. The reality is that the United States has imposed increasing sanctions against South Africa from President Kennedy's bar on military sales in 1962¹² to the array of measures in President Reagan's Executive order of 1985.¹³ And now the free market itself is slowing the pace of the South African economy. But sanctions are not solutions. Those on whom political sanctions are imposed grow more defiant and can evade their own responsibilities by pointing to so-called outside influences as a scapegoat.

White South Africans must recognize that apartheid is a disaster of their own creation and that it must be done away with in an active and orderly fashion if their own interests are to survive. The wide-ranging sanctions now proposed in the Congress would do America a double disservice—by enabling proponents of apartheid to blame South Africa's disastrous economy on us while, at the same time, drastically reducing our presence, our leverage, and our example as a force for economic and political change. In a delusion of increasing our influence over events, we could find ourselves quickly on the verge of virtual powerlessness as a result of our absence from the South African scene.

The transition from tyranny to democracy is a delicate process. Sometimes it goes badly wrong, as in Iran or Nicaragua. Sometimes it goes well, as in Spain, Portugal, the Philippines, or in Latin America. We should be clear about what we are for: we are for a rapid end to apartheid and for a peaceful transition to a democratic system. It is not

¹²The date is in error. On August 2, 1963, UN Ambassador Stevenson informed the UN Security Council that the United States would suspend sales of military equipment to South Africa by January 1, 1964. (Sam Pope Brewer, "U.S. Tells U.N. It Will Halt Arms Sales to South Africa," *New York Times*, August 3, 1963, pp. 1, 6) See also *Foreign Relations, 1961-1963*, vol. XXI, Africa, Document 411.

¹³See footnote 3, Document 248.

our job to egg on a race war or to accelerate a polarization that will lead to such a result. Our morality and our values must have a strong presence in our foreign policy. But we must guard against a self-righteous morality which can be self-defeating and thereby run counter to our moral objective.

Other examples of our native inclination toward withdrawal can be found in our impatience with diplomacy. The pursuit of practical political solutions in this world calls for perseverance, understanding of ambiguity, and a recognition of the need for compromise. Negotiation is how we engage other nations for positive purposes. But the very concept of negotiations is assaulted today by an array of misconceptions.

Some call urgently for negotiations but deny that diplomacy requires strength to back it up. Others argue—correctly—that we should never negotiate from weakness, but then assert that when we are strong, we need not negotiate. Some would deny us all leverage or would legislate unilateral concessions; others are fearful of negotiations because they assume for some reason that we are bound to be taken advantage of. Many despair of the United Nations and the disturbing trends within it—but some would walk away from its challenges and opportunities rather than make use of our ability to improve its operation. We must strengthen our role in the United Nations for affirmative reasons and also lest others whose interests are adverse to ours step into our place.

Thus, whether the issue is regional conflict, arms control, or trade, elements far apart on the political spectrum combine in counsels of escapism. They are denials of reality. The reality is that efforts to resolve problems among nations are essential and, in the end, inevitable. The reality is that democracies will not support policies of intransigence. The reality is that many practical, realistic objectives can be attained by hardheaded negotiations. Negotiations can work.

There is, finally, another extraordinary development: the congressional attack on the foreign affairs budget. We are about to witness the dismantling—indeed, butchering—of the most important instrument of our foreign policy: our ability to represent and support strongly our interests and ideals. We face a self-inflicted crisis which, if not reversed, will gravely damage the ability of the United States to maintain its leadership in the world, to bolster international security, and to support the cause of freedom, democracy, and human progress.

It pains me to speak of this at Harvard, where George C. Marshall proposed a plan that committed the United States to the future of Europe. We all heard him only a few minutes ago [by recording]. He spoke for a generation of statesmen, of both political parties, who had learned the lessons of the 1930s and who committed the United States to the world, to an open economic system, to the defense of freedom against

tyranny. They established the pillars of the postwar system: the Bretton Woods monetary system that tied the world together; the General Agreement on Tariffs and Trade and its successive rounds; the Marshall Plan and World Bank—mechanisms for international reconstruction and development—the Marshall Plan then made up 11% of the total Federal budget; and NATO.

The achievements of the postwar statesmen were an assertion of thought and learning and leadership, foreseen and set out in the broadest scale. They became the foundation stones for the democracy, the prosperity, and the security of the West that we know today.

In January of this year, President Reagan submitted to Congress an international affairs budget for fiscal year 1987 that we had stripped to the bone.¹⁴ It amounted to only 2% of the total Federal budget. Yet the current congressional budget resolution cuts that minimal and considered request by 27%. And recent congressional actions would reduce and restrict the remaining amount even further.

These reductions, and the earmarking of aid levels to a few countries, will deprive us of over half of all our security and economic assistance to many countries of the world. These are nations who are key to our interests and security or where we must help in the transition to democracy and economic freedom. The dollars we spend on such assistance are the most cost-effective bargain among all of our national security activities.

- It will mean the closing of diplomatic posts and the reduction of our personnel abroad—to an overall personnel level that will then be below that when George C. Marshall was Secretary of State.
- It will mean a one-third cut in funding for the multilateral development banks, which are crucial to Third World economic progress.
- It means a severe setback to our effort to halt the production and illegal export of narcotics from abroad, just as our programs are gaining momentum.
- And it means the closing of American libraries and cultural centers overseas and curtailing Voice of America broadcasting.

I have not come to Harvard to tell you of just one more bureaucratic budget battle. The impact of these cuts combined with fierce reductions in our defense budget, rampant protectionism, and moralistic instincts toward withdrawal from the world, will be devastating to our foreign relations. They mean undoing the last 50 years of America's positive

¹⁴ For the President's February 5 message to Congress transmitting the FY 1987 budget, see *Public Papers: Reagan, 1986*, Book I, pp. 131–136.

role of leadership in the world; it is simply mindless to do so when so many positive trends are at work in the world and so many opportunities open before us.

History shows that in this century American withdrawal only heightens global dangers and the risk of conflict. The strategic and economic consequences of the Smoot-Hawley tariff—along with the illusions of isolationism and lowered defense preparedness—helped ignite the international tensions that exploded in World War II. Even in the 1970s we saw that when America retreats within itself, the advantage goes to our adversaries, whose purposes in the world are antithetical to our most deeply held principles.

Why then look inward just as the gains of remaining engaged are most profound? We are a nation of unprecedented strengths—strategic, economic, and political—and unprecedented blessings. When our economy is strong, when our position in the world is secure, it is easy to forget that much of the world around us is still ruled by a ruthless few, who will not hesitate to fill the vacuum created when we pull back.

An Open Window to the World

I began by noting that this great university was a proper place to talk about what America and the world have learned in recent years. Today, as we all gather at Harvard—where higher education in America began—we think not only of what Harvard has meant to its own but of its meaning to the building of America and to our engagement with the world in years ahead.

To me, America's past can be characterized by the great theme of openness. Our universities lead the world because we possess a society that is open—to peoples, to ideas, to enterprise, and to the forces of change.

I have spent a large part of my life in the university. I taught, but I also learned a lot. One of the things I learned—and it's been reinforced very much as I've traveled around the world—is that our colleges and universities are one of America's greatest assets. There is nothing like our system of higher education anywhere else in the world.

So today, the world turns to the United States precisely because of our openness. At Harvard, as at all our great universities, students from every corner of the globe come in search of new dimensions of understanding and analysis, new currents of thought and innovation, new developments across the range of human knowledge. Today, over 340,000 young men and women from overseas are studying in the United States—just to take a few numbers: 21,000 Malaysians; 18,000 from Nigeria; 6,000 from the United Kingdom. It is especially gratifying that China—a country that for so long tried to cut itself off from

the world and to develop itself in the totalitarian mold—now sends upwards of 15,000 students here each year.

America is inextricably engaged in the world through its great private institutions and through its people—whose international interests, travels, and ties continue. How paradoxical it is that we may now be drifting—stumbling, perhaps unconsciously—out of phase with our outward-looking citizens and their wide-ranging interests.

Today, our ideals and interests converge. We face a choice. My call today is for a reawakening to the reality that America—government and people—must remain open to the world and engaged or risk diminution of our essence as a people and our vocation as a nation.

I believe that those disturbing trends I mentioned are not representative of what this country and its people really believe. As the greatest democracy in the world, America is a reminder to all that there is an alternative to tyranny, oppression, and despair. Those who built this university were not a fearful, timid people. They did not shirk their responsibilities. They were practical men and women. They were earthy and realistic, and their lives were guided by a dream, by a vision, and by a sense of duty toward coming generations.

Let us honor that tradition. It is a tradition of practicality and realism, of dedication to the progress of open societies. It is a call for us for confidence in the future that only openness and freedom can bring.

276. Paper Prepared in the Policy Planning Staff¹

Washington, undated

THE ADMINISTRATION'S FOREIGN POLICY LEGACY:

A Strategy for the Next Two Years

—We are in a strong position to leave a significant legacy. World trends are in our favor; we have accomplished much in the past six years. But we face major challenges, especially on the economic front and in Congressional support for our efforts; and there are certain isolationist tendencies in the public mood.

—Our strategy is built around two major pillars: our ability to manage the Soviet security challenge; and maintenance of the open international economic system.

US-Soviet Relations

—We are close to developing a “two track” approach to the competitive/cooperative struggle with Moscow. We need a legacy that keeps the heat on Moscow’s adventurism while reaching arms control agreements that stabilize the strategic environment.

—The new Soviet leadership is more activated and overtly challenging than its predecessors—as seen in Gorbachev’s Vladivostok initiative of late July.² But they are on the defensive economically and politically. They need a Summit; a breakdown in the dialogue would be very costly for them.

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons SEPTEMBER 1986. No classification marking. Solomon sent the “brief point paper,” attached as Tab A, to Shultz under a September 6 covering memorandum, noting that Shultz was scheduled to give a 15-minute presentation on the administration’s foreign policy agenda to the Cabinet the week of September 8. Attached to Solomon’s covering memorandum at Tab B is an undated 14-page version of the point paper. (Ibid.) No record of Shultz’s briefing has been found.

² Reference is to Gorbachev’s July 28 televised speech in Vladivostok, in which he provided “a non-committal response” to the President’s July 25 letter regarding arms control, in addition to announcing the withdrawal of six Soviet regiments from Afghanistan by the end of the year. (Philip Taubman, “Soviet Announces Decision to Trim its Afghan Force: Gorbachev Tells of Plan: He Calls for Cut in West’s Aid to the Guerrillas in Return for a 6% Troop Pullout,” *New York Times*, July 29, 1986, pp. A1, A6) The *New York Times* also printed excerpts of the speech, as distributed in translation by TASS, in its July 29 edition. (Ibid., p. A6) The President’s July 25 letter is in *Foreign Relations, 1981–1988*, vol. V, Soviet Union, March 1985–October 1986, Document 254.

—Arms control is only one component of a Summit agenda (along with regional problems, human rights, and bilateral issues). Our three primary objectives are to:

- Enhance deterrent stability via significant reductions in Soviet first-strike capabilities, especially Soviet “heavy” land-based ICBMs.
- Protect our vigorous research on advanced strategic defenses, to “enforce” reductions in Soviet missiles and make possible future well-founded decisions on strategic defenses deployment.
- Handle INF so as to hold the confidence of allies and friends in Europe and Asia.

International Economics

—In the coming months we must show global vision in handling major economic challenges:

- U.S. trade and budget deficits;
- the reluctance of Japan and the FRG to accelerate domestic growth;
- slow growth in debtor developing countries.

—At home, there will be continuing pressures for protectionist measures and indiscriminate foreign affairs budget cuts.

—In 1987, we must expand an open international trading system. This effort must begin at home by:

- rebuilding American export competitiveness;
- defeating protectionism; and
- bringing the U.S. budget deficit under control.

—We must also push developed and developing countries to promote growth and support a more open international trading system:

- Developing countries must base their economies more on market/private sector forces.
- Industrialized countries (especially Japan and the FRG) must grow faster to help the U.S. pull the world’s economy along.

—We must stress to our public the importance of the new GATT round³ for enhancing the competitiveness of our international trading position.

³ See footnote 11, Document 248. The contracting parties to the GATT met in ministerial session at Punta del Este, September 15–20, 1986. On September 20, the 74 nations attending the meeting adopted a declaration that specified the beginning of multilateral trade negotiations, known as the Uruguay Round, which were to conclude in 4 years. The text of the declaration is printed in Department of State *Bulletin*, November 1986, pp. 46–49.

—We also need to demonstrate success in our approach to the international debt problem by:

- Nurturing the reform efforts underway in developing countries; and by:
- Encouraging “new” capital inflows to key debtor countries.

Consolidating Key Foreign Policy Gains

—We have to devote certain efforts to consolidating key foreign policy gains, or ensuring that important developments of recent years are not dissipated or reversed:

- *The Atlantic Alliance.* NATO must develop a conventional arms control strategy (in part to counter Moscow’s activism on the issue), and work out a more equitable sharing of future security responsibilities.

- *The Middle East.* Progress in the Peace Process will only come in small incremental steps. We must promote Israeli-Jordanian cooperation on the West Bank, create an alternative Palestinian leadership to the PLO, preserve the Egyptian-Israeli relationship, while continuing to meet Israel’s needs.

- *Central America.* We must keep the heat on the Sandinistas and reverse the consolidation of a Communist government on the American mainland. A successful Nicaraguan resistance is needed to undermine Soviet attempts to outflank us by subverting democratic transitions.

We should further isolate the Sandinistas by convening a Summit of Central American democratic leaders next year to further promote regional security cooperation and economic growth. We also should exploit Cuban and Nicaraguan economic vulnerabilities.

- We must further “internationalize” the *US-Japan* relationship. Tokyo should provide more economic support funds to key countries, and expand Japan’s imports to help “pull along” LDC economic growth.

- The *Chinese* cannot be happy with a more active Soviet presence in Asia, despite Gorbachev’s troop reduction teasers. And Moscow’s Asian allies are somewhat nervous about Soviet efforts to improve relations with China. We should work with the Chinese to weaken Soviet influence in North Korea, Vietnam, and in India.

- We must ensure that the democratic transitions in *Haiti* and the *Philippines* do not fail; and we, have to manage a difficult leadership transition in *South Korea*.

- Our efforts against *terrorism* and the *international drug trade* must be sustained.

Political Defense

—Some issues will not be resolved quickly, but require defensive management as they could cause substantial problems:

- On *South Africa*, we need a position on sanctions and negotiations which will hold domestic and allied support and preempt mindless pressures, which will work against negotiations.

- An *Iranian victory over Iraq* would be a strategic disaster. We must keep the Iraqis bucked up and limit Iran's access to foreign arms.

- We must keep pressures on *Libya* and *Syria*, to contain their troublemaking instincts.

- We must stimulate economic reform in *Mexico*, and a return to democracy in *Chile*, to secure our long-term position in the hemisphere.

Conclusion

—We can consolidate, under the President's leadership, a record of major foreign policy accomplishments that enhance our security, alliance relationships, and trends toward democracy and economic reform. Our public mood is confident—despite some isolationist tendencies.

—But we cannot be complacent. We must complete our "two track" approach to dealing with Moscow, defeat the forces of protectionism, and counter mindless Congressional budget cuts.

—One initiative under consideration is a major Presidential speech on foreign affairs in 1987 (instead of the usual last minute "farewell address") to give a big push to the remaining issues on our foreign relations agenda.

277. Information Memorandum From the Director of the Policy Planning Staff (Solomon) to Secretary of State Shultz¹

Washington, October 2, 1986

SUBJECT

Lessons for Reykjavik from Past US-Soviet Summitry

Following are some key conclusions about past US-Soviet summit encounters that may be helpful to your thinking and planning for Reykjavik. They are derived from an FSI seminar on the subject held in late September.

1. The wartime summits (Tehran,² Yalta³ and Potsdam⁴) were largely military planning meetings. Summits between 1945 and 1968 generally focused on leaders getting to know one another or establishing procedures for future action. Post-1969 summits tended to formalize the ratification of specific agreements. Unlike most recent summits, the Reykjavik meeting will have elements of the wartime “planning” summits.

2. The Glassboro summit (1967) is in some ways analogous to Reykjavik in that it was conducted on very short notice.⁵ Quick preparation for the summit made it less cumbersome. Johnson and Kosygin spent most of the summit in one-on-one discussion, while chief advisors waited on the sidelines.

3. Murphy’s Law applies to summits in spades. The risks of missteps are substantial; hence public expectations should be reduced as much as possible. A logistics check-list can help planners avoid minor pitfalls.

4. It has been historically difficult for Chiefs of State to stick to an agenda. This may be particularly true of an “informal” meeting convened on short notice. Topics should be presented in order of priority.

5. Presidents have tried in the past to downplay the importance of such a meeting, but to no avail. When Chiefs of State meet, it becomes a summit meeting no matter what they call it.

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons OCTOBER 1986. Secret; Sensitive.

² November 27–December 2, 1943. For documentation, see *Foreign Relations, Diplomatic Papers, The Conferences at Cairo and Tehran, 1943*, Documents 353–424.

³ February 4–11, 1945. For documentation, see *Foreign Relations, Diplomatic Papers, Conferences at Malta and Yalta, 1945*, Documents 322–512.

⁴ July 17–August 2, 1945. For documentation, see *Foreign Relations, Diplomatic Papers, The Conference of Berlin (The Potsdam Conference), 1945*, vols. I and II.

⁵ June 23 and 25, 1967. For documentation, see *Foreign Relations, 1964–1968*, vol. XIV, Soviet Union, Documents 217–238.

6. Past experience suggests that during summit meetings, US Presidents should *not* do any of the following: 1) treat the Soviets as less than equals, 2) try to form a common bond with the other leader by suggesting that they have similar domestic problems, 3) shift responsibility for troublesome US actions to their subordinates (as in the U-2⁶ or Daniloff affairs⁷) in a way that would enable the Soviet leader to play elements of the USG against one another, or 4) depart significantly from agreed US policy positions.

7. Bold new proposals presented at a summit by a US President can give him a strong public relations advantage.

8. Summit participants are often not prepared for a breakthrough in particular areas. More contingency planning needs to be done to take maximum advantage of a potential success. Walt Rostow concludes that follow-through on the summit is "at least as important" as the summit agreements themselves.

9. The perception of linkage between issues is hard to avoid at summits because decisions are made in a brief timeframe by the same people. The perception of linkage, however, can cause problems because it appears that some interests are being traded away for others. This could be a particular problem on the INF issue, if not because of the interaction between European and US security interests on the matter, then because of the way European and Asian security are linked by the deployments.

10. The Soviets tend to be under less time pressure than American participants at summits. US haste in the past has led to loose language which has been detrimental to attainment of US interests.

11. Summits provide US analysts with an important opportunity to judge the relative power of the Soviet leader by observing if he makes key decisions himself or if he is forced to consult with several others before deciding.

12. The US interpreter should be thoroughly briefed on all the issues to be discussed at the summit. The US should never rely on the Soviet interpreter, as has happened in the past.

13. Historically, the European Allies have tended to distrust US-Soviet summits because two individuals appear to be deciding their future. This could be especially true of Reykjavik because the focus will

⁶ On May 1, 1960, a U.S. U-2 unarmed reconnaissance plane was shot down 1,200 miles inside the Soviet Union. Khrushchev exploited the incident at the May 1960 four-power summit meeting in Moscow, causing the summit to collapse. See *Foreign Relations, 1958-1960*, vol. X, Part 1, Eastern Europe Region; Soviet Union; Cyprus, Documents 147-156, and *Foreign Relations, 1958-1960*, vol. IX, Berlin Crisis, 1959-1960, Germany; Austria, Documents 164-192.

⁷ See footnote 4, Document 275.

be on INF. Close consultations before, during, and after the meeting are crucial.

14. It is a mistake to neglect the host government, because the world press will highlight its views. Special emphasis should be given to Iceland's membership in NATO, and its overall support for US foreign policy objectives vis-a-vis the Soviet Union. Our efforts at seeking Senate ratification of a treaty resolving the Rainbow Navigation issue should clear up the one major problem we have had with Iceland. It may also be useful to remember that Nixon and Pompidou met in a mini-summit in Iceland in 1973.⁸

15. Andrew Goodpaster concludes that summits are useful for making world leaders aware of issues that can lead to war and peace, but that they should not replace the normal diplomatic processes. Used with care, he says, they can make important but limited advances toward peace.

⁸May 31–June 1, 1973. See *Foreign Relations, 1969–1976*, vol. XXXI, Foreign Economic Policy, 1973–1976, Documents 41–43, and *Foreign Relations, 1969–1976*, vol. E–15, Part 2, Documents on Western Europe, 1973–1976, Documents 20 and 21.

278. Editorial Note

During a September 30, 1986, White House news conference, President Ronald Reagan indicated that he would meet with Soviet General Secretary Mikhail Gorbachev in Reykjavik, Iceland, October 11–12. Continuing, Reagan stated: “The meeting was proposed by General Secretary Gorbachev, and I’ve accepted. And it will take place in the context of preparations for the General Secretary’s visit to the United States, which was agreed to at Geneva in November of ’85. And I might say the United States and the Soviet Union appreciate the willingness of the Government of Iceland to make this meeting in Reykjavik possible. So, I know you will all be on your best manners.” (*Public Papers: Reagan, 1986*, Book II, page 1292)

The President provided a “briefing” concerning the upcoming summit meeting in his October 4 radio address to the nation. After underscoring the importance of keeping the American public informed

and reviewing certain aspects of the 1985 Geneva summit meeting, the President said: "I want you to know that next week during the talks in Iceland, we will be taking the same balanced approach we took in Geneva. On one hand, we'll make it clear we seek negotiations and serious progress with the Soviets on a wide range of issues. On the other, we'll make it clear that we will not sacrifice our values, principles, or vital interests for the sake of merely signing agreements. And that's just another way of making it clear to the Soviets we harbor no illusions about them or their geopolitical intentions. This last point is important. You see, in the past, when agreements were reached with the Soviets, this led to much unrealistic talk about the great thaw in Soviet-American relations and even predictions about the end of the cold war. And then when the Soviets reverted to form, such as the invasion of Afghanistan, the result was shock and policy paralysis in Washington.

"Well, this now has changed. Just last month—after a Soviet spy at the United Nations was arrested—the Soviets retaliated by taking hostage an American journalist, Nicholas Daniloff, in Moscow. It was an act of international outrage, but this time we were prepared. Because we understood that the Soviets are relentless adversaries, they could not surprise us nor could their actions derail our long-term commitments or initiatives. We knew what we had to do. We wanted Daniloff freed, with no deals. We had to make clear to them the consequences of their actions. We had to be direct, candid, and forceful. And we were. And that's why Nicholas Daniloff is freed and back in the United States. Later, we swapped Zakharov, the spy, for two noted Russian dissidents, Yuriy and Irina Orlov. And that's why we can now go forward to Iceland. Believe me, as we proceed along the path of negotiations, there will be other such obstacles. But let me assure you: As each obstacle arises, we will again make clear to the Soviets our lack of illusions about them and our resolve to hold them accountable for their actions." (Ibid., pages 1323–1324)

On October 7, the President met with Yuriy and Irina Orlov in the Oval Office. Following their private meeting, the President spoke at 3:42 p.m. in the Cabinet Room. Acknowledging speculation that the Reykjavik meeting would focus on arms control issues, Reagan countered that "true peace requires respect for human rights and freedom as well as arms control." The President indicated that the agenda for the meeting included human rights, adding: "This meeting is not to sign agreements, but to prepare the way for a productive summit. A real improvement in the Soviet Union's human rights record is essential for such a summit. We will not sacrifice fundamental principles or vital U.S. interests to get a summit. I'll make it amply clear to Mr. Gorbachev that unless there is real Soviet movement on human rights, we will not have the kind of political atmosphere necessary to make lasting progress on other issues. There is much room for improvement—the

religious persecution, long divided families, suppression of emigration, and harassment of ethnic and cultural activists. We are realistic about the Soviet Union and have no illusions about the difficulty of making progress on these key issues, but I see no alternative to our twin policy of strength and dialog.” (Ibid., pages 1338–1339)

The President departed Washington for Reykjavik on October 9. That morning, he offered remarks at 9:25 a.m. from the South Portico of the White House. After noting the agenda for the Reyjavik meeting, his October 4 radio address, and his October 7 meeting with the Orlovs, the President commented: “I’ve long believed that if we’re to be successful in pursuing peace, we must face the tough issues directly and honestly and with hope. We cannot pretend the differences aren’t there, seek to dash off a few quick agreements, and then give speeches about the spirit of Reykjavik. In fact, we have serious problems with the Soviet positions on a great many issues, and success is not guaranteed. But if Mr. Gorbachev comes to Iceland in a truly cooperative spirit, I think we can make some progress. And that’s my goal, and that’s my purpose in going to Iceland. The goals of the United States, peace and freedom throughout the world, are great goals; but like all things worth achieving, they are not easy to attain. Reykjavik can be a step, a useful step; and if we persevere, the goal of a better, safer world will someday be ours and all the world’s.” (Ibid., pages 1362–1363)

The memoranda of conversation from the October 10–12 Reykjavik meeting, which took place at Hofdi House, are printed in *Foreign Relations, 1981–1988*, volume V, Soviet Union, March 1985–October 1986. At the conclusion of the meeting, Secretary of State George Shultz took part in a news conference in Reykjavik on October 12. Shultz praised the President’s performance as “magnificent,” elaborating: “During the course of these 2 days, extremely important potential agreements were reached to reduce, in the first instance, strategic arms in half; to deal effectively with intermediate-range missiles; although, we didn’t finally have the opportunity to come to grips with it probably to work out something satisfactory about nuclear testing; a satisfactory manner of addressing regional issues; humanitarian concerns; a variety of bilateral matters; and a tremendous amount of headway in the issues in space and defense involving the ABM [Antiballistic Missile] Treaty.

“Throughout all of this, the President was constructive in reaching out and using his creativity and ingenuity to find these very sweeping and substantial and important agreements. It has been clear for a long time—and it was certainly clear today, and particularly this afternoon—the importance the Soviet leader attaches to the Strategic Defense Initiative (SDI), and I think it was quite apparent that at least a

key reason why it was possible to reach such sweeping potential agreements was the very fact of SDI's vigorous presence.

"In seeking to deal with these issues, the President was ready to agree to a 10-year period of nonwithdrawal from the ABM Treaty, a period during which the United States would do research, development, and testing which is permitted by the ABM Treaty and, of course, after which we would be permitted to deploy if we chose. However, as the agreement that might have been said, during this 10-year period, in effect, all offensive strategic arms and ballistic missiles would be eliminated so that at the end of the period the deployment of strategic defense would be substantially altered in what was needed and would be in the nature of an insurance policy—insurance against cheating, insurance against somebody getting hold of these weapons—so it would maintain an effective shield for the United States, for our allies, for the free world.

"As we came more and more down to the final stages, it became more and more clear that the Soviet Union's objective was effectively to kill off the SDI program and to do so by seeking a change described by them as 'strengthening,' but a change in the ABM Treaty that would so constrain research permitted under it that the program would not be able to proceed at all forcefully.

"The President, hard as he had worked for this extraordinary range and importance of agreements, simply would not turn away from the basic security interests of the United States, our allies, and the free world by abandoning this essential defensive program. He had to bear in mind—and did bear in mind—that not only is the existence of the strategic defense program a key reason why we were able potentially to reach these agreements, but undoubtedly its continued existence and potential would be the kind of program you need in the picture to ensure yourself that the agreements reached would be effectively carried out. And so in the end, with great reluctance, the President, having worked so hard creatively and constructively for these potentially tremendous achievements, simply had to refuse to compromise the security of the United States, of our allies, and freedom by abandoning the shield that has held in front of freedom.

"So in the end we are deeply disappointed at this outcome; although, I think it is important to recognize how effectively and constructively and hard the President worked and how much he achieved potentially, how ready he was to go absolutely the last—not just the last mile, but as you can see from what I've told you, quite a long distance to try to bring into being these potentially very significant agreements. But he could not allow the essential ingredient to be destroyed in the process—and would not do so." (Department of State *Bulletin*, December 1986, pages 9–10; all brackets are in the original)

After returning to Washington, the President delivered an address to the nation on October 13 regarding his meeting with Gorbachev. The address, which Reagan delivered from the Oval Office at 8 p.m., was broadcast live on nationwide radio and television. After noting the issues related to SDI that emerged during the discussions in Iceland, the President described the three other subjects of the administration's four-point agenda for U.S.-Soviet relations covered at the meeting: human rights, regional conflicts, and bilateral relations and people-to-people contacts. He then returned to SDI, commenting: "I realize some Americans may be asking tonight: Why not accept Mr. Gorbachev's demand? Why not give up SDI for this agreement? Well, the answer, my friends, is simple. SDI is America's insurance policy that the Soviet Union would keep the commitments made at Reykjavik. SDI is America's security guarantee if the Soviets should—as they have done too often in the past—fail to comply with their solemn commitments. SDI is what brought the Soviets back to arms control talks at Geneva and Iceland. SDI is the key to a world without nuclear weapons. The Soviets understand this. They have devoted far more resources, for a lot longer time than we, to their own SDI. The world's only operational missile defense today surrounds Moscow, the capital of the Soviet Union.

"What Mr. Gorbachev was demanding at Reykjavik was that the United States agree to a new version of a 14-year-old ABM treaty that the Soviet Union has already violated. I told him we don't make those kinds of deals in the United States. And the American people should reflect on these critical questions: How does a defense of the United States threaten the Soviet Union or anyone else? Why are the Soviets so adamant that America remain forever vulnerable to Soviet rocket attack? As of today, all free nations are utterly defenseless against Soviet missiles—fired either by accident or design. Why does the Soviet Union insist that we remain so—forever?

"So, my fellow Americans, I cannot promise, nor can any President promise, that the talks in Iceland or any future discussions with Mr. Gorbachev will lead inevitably to great breakthroughs or momentous treaty signings. We will not abandon the guiding principle we took to Reykjavik. We prefer no agreement than to bring home a bad agreement to the United States. And on this point, I know you're also interested in the question of whether there will be another summit. There was no indication by Mr. Gorbachev as to when or whether he plans to travel to the United States, as we agreed he would last year in Geneva. I repeat tonight that our invitation stands, and that we continue to believe additional meetings would be useful. But that's a decision the Soviets must make.

"But whatever the immediate prospects, I can tell you that I'm ultimately hopeful about the prospects for progress at the summit and for

world peace and freedom. You see, the current summit process is very different from that of previous decades. It's different because the world is different; and the world is different because of the hard work and sacrifice of the American people during the past 5½ years. Your energy has restored and expanded our economic might. Your support has restored our military strength. Your courage and sense of national unity in times of crisis have given pause to our adversaries, heartened our friends, and inspired the world. The Western democracies and the NATO alliance are revitalized; and all across the world, nations are turning to democratic ideas and the principles of the free market. So, because the American people stood guard at the critical hour, freedom has gathered its forces, regained its strength, and is on the march.

"So, if there's one impression I carry away with me from these October talks, it is that, unlike the past, we're dealing now from a position of strength. And for that reason, we have it within our grasp to move speedily with the Soviets toward even more breakthroughs. Our ideas are out there on the table. They won't go away. We're ready to pick up where we left off. Our negotiators are heading back to Geneva, and we're prepared to go forward whenever and wherever the Soviets are ready. So, there's reason, good reason for hope. I saw evidence of this in the progress we made in the talks with Mr. Gorbachev. And I saw evidence of it when we left Iceland yesterday, I spoke to our young men and women at our naval installation at Keflavik—a critically important base far closer to Soviet naval bases than to our own coastline.

"As always, I was proud to spend a few moments with them and thank them for their sacrifices and devotion to the country. They represent America at her finest: committed to defend not only our own freedom but the freedom of others who would be living in a far more frightening world were it not for the strength and resolve of the United States. 'Whenever the standard of freedom and independence has been . . . unfurled, there will be America's heart, her benedictions, and her prayers,' John Quincy Adams once said. He spoke well of our destiny as a nation. My fellow Americans, we're honored by history, entrusted by destiny with the oldest dream of humanity—the dream of lasting peace and human freedom.

"Another President, Harry Truman, noted that our century had seen two of the most frightful wars in history and that 'the supreme need of our time is for man to learn to live together in peace and harmony.' It's in pursuit of that ideal I went to Geneva a year ago and to Iceland last week. And it's in pursuit of that ideal that I thank you now for all the support you've given me, and I again ask for your help and your prayers as we continue our journey toward a world where peace reigns and freedom is enshrined. Thank you, and God bless you." (*Public Papers: Reagan, 1986*, Book II, pages 1370–1371)

279. Briefing Memorandum From the Assistant Secretary of State for African Affairs (Crocker) to Secretary of State Shultz¹

Washington, October 21, 1986

SUBJECT

Your Meeting with the President and Admiral Poindexter on Africa Policy

As you asked last Friday,² I have drawn up two short papers to help you obtain the President's reaffirmation of the basic elements of our strategy toward Africa and of our authority to carry it out.

I suggest that you lead into the discussion by noting that:

—Policy disarray and indiscipline within the Administration contributed importantly to the defeat we suffered on the South African sanctions bill.³

—The aftermath of the sanctions debate has seen an increase, not a decrease, in such policy confusion, with both the NSC staff and the political side of the White House asserting policy lines at variance with those of the Department. (Attachment B⁴ provides detailed evidence of this from which you may wish to draw.)

—As a first step in restoring order to the policy process, you would like the President's reaffirmation of our strategy toward Africa. (Attachment A contains a brief summary of policy objectives in Africa for you to go over with the President.)

¹ Source: Department of State, Executive Secretariat, S/S Files, The Executive Secretariat's Special Caption Documents: Lot 92D630, Not for the System—October 1986. Secret; Sensitive; Not for the System. Quinn also initialed the memorandum. Also scheduled for publication in *Foreign Relations, 1981–1988*, vol. XXVII, Sub-Saharan Africa.

² October 17.

³ Reference is to the Comprehensive Anti-Apartheid Act of 1986 (P.L. 99–440; H.R. 4868; 100 Stat. 1086) enacted into law on October 2 over the President's veto. The act, in addition to other provisions, imposed additional sanctions on South Africa, required the President to begin negotiations with other countries towards an international agreement on sanctions and report to Congress within 180 days, legally codified the sanctions outlined in the September 9, 1985, Executive Order, authorized additional aid to South Africans and victims of apartheid, and allocated funds to the Department's human rights fund. (*Congress and the Nation*, vol. VII, 1985–1986, pp. 183–184)

⁴ Attached but not printed is an undated paper entitled "Examples of Indiscipline," which is referred to here as "Tab B—Chapter and Verse on Disarray within the Administration." It is scheduled for publication in *Foreign Relations, 1981–1988*, vol. XXVII, Sub-Saharan Africa.

Attachment A

Paper Prepared in the Department of State⁵

Washington, undated

SUMMARY OF U.S. AFRICA STRATEGY

I. Africa is moving in our direction, but we are walking away:

—President's African Economic Policy Reform Program (AEPRP) producing real results;

—Continent-wide abandonment of statist economies, turn away from Soviets, toward West;

—Substantial levels of US aid needed to ease difficult transitions:

- AEPRP funding already far short of amounts announced by President; Congressional cuts worsen situation; U.S. credibility at stake

—Southern African Front Line states (FLS) under heavy South African pressure; Soviets seeking openings; FLS look to U.S. for leadership of allied effort to reduce vulnerability, foster free enterprise economies;

—Need supplemental appropriation from new Congress to sustain AEPRP, Food for Progress,⁶ President's Hunger Initiative, the Southern African Regional Initiative;

—Continued aid essential to avoid giving Soviets, Libyans opening they wouldn't otherwise have; keep Africa moving our way.

II. In southern Africa:

—Post sanctions, need to rebuild influence with the South African Government (SAG) and acquire influence with black opposition, including the ANC, Buthelezi, etc.;

—Seek SAG military restraint against neighbors and in nuclear programs, lessened internal repression, greater willingness to negotiate with black opponents;

—Press ANC and other opposition groups to avoid terrorism and negotiate with the SAG;

⁵ Secret; Sensitive. No drafting information appears on the paper.

⁶ Reference is to the Food Security Act of 1985 (P.L. 99-198), colloquially known as the 1985 U.S. Farm Bill. The act modified P.L.-480 to add a Food for Progress (FFP) provision, which conditioned P.L.-480 Title I agreements on recipient nations' willingness to support free enterprise.

—Work with the British, Germans and other allies to shape Western initiative to make clear common stand and help open dialogue in South Africa; help South Africans negotiate representative system of government, end racial injustice;

—Keep pressure on Luanda and Moscow to withdraw Cubans from Angola in return for SAG agreement to Namibia settlement:

- Sustained support for Savimbi key
- Maintain active dialogue with MPLA and SAG on Namibia/Angola deal
- Help Savimbi achieve MPLA-UNITA reconciliation he seeks as only way to peace in Angola

—Need to buttress FLS against South African pressure and Soviet inroads by joining allies in aiding growth of trade, private investment, transport and Western economic influence in the region; seek funding in supplemental;

—Support Mozambique’s Westward turn against SAG pressure, Soviet efforts to recoup losses in wake of Machel’s death:⁷

- Distinguish clearly between U.S. support of nationalist, anti-Cuban struggle by UNITA, and SAG effort to destabilize Mozambique through RENAMO (which risks Soviet/Cuban counter-intervention)
- Draw sharpest possible contrast between aid, investment, other benefits Mozambique gets from pro-West orientation, and Angola’s decline under Soviet/Cuban

III. *Taking on Moscow and Tripoli:*

—Fundamental US requirements:

- No default on aid commitments that would erode our influence throughout the continent, create openings for Soviets and Libyans
- Productive relations with military/intelligence partners (Kenya, Somalia, Zaire, Liberia) sustained by adequate levels of military, economic aid
- Continued burden sharing with France to contain Qadhafi
- Sustained military and economic aid to threatened states (e.g. Chad, Somalia, Sudan)
- Cultivate emerging regional power in Nigeria

IV. *Meeting Africa’s basic needs*

—More than any other people, Africans are ravaged by hunger, disease, unchecked population growth;

⁷ Machel died on October 19, 1986.

—Unless our strategy is accompanied by humanitarian vision, it will not ultimately succeed;

—This takes resources; if we want to do something about hunger, we must put our money where our mouth is.

280. Memorandum From the Executive Secretary of the Department of State (Platt) to the President's Assistant for National Security Affairs (Poindexter)¹

Washington, undated

SUBJECT

1987 State of the Union Address

We recommend that the President include the following major foreign policy themes in his 1987 State of the Union Address.

A. *A brief summary of U.S.-Soviet relations*, with emphasis on the achievements in Reykjavik² and the prospects for arms control. This section should stress that arms control is only one of several items on our agenda with the Soviets and should reiterate our position that no meaningful progress is possible in one area of our relations without improvement elsewhere. Thus, the President should mention our ongoing bilateral contacts, the deplorable state of human rights in the Soviet Union, and our need to be firm as well as flexible in dealing with unacceptable Soviet behavior such as espionage and direct or proxy aggression in the Third World. He should also underline our support for anti-Communist resistance movements (Afghanistan, Angola, Cambodia, Nicaragua).

B. *The legacy of the Marshall Plan*. 1987 is the plan's 40th Anniversary. The focus should be on how American commitment and generosity can serve our own interests while changing the course of history for the better.

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons OCTOBER 1986. Confidential. Drafted by Ledsky on October 28; cleared by Solomon and in draft by Fox. Bleakley initialed for both Ledsky and Fox. The President delivered his State of the Union address before both houses of Congress on January 27, 1987. For the text of the address, see *Public Papers: Reagan, 1987*, Book I, pp. 56–61.

² See Document 278.

This can be followed by a call for Congressional support for the foreign affairs budget—especially economic and security assistance.

C. *The trend toward democracy.* This section should emphasize two points. First, the past six years have witnessed an extraordinary turn to democracy, particularly in the developing world. This trend benefits us politically, economically and strategically. Second, democratic transitions are nonetheless fragile; they require constant nurturing and careful support—especially from the U.S. Specific reference can be made to the Philippines, El Salvador, and Haiti, with a plug for active US assistance to these and other struggling governments (Argentina, Turkey, and Spain would be good precedents to cite).

D. *Reforming the United Nations.* The United States cannot sit idly by while the ideals of the Charter are trampled under foot. We should reiterate our commitment to restoring efficiency and impartiality to the United Nations and effectiveness to its peacekeeping activities. But we can succeed only by remaining engaged. This means working with the Congress to fund our agreed assessment in full, so that we have the leverage to press for reform.

E. *Foreign Affairs Bipartisanship.* The President should reiterate a personal commitment to work in a bipartisan spirit with members of the Congress on behalf of the freedom and security of this country. He might suggest organization of a White House conference on national security aimed at forging a strong executive-legislative partnership to meet the long-term challenges of the years ahead.

F. *The dangers of protectionism and the need for trade liberalization.* The President should outline the Administration's policy initiatives to secure sustained growth at home and abroad in 1987. The emphasis should be on the political, economic, and strategic imperatives of free trade. Specific tasks include building domestic support for a more open international economic system; the need for authorizing legislation for the U.S. to participate in a new round of GATT trade talks;³ and a U.S. commitment to seek stronger international rules to fight unfair trade practices abroad.

G. *Educational Exchange.* Invite the Congress to help organize and fund a major expansion in our exchange program to young people in Europe and non-Communist developing countries.

Nicholas Platt⁴

³ See footnote 3, Document 276.

⁴ Printed from a copy that bears this typed signature.

281. Address by President Reagan to the Nation¹

Washington, November 13, 1986

Address to the Nation on the Iran Arms
and *Contra* Aid Controversy

Good evening. I know you've been reading, seeing, and hearing a lot of stories the past several days attributed to Danish sailors,² unnamed observers at Italian ports and Spanish harbors,³ and especially unnamed government officials of my administration. Well, now you're going to hear the facts from a White House source, and you know my name.

I wanted this time to talk with you about an extremely sensitive and profoundly important matter of foreign policy. For 18 months now we have had underway a secret diplomatic initiative to Iran. That initiative was undertaken for the simplest and best of reasons: to renew

¹ Source: *Public Papers: Reagan, 1986*, Book II, pp. 1546–1548. The President spoke at 8:01 p.m. from the Oval Office. His address was broadcast live on nationwide radio and television. In telegram 355902 to all Near Eastern and South Asian diplomatic posts, November 14, the Department transmitted the text of the President's address. (Department of State, Central Foreign Policy File, Electronic Telegrams, D860869–0106) In his personal diary entry for November 13, the President noted: "1st order of business—I will go on T.V. at 8 P.M. tonight and reply to the ridiculous falsehoods the media has been spawning for the last 10 days." (Brinkley, ed., *The Reagan Diaries*, vol. II, November 1985–January 1989, p. 657) On November 6, the *Washington Post* reported that the United States had shipped military supplies to Iran following secret discussions McFarlane and other U.S. officials had had with the Iranian leaders. Iranian officials had revealed earlier that week that McFarlane had visited Tehran recently to discuss the hostages and urge "Iran to halt its support of terrorism and work toward an end to the Iraq-Iran war." (Walter Pincus, "Secret Talks With Iran Described: 3 Hostages Freed Over 14 Months Of Negotiations," *Washington Post*, pp. A1, A37)

² In a November 7 article, *Washington Post* reporter Walter Pincus wrote: "In Denmark, a spokesman for the Danish Sailors Union said Danish ships had been used to carry American-made arms from Israel to Iran. The union representative said that at least 3,600 tons of U.S.-made arms were carried to Iran recently." (Walter Pincus, "Shultz Protested Iran Deal: U.S. Reassured Iraq Of Neutrality in Persian Gulf War," *Washington Post*, November 7, 1986, pp. A1, A30) See also Stephen Engelberg, "Reagan Approved Iranian Contacts, Officials Report: No Mention of Weapons: Secret Approaches Sought to Improve Relations and to Help Free Hostages," *New York Times*, November 8, 1986, pp. 1, 4; George de Lama and Douglas Frantz, "Iran deal broke U.S. ban: White House left Congress in the dark," *Chicago Tribune*, November 9, 1986, pp. 1, 16; and Jeff Gerth, "Secret Dealings Have Made Use Of Complex Net," *New York Times*, November 13, 1986, pp. A1, A14.

³ On November 11, Craxi called for an inquiry into the possibility that the Tuscan port of Talamone was used for the U.S. arms transfers without the knowledge or consent of the Italian Government. (Roberto Suro, "Italians Looking Into Arms for Iran: Inquiry Opens as Government Voices Displeasure About Reported Use of Port," p. A6, and Bernard Gwertzman, "U.S. to Persevere With Iran Moves, Officials Report: Hope Alive on Hostages: Administration Sharply Split, With Some in White House Dismayed Over Policy," pp. A1, A6; both *New York Times*, November 12, 1986)

a relationship with the nation of Iran, to bring an honorable end to the bloody 6-year war between Iran and Iraq, to eliminate state-sponsored terrorism and subversion, and to effect the safe return of all hostages. Without Iran's cooperation, we cannot bring an end to the Persian Gulf war; without Iran's concurrence, there can be no enduring peace in the Middle East. For 10 days now, the American and world press have been full of reports and rumors about this initiative and these objectives. Now, my fellow Americans, there's an old saying that nothing spreads so quickly as a rumor. So, I thought it was time to speak with you directly, to tell you firsthand about our dealings with Iran. As Will Rogers once said, "Rumor travels faster, but it don't stay put as long as truth." So, let's get to the facts.

The charge has been made that the United States has shipped weapons to Iran as ransom payment for the release of American hostages in Lebanon, that the United States undercut its allies and secretly violated American policy against trafficking with terrorists. Those charges are utterly false. The United States has not made concessions to those who hold our people captive in Lebanon. And we will not. The United States has not swapped boatloads or planeloads of American weapons for the return of American hostages. And we will not. Other reports have surfaced alleging U.S. involvement: reports of a sealift to Iran using Danish ships to carry American arms; of vessels in Spanish ports being employed in secret U.S. arms shipments; of Italian ports being used; of the U.S. sending spare parts and weapons for combat aircraft. All these reports are quite exciting, but as far as we're concerned, not one of them is true.

During the course of our secret discussions, I authorized the transfer of small amounts of defensive weapons and spare parts for defensive systems to Iran. My purpose was to convince Tehran that our negotiators were acting with my authority, to send a signal that the United States was prepared to replace the animosity between us with a new relationship. These modest deliveries, taken together, could easily fit into a single cargo plane. They could not, taken together, affect the outcome of the 6-year war between Iran and Iraq nor could they affect in any way the military balance between the two countries. Those with whom we were in contact took considerable risks and needed a signal of our serious intent if they were to carry on and broaden the dialog. At the same time we undertook this initiative, we made clear that Iran must oppose all forms of international terrorism as a condition of progress in our relationship. The most significant step which Iran could take, we indicated, would be to use its influence in Lebanon to secure the release of all hostages held there.

Some progress has already been made. Since U.S. Government contact began with Iran, there's been no evidence of Iranian Government complicity in acts of terrorism against the United States. Hostages have

come home,⁴ and we welcome the efforts that the Government of Iran has taken in the past and is currently undertaking.

But why, you might ask, is any relationship with Iran important to the United States? Iran encompasses some of the most critical geography in the world. It lies between the Soviet Union and access to the warm waters of the Indian Ocean. Geography explains why the Soviet Union has sent an army into Afghanistan to dominate that country and, if they could, Iran and Pakistan. Iran's geography gives it a critical position from which adversaries could interfere with oil flows from the Arab States that border the Persian Gulf. Apart from geography, Iran's oil deposits are important to the long-term health of the world economy.

For these reasons, it is in our national interest to watch for changes within Iran that might offer hope for an improved relationship. Until last year there was little to justify that hope. Indeed, we have bitter and enduring disagreements that persist today. At the heart of our quarrel has been Iran's past sponsorship of international terrorism. Iranian policy has been devoted to expelling all Western influence from the Middle East. We cannot abide that because our interests in the Middle East are vital. At the same time, we seek no territory or special position in Iran. The Iranian revolution is a fact of history, but between American and Iranian basic national interests there need be no permanent conflict.

Since 1983 various countries have made overtures to stimulate direct contact between the United States and Iran; European, Near East, and Far East countries have attempted to serve as intermediaries. Despite a U.S. willingness to proceed, none of these overtures bore fruit. With this history in mind, we were receptive last year when we were alerted to the possibility of establishing a direct dialog with Iranian officials. Now, let me repeat: America's longstanding goals in the region have been to help preserve Iran's independence from Soviet domination; to bring an honorable end to the bloody Iran-Iraq war; to halt the export of subversion and terrorism in the region. A major impediment to those goals has been an absence of dialog, a cutoff in communication

⁴ The Reverend Benjamin Weir, a Presbyterian missionary, was taken captive in Beirut on May 8, 1984, and released by his captors on September 14, 1985. (Richard Halloran, "American Hostage In Lebanon Freed After 16 Months: Rejoins His Family in U.S.: Reagan Says Saturday Release of Cleric Was Kept Secret to Aid 6 Other Captives," *New York Times*, September 19, 1985, pp. A1, A11) The Reverend Lawrence Martin Jenco, a Roman Catholic priest and director of Catholic Relief Services in Beirut, was taken captive in Beirut on January 8, 1985, and was released on July 26, 1986. (Wes Smith and Ray Gibson, "Jenco OK, heading home: In Joliet, champagne and tears," *Chicago Tribune*, July 27, 1986, pp. 1, 6) David Jacobsen, the director of the American University Hospital in Beirut, was taken hostage on May 28, 1985. On November 2, 1986, Jacobsen was released. (Robert J. McCartney, "'Those Guys Are in Hell': Jacobsen Grateful, Pleads for Hostages," *Washington Post*, November 4, 1986, pp. A1, A15)

between us. It's because of Iran's strategic importance and its influence in the Islamic world that we chose to probe for a better relationship between our countries.

Our discussions continued into the spring of this year. Based upon the progress we felt we had made, we sought to raise the diplomatic level of contacts. A meeting was arranged in Tehran. I then asked my former national security adviser, Robert McFarlane, to undertake a secret mission and gave him explicit instructions. I asked him to go to Iran to open a dialog, making stark and clear our basic objectives and disagreements. The 4 days of talks were conducted in a civil fashion, and American personnel were not mistreated. Since then, the dialog has continued and step-by-step progress continues to be made. Let me repeat: Our interests are clearly served by opening a dialog with Iran and thereby helping to end the Iran-Iraq war. That war has dragged on for more than 6 years, with no prospect of a negotiated settlement. The slaughter on both sides has been enormous, and the adverse economic and political consequences for that vital region of the world have been growing. We sought to establish communication with both sides in that senseless struggle, so that we could assist in bringing about a cease-fire and, eventually, a settlement. We have sought to be even-handed by working with both sides and with other interested nations to prevent a widening of the war.

This sensitive undertaking has entailed great risk for those involved. There is no question but that we could never have begun or continued this dialog had the initiative been disclosed earlier. Due to the publicity of the past week, the entire initiative is very much at risk today. There is ample precedent in our history for this kind of secret diplomacy. In 1971 then-President Nixon sent his national security adviser on a secret mission to China.⁵ In that case, as today, there was a basic requirement for discretion and for a sensitivity to the situation in the nation we were attempting to engage.

Since the welcome return of former hostage David Jacobsen, there has been unprecedented speculation and countless reports that have not only been wrong but have been potentially dangerous to the hostages and destructive of the opportunity before us.⁶ The efforts of

⁵ Reference is to Kissinger's July 1971 secret trip to Beijing to meet with Chou En-lai and other Chinese leaders. For the memoranda of conversation, see *Foreign Relations, 1969–1976*, vol. XVII, China, 1969–1972, Documents 139–143.

⁶ At the time of the President's address, six Americans remained captive or missing in Lebanon: Thomas Sutherland (acting Dean of Agriculture, American University in Beirut), Terry Anderson (former Middle East correspondent for The Associated Press), Frank Reed (director of a private school in Beirut), Joseph Cicippio (acting comptroller, American University in Beirut), Edward Austin Tracy (writer), and William Buckley (U.S. diplomat). (Ray Moseley, "Freed hostage fears for those still held: 'Those guys are in hell,' he warns," *Chicago Tribune*, November 4, 1986, p. 4)

courageous people like Terry Waite have been jeopardized.⁷ So extensive have been the false rumors and erroneous reports that the risks of remaining silent now exceed the risks of speaking out. And that's why I decided to address you tonight. It's been widely reported, for example, that the Congress, as well as top executive branch officials, were circumvented.⁸ Although the efforts we undertook were highly sensitive and involvement of government officials was limited to those with a strict need to know, all appropriate Cabinet officers were fully consulted. The actions I authorized were, and continue to be, in full compliance with Federal law. And the relevant committees of Congress are being, and will be, fully informed.

Another charge is that we have tilted toward Iran in the Gulf war. This, too, is unfounded. We have consistently condemned the violence on both sides. We have consistently sought a negotiated settlement that preserves the territorial integrity of both nations. The overtures we've made to the Government of Iran have not been a shift to supporting one side over the other, rather, it has been a diplomatic initiative to gain some degree of access and influence within Iran—as well as Iraq—and to bring about an honorable end to that bloody conflict. It is in the interests of all parties in the Gulf region to end that war as soon as possible.

To summarize: Our government has a firm policy not to capitulate to terrorist demands. That no concessions policy remains in force, in spite of the wildly speculative and false stories about arms for hostage and alleged ransom payments. We did not—repeat—did not trade weapons or anything else for hostages, nor will we. Those who think that we have gone soft on terrorism should take up the question with Colonel Qadhafi. We have not, nor will we, capitulate to terrorists. We will, however, get on with advancing the vital interests of our great nation—in spite of terrorists and radicals who seek to sabotage our efforts and immobilize the United States. Our goals have been, and remain, to restore a relationship with Iran; to bring an honorable end to the war in the Gulf; to bring a halt to state-supported terror in the Middle East; and finally, to effect the safe return of all hostages from Lebanon.

As President, I've always operated on the belief that, given the facts, the American people will make the right decision. I believe that to be true now. I cannot guarantee the outcome. But as in the past, I ask

⁷ Waite was the personal envoy of the Archbishop of Canterbury, Robert Runcie. He was responsible for mediating Jacobsen's release and working to free the remaining hostages.

⁸ For example, de Lama and Frantz, in their November 9 article (see footnote 2, above), wrote: "According to well-placed congressional sources, the key committees that oversee U.S. intelligence activities were not informed. Under law, the panels must be briefed beforehand of U.S. covert operations abroad. The arms shipments could be construed as a covert operation. Several congressional committees have planned inquiries."

for your support because I believe you share the hope for peace in the Middle East, for freedom for all hostages, and for a world free of terrorism. Certainly there are risks in this pursuit, but there are greater risks if we do not persevere. It will take patience and understanding; it will take continued resistance to those who commit terrorist acts; and it will take cooperation with all who seek to rid the world of this scourge.

Thank you, and God bless you.

282. Handwritten Talking Points Prepared by the Executive Assistant to the Secretary of State (Hill)¹

Washington, November 20, 1986, 8:15 a.m.

TALKING POINTS

1. You were extraordinarily badly prepared for the press conference.² You made wrong and misleading statements. Here is a list.

¹ Source: Reagan Library, George Shultz Papers, Secretary's Meetings with the President (11/12/1986 & 11/14/1986 & 11/19/86 & 11/20/86 & 11/16/86); NLR-775-19-11-4-5. No classification marking. Shultz's stamped initials appear on the handwritten talking points written on Hill's stationery. The editor transcribed the text from Hill's handwritten notes specifically for this volume. An image of the document is Appendix B. In his memoir, Shultz described his reaction to the President's November 19 press conference, at which the President indicated that there would be no further arms sales to Iran, while maintaining that what the administration had done was right: "Many of the president's statements were factually wrong. He was defensive and lacking in his usual confidence. 'The president was extraordinarily badly prepared for this press conference,' I told Jerry Bremer, who had watched it with me. 'He is surrounded by people who are interested in protecting themselves, not in serving him. He therefore has not received the full flow of facts. Congress is going to tear this place apart unless changes are made.' I told Bremer to work on the transcript so that I could show the president the erroneous points he had made and try once more to convince him that he was not getting the straight story from the staff or from Bill Casey and the CIA." (Shultz, *Turmoil and Triumph*, pp. 830–831)

² The President's November 19 news conference took place in the East Room at 8:01 p.m. and was broadcast live on nationwide radio and television. In his opening comments, the President said of his administration's decision to begin a "secret initiative to the Islamic Republic of Iran": "I understand this decision is deeply controversial and that some profoundly disagree with what was done. Even some who support our secret initiative believe it was a mistake to send any weapons to Iran. I understand and I respect those views, but I deeply believe in the correctness of my decision. I was convinced then and I am convinced now that while the risks were great, so, too, was the potential reward. Bringing Iran back into the community of responsible nations, ending its participation in political terror, bringing an end to that terrible war, and bringing our hostages home—these are the causes that justify taking risks." (*Public Papers: Reagan, 1986*, Book II, p. 1568) Shultz's reaction to the news conference is in footnote 1, above.

2. I can only conclude that you are not getting the full flow of facts. This operation *has* been a *fiasco*. Those who conducted it are now concerned with protecting themselves, so they are not telling the full story.

3. Congress is going to tear the NSC—and all our foreign policy—to shreds unless we make changes before Congress comes back.

4. Here is a course of action:

—A new draft NSDD (no need to rescind the finding)³

—No sales [illegible] on 3rd countries.

—personnel changes in the NSC

— The Secretary of State to concurrently occupy the position of National Security Advisor (with Jon Howe as Deputy) until the State of the Union address, at which time a new NSC advisor would be named.

—operations such as this must never be conducted period—but certainly never from the NSC

- zero insulation from the President.
- No clear demarcation between intelligence and operations twists the facts and distorts judgments.

³Not found.

283. Handwritten Talking Points Prepared by the Executive Assistant to the Secretary of State (Hill)¹

Washington, undated

The problem with the President's press conference last night was that it was oriented to the past. He needs to correct what has gone wrong in the past and turn to deal with the future.² He will have to make some sharp decisions. It is good that he said that arms to Iran would be stopped. Now he has to go beyond that. We have to actively discourage arms sales by third countries. Some we can only influence

¹ Source: Reagan Library, George Shultz Papers, Secretary's Meetings with the President (11/12/1986 & 11/14/1986 & 11/19/86 & 11/20/86 & 11/16/86); NLR-775-19-11-4-5. No classification marking. The editor transcribed the text from Hill's handwritten notes specifically for this volume. An image of the document is Appendix C. Shultz's stamped initials appear in the right-hand corner of the handwritten talking points.

² See footnote 2, Document 282.

by our example; others we have some muscle with—Israel. The Israelis need to be convinced that we are serious about this or every Israeli arms transfer to Iran is going to be attributed to us.

Second, the President has to deal decisively with this enormous threat to the achievements of his administration. It is not pleasant to say this, but John Poindexter—an able, admirable, fine man—has been used up by this episode.³—So he has to go. Here is my suggestion:

- For the next month or so, on a temporary basis, I will sit in as National Security Advisor in addition to my other duties. I will ask Jon Howe to come in as my Deputy. The President knows him, likes him, trusts him. What the NSC can expect is some housecleaning. Not much, but a rearranged set-up is required. Their charter will be to carry out a *coordinating* function. No operations.

John Poindexter is so outstanding that the Navy certainly will offer him a good berth. We need to tell them that is what is expected of them.

³ In remarks made on November 25, the President indicated that Poindexter had “asked to be relieved of his assignment as Assistant to the President for National Security Affairs and to return to another assignment in the Navy.” (*Public Papers: Reagan, 1986*, Book II, p. 1587) In a personal diary entry for November 25, the President commented: “John P. came in this morning & announced he was leaving the N.S.C. & returning to the Navy. I told him I wouldn’t refuse his resignation but regretted it. I explained that I knew the press would crucify him if he stayed & he didn’t deserve that. What it was all about was that Ed Meese learned that several months ago the Israelis delivered some of our arms to Iran but exacted a higher price than [*than*] we had asked. They sent us our price then past [*passed*] the balance in a Swiss bank acct. belonging to the Contras—their way of helping the Contras at a time when Congress was refusing aid to the Contras. John resigned because he had gotten wind of this game but didn’t look into it or tell me. In the old Navy tradition he accepted the responsibility as Capt. of the ship. We broke the story—I told the press what we’d learned. This headed them off from finding out about it & accusing us of a cover up. I’ve asked Ed Meese to continue digging in case there is anything we missed & I’m appointing a commission to review the whole matter of how N.S.C. Staff works. Ed M. stayed with the press & took their Q’s. They were like a circle of Sharks.” (Brinkley, ed., *The Reagan Diaries*, vol. II, November 1985–January 1989, p. 661)

284. Information Memorandum From the Director of the Policy Planning Staff (Solomon) to Secretary of State Shultz¹

Washington, December 3, 1986

SUBJECT

The Meaning of the Post-Industrial Age

Attached at Tab 1 is a paper that investigates the meaning and economic consequences of the Post-Industrial Age.² (At Tab 2 is a list of recent articles on the same topic.)³ The paper holds policy implications for Administration initiatives over the next two years that could have profound ramifications for America's future economic competitiveness in the international marketplace.

Key features of the Post-Industrial Age will be:

- new industrial materials,
- biotechnology and agricultural production,
- revolutionary industrial production processes,
- dominant role of communications and information, and
- globalization of the financial economy.

How effectively economies handle the interrelationships among these various new characteristics will determine whether countries will be on the cutting edge of the world economy.

How well U.S. policy makers and the private sector understand the fundamental changes these relationships imply for U.S. trade and finance will shape how the U.S. economy responds to the opportunities of the Post-Industrial Age.

Over the next two years, the Administration could make a major contribution toward ensuring U.S. leadership in this new era. We believe that the following initiatives hold particular promise for strengthening America's competitive position in the world economy:

- Assess the impact of SDI development on continued U.S. leadership in the non-military information and communications areas.
- Analyze the competitive impact of biotechnology developments on U.S. agricultural exports, and our approach to agricultural

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons DECEMBER 1986. Confidential. Drafted by Kauzlarich on December 1; cleared for information by Negroponte.

² Attached but not printed is an undated paper drafted by Kauzlarich entitled "The Meaning of the Post-Industrial Age."

³ Attached but not printed is an November 24 paper entitled "Recent Articles Relating to the Post-Industrial Age."

subsidies. Convince the EEC that the present subsidy system pushes the LDC agricultural producers against the wall just when technological breakthroughs may increase global agricultural production.

—With the traditional determinants of competitiveness now of diminishing importance (e.g. labor costs representing a declining proportion of total costs), we could develop a policy framework for supporting production-enhancing industrialization. In particular we should encourage the SEC (perhaps through Secretary Baker) to examine changes in accounting standards that will be needed to encourage U.S. business to have a longer time horizon for investment and research.

—Assess whether the IMF and the GATT institutional frameworks for trade and finance are capable of handling the demands of the Post-Industrial Age, especially the globalization of financial markets. Discuss with Baker and Volcker whether they should meet with their foreign counterparts on the impact of highly integrated global financial markets.

—Redefine our energy, raw materials, and strategic minerals policies in light of developments in new industrial materials.

—Analyze the gains from freer trade in the context of the changing nature of greater global competition.

285. Memorandum From the Assistant to the President (Kingon) to the Members of the White House Communications Group¹

Washington, December 4, 1986

SUBJECT

The Role of the Cabinet in this Campaign

Since we have all discussed the themes and others will articulate them, it does not bear repeating here, except to say how I would visualize the Cabinet in this connection.

¹ Source: Reagan Library, WHORM: Subject File, Federal Government Organizations (FG), FG 010–01, Cabinet Meetings, FG 010 Cabinet (448000–606408). No classification marking. The stamped initials “WS” appear in the top right-hand corner of the memorandum. Copies were sent to Thomas, Buchanan, Daniels, Speakes, Ball, Maseng, Chew, Gibson, and Barbour.

Secretaries Shultz, Weinberger and Meese are directly involved in the Iran process and they know what they have to say. They will be consistently questioned. The same is true with CIA Director Casey but he has eschewed public forum. Ambassador Walters can also be put in this category and can directly focus on the details and issues of the Iran crisis.

None of the above should be used in a broad-based appeal to shore up the President's authority and record of success. If they do go out to do this they will be immediately put on the defensive for their roles, whatever they may be, in the Iran crisis. They must, as part of their regular public affairs programs, in their talks defend the President first, his policies and their roles in the Administration.

Regarding the rest of the Cabinet some things are obvious. The Secretary of Energy or Interior or Transportation simply cannot go out and make a speech on Iran. What they should do is step up their normal speaking efforts to their regular constituencies as well as the particular areas that I have discussed below and make speeches about: (a) their particular areas; (b) their Department's roles in the 1987 agenda; (c) the Administration's program in general.

In their role of promoting the President they will have to allude to Iran. My suggestion is that in the coming period when Iran is bound to come up they essentially respond to the effect that the President has made certain policy decisions for good and sufficient reasons (and they can elaborate on that) that he believes they were sound reasons even now and that he has made no mistake, but he recognizes that the majority of the American people disagree with that judgment and that therefore he has suspended all such activities with Iran.

He also recognizes that the diversion of funds was totally improper. He and other top Administration officials were surprised by the revelation. He has taken all of the necessary steps to ensure that that kind of violation of not only law and ethics but his own directives cannot happen again.

To that end I propose that there be two full Cabinet meetings in the near future. A briefing for the Cabinet on Iran—what has happened, what did not happen, and what the Administration's position is on all of the relevant matters. (The Cabinet and the White House staff have yet to be briefed on these issues.)

A second Cabinet meeting should also be held before Christmas focusing entirely on the 1987 agenda—a pre-State of the Union meeting so that the President can indicate the agenda for 1987, receive feedback from the Cabinet and allow the Cabinet to prepare itself

over the holidays as well as for the President to consider Cabinet input.²

During the holidays I think we should revive a practice we have had in the past of making some domestic announcement every day the President is away. Since we may not want to reveal the specific details of the State of the Union this early it becomes important to make sure these events are important enough without diminishing the effect of the State of the Union Address.

Regarding particular constituencies several of the Cabinet members are particularly strong in certain areas.

Secretary Hodel has strong followings in the south and southwest and also with the Christian communities and should step up his exposure there. Similarly Secretary Brock is also strong in the south and also among the large city editorial boards. Secretary Baker is strong in Texas, in the money centers and the major city editorial boards. Secretary Dole is especially strong in the south. Secretary Bennett is also strong in the south and with conservatives in general and Democratic conservatives in particular.

In general all of our efforts must begin to focus on issues such as trade, competitiveness, agriculture and energy that will be the focus of the domestic program.

² In a December 15 briefing memorandum to Shultz, Solomon provided talking points for the Cabinet meeting scheduled to take place on December 16. The talking points are divided into five sections: "Status of and Prospects for U.S.-Soviet Relations"; "International Economic Initiatives"; "Foreign Affairs Bipartisanship"; "The Trend Toward Democracy"; and "The United Nations." (Department of State, Executive Secretariat, S/P Records, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons DECEMBER 1986)

286. Radio Address by President Reagan to the Nation¹

Camp David, Maryland, December 6, 1986

Radio Address to the Nation on the Iran Arms
and *Contra* Aid Controversy

I'm speaking to you today from Camp David, and because the atmosphere here is a bit more informal than everyday Washington, I thought it would be a good opportunity to think and reflect with you about those crucial foreign policy matters so much in the news lately. It's also a chance to do something I've wanted to do throughout the course of these events: and that's share some personal thoughts with you, to speak to you, the American people, from the heart.

I realize you must be disappointed and probably confused with all the furor of the last couple of weeks. You must be asking: What were we doing in the Middle East? What was our policy? Where was it wrong? Were we engaged in some kind of shenanigans that blew up in our face? I can understand if these are the questions you're asking, and I'd like to provide some answers.

First of all, the Middle East is critically important to our nation's security. Right now it's a major trouble spot that could easily set off the sparks of a wider conflict. Much of our effort has been aimed at stopping terrorism—putting an end to the bombing of innocent civilians and the kidnaping of hostages, especially our own citizens—and bringing about an end to the bloody war between Iran and Iraq.

When word came to me that individuals in Iran, including some members of the Government there, had asked through an intermediary in a third country for a meeting with a representative of our government, I said yes. And even though these were responsible elements in Iran that might be able to assist us in stopping the violence and possibly helping us get back the hostages being held in Lebanon, there was a risk involved. But I believed then and believe now there was a greater risk in doing nothing, of not trying.

So, I gave the order to proceed. We had some notable success: There was some reduction in terrorism, and three of our hostages were

¹Source: *Public Papers: Reagan, 1986*, Book II, pp. 1607–1608. The President spoke at 12:06 p.m. In his personal diary entry for December 6, the President noted, "Radio script was on Iran. I admitted there were mistakes in the implementing of policy but not in the policy itself." (Brinkley, ed., *The Reagan Diaries*, vol. II, November 1985–January 1989, p. 665)

released—one at a time—and others were about to follow.² Then someone in the Government of Iran leaked information about our contacts with Iran to a newspaper in Lebanon.³ You know the rest. This effort to establish a relationship with responsible moderates in Iran came to light and was broken off. But I think you can see the purposes behind our policy: to end the war in the Middle East, to prevent Soviet expansionism, to halt terrorism, and to help gain release of American hostages.

But now I want to speak to you about something else, not the policies themselves but how they were carried out. And while we are still seeking all the facts, it's obvious that the execution of these policies was flawed and mistakes were made. Let me just say it was not my intent to do business with Khomeini, to trade weapons for hostages, nor to undercut our policy of antiterrorism. And let me say again, I know the stories of the past few weeks have been distressing. I'm deeply disappointed this initiative has resulted in such a controversy, and I regret it's caused such concern and consternation. But I pledge to you I will set things right.

That's what I am doing now. When our Iranian initiative came to light, I spoke to you from the Oval Office and explained it.⁴ When revelations regarding a transfer of money from Iran to those attempting to fight the Sandinista government were reported to me, they were immediately shared with you and the Congress.⁵ I then appointed a distinguished, independent board chaired by former Senator and Ambassador John Tower to review our National Security Council staff apparatus.⁶ And to

² See footnote 4, Document 281.

³ Reference is to the Beirut weekly magazine *Al Shiraa* (or *Ash-Shiraa*), which had reported on McFarlane's recent discussions with Iranian officials concerning the exchange of ammunition and spare parts for Iran's discontinuation of support for terrorist groups. (Ihsan A. Hijazi, "Hostage's Release Is Linked to Shift In Iranian Policy: A More Pro-Western Element Is Ascendant in Teheran, Arab Diplomats Say," *New York Times*, pp. A1, A10, and Nora Boustany, "Beirut Magazine Says McFarlane Secretly Visited Tehran," *Washington Post*, p. A15; both November 4, 1986)

⁴ See Document 281.

⁵ Following the President's November 25 remarks (see footnote 3, Document 283) Meese announced that the \$10 to \$30 million paid by Iran for the U.S. arms shipments was disbursed to the Contreras via Swiss bank accounts. See Bernard Weinraub, "Disarray Deepens: Was Not 'Fully Informed' About Secret Moves, President Asserts," *New York Times*, pp. A1, A11, and Walter Pincus and David B. Ottaway, "Up to \$30 Million Transferred: Deposits Made During Congress' Ban on Aid to Rebels," *Washington Post*, pp. A1, A12; both November 26, 1986.

⁶ During his November 25 remarks, the President indicated that he would appoint a Special Review Board for the National Security Council. (*Public Papers: Reagan, 1986*, Book II, p. 1587) On November 26, the White House released a statement indicating that Tower, Scowcroft, and Muskie would serve on the Board, with Tower serving as Chairman. The statement indicated that the Board "will conduct a comprehensive study of the future role and procedures of the National Security Council staff in the development, coordination, oversight, and conduct of foreign and national security policy." (*Ibid.*, p. 1588) For the text of Executive Order 12575, establishing the President's Special Review Board, see *ibid.*, pp. 1592–1593.

ensure a complete legal inquiry, I urged the appointment of an independent counsel.⁷ They used to be called special prosecutors, and that's what they are. They just changed the title. And finally, I have stated we will cooperate fully with the Congress as they undertake their proper review.⁸

If illegal acts were undertaken in the implementation of our policy, those who did so will be brought to justice. If actions in implementing my policy were taken without my authorization, knowledge, or concurrence, this will be exposed and appropriate corrective steps will be implemented. I will continue to make all the facts known surrounding this matter. We live in a country that requires we operate within rules and laws—all of us. Just cause and deep concern and noble ends can never be reason enough to justify improper actions or excessive means.

In these past 6 years we have done much together to restore the faith and confidence and respect of our people and our country. We've done so not by avoiding challenges or denying problems but when confronted with these problems dealing with them directly and honestly. We will continue to do so. Until next week, thanks for listening, and God bless you.

⁷ In his December 2 address to the nation regarding the investigation of the Iran arms and Contra aid controversy, the President indicated that Meese had concluded "that further investigation by an independent counsel would be appropriate." The President added that he had directed Meese "to apply to the court here in Washington for the appointment of an independent counsel." (*Ibid.*, p. 1594) In a December 19 statement, the President indicated: "I have urged and now welcome the appointment of such a distinguished jurist as Lawrence Walsh to serve as Independent Counsel. With the appointment of an Independent Counsel and with the efforts of the Senate and House Select Committees and the Special Review Board I established, all of the facts will come before the American people at the earliest possible time." (*Ibid.*, p. 1636)

⁸ In his December 2 address, Reagan remarked: "I recognize fully the interest of Congress in this matter and the fact that in performing its important oversight and legislative role Congress will want to inquire into what occurred. We will cooperate fully with these inquiries." (*Ibid.*, p. 1595)

287. Editorial Note

On December 8, 1986, Secretary of State George Shultz testified before the House Committee on Foreign Affairs regarding the sale of arms to Iran and the diversion of funds to the Nicaraguan Contras. Shultz indicated that while he would inform the Committee of "everything" he knew about the sale, he was not prepared to do so in an open

hearing due to the classified nature of much of the information, noting the possibility that his testimony “could well interfere with ongoing criminal investigations, would improperly reveal intelligence sources and methods, and would expose privileged communications.” The Secretary continued that he remained prepared “to tell the full truth” in keeping with his “legal and ethical responsibilities” within the context of “a closed session.” Shultz then specified that the statement he would provide during the current hearing would begin with the “future relations” of the United States vis-a-vis the Persian Gulf: “The Persian Gulf is important to the United States, and for many of our key friends and allies as well. A quarter of the free world’s oil flows through the Persian Gulf, and an even higher percentage sustains the economies of our allies in Europe and Japan. It is vital that Western access to that oil continues.

“The region is a strategic focal point—one in which the Soviet Union has long sought to expand its presence and control. We have an important stake in denying to them such an expansion. We have major political interests with individual gulf states, both in their own right, and because of their influence on events in the Middle East, Afghanistan, and elsewhere.

“Therefore, we want the states of the gulf to enjoy a peace and political stability free from threats of Soviet intimidation, external aggression, or internal subversion. We wish to sustain productive relations with these states of the region, in part so that the supply of oil to the West can continue unabated.

“But our strategic, economic and political interests in the gulf have been and continue to be challenged from a number of quarters—by war and political instability in the region, by the Soviet Union’s brutal occupation of Afghanistan and persistent efforts to expand its influence, and by terrorism. And Iran has come to be a most important element in all of these considerations.

“The Iran-Iraq war, now in its seventh year, shows all too clearly how a continuation of regional conflict and instability can threaten not only our interests, but those of many states friendly to us as well. And for that reason, the United States has consistently worked for an early end to that conflict, under terms which provide for the territorial integrity and independence of both belligerents.

“In meeting the threat of escalating terrorism, we must also deal with the problem of Iran. The current Iranian Government continues to believe that terrorism is a legitimate instrument of foreign policy. It has been prepared to employ that instrument when and where it suited its needs. It is in our interest to see that it stop.

“As the President has said, he authorized the transfer of some arms to Iran to send a signal that the United States was prepared to

replace the animosity between us with a new relationship. That signal has been sent.

"No further arms shipment will be made to Iran by the United States, and we will exert all our influence to discourage arms sales to Iran by others. The reason is that it is Iran which refuses to end the gulf war, and it is the capability of Iran to continue the war that we must address. Iran cannot expect a better relationship with us until it acts to end the war, ceases its support for terrorism, and uses its influence with those who hold our hostages to achieve their freedom.

"Our dealings with Iran are shaped by a strategic dilemma. We have a 'Northern' concern—to keep Iran free of Soviet influence; and a 'Southern' concern—to keep Iran from dominating its gulf neighbors. Because Iran continues to resist Soviet influence, but threatens the gulf, our near-term priority must be to reassure gulf Arab states of our support and stand fast on our antiterrorism and arms embargo policies.

"Meanwhile we must use alternative channels to bolster Iranian resistance to Soviet influence and focus on shared interests such as Afghanistan. Similarly, stability in the gulf will affect our efforts to encourage meaningful movement in any peace process between Israel and its Arab neighbors.

"Therefore, we have a legitimate interest in better relations with Iran, and the President determined last year that we should respond to approaches from elements within Iran to see whether Iranian leaders were prepared to shift their policies in a more positive direction.

"Last Saturday the President reiterated our purposes: 'to end the war in the Middle East, to prevent Soviet expansionism, to halt terrorism and to help gain release of American hostages.'

"Mr. Chairman, I fully support every one of these purposes. I am sure that you and this committee likewise support them.

"The problems created by recent events were not caused by these purposes, but by the way they were implemented in this once instance, and by certain unauthorized actions of officials on whom the President had relied to implement his policy. Facts being revealed have made clear, as the President has forthrightly stated, 'that the execution of these policies was flawed and mistakes were made.'

"The policies the President has reaffirmed are his own. He has made clear that it was neither his intent nor his policy to trade weapons for hostages, nor to undercut our stand against terrorism.

"I fully support him and his policies. As a Nation, we must remain opposed to terrorism in every form. All terrorism, whether directed against Americans or others, is unacceptable and must be eliminated. That principle is central to our efforts to encourage broader international cooperation against state-sponsored terrorism.

“Therefore, we must continue to speak out and take action against all acts of terrorism. However much we share the anguish of the families involved, we must oppose concessions or ransom for the release of hostages. To do otherwise would encourage the taking of additional hostages and would raise the value in the eyes of the hostagetakers of those already held.

“And we must continue to strengthen our efforts with friends and allies in such areas as intelligence exchange and security measures to thwart terrorism and its attendant violence and to isolate states which sponsor and support terrorism.

“With respect to Iran, the President has noted: ‘The Iranian revolution is a fact of history; but between American and Iranian basic national interests, there need be no permanent conflict.’

“He has also reaffirmed that it was not his intent to do business with the Khomeini regime as long as its policies threaten the peace and stability of the region. Here again, I fully agree.

“We must continue to encourage an end to regional hostilities and peaceful relations between all of the gulf states. We seek a negotiated resolution of the Iran-Iraq war that respects the sovereignty and territorial integrity of all nations in the region.

“In working for the stability of the gulf, we will continue to support the cooperative efforts of moderate and friendly states of the region to ensure their own security and stability. We will oppose Soviet encroachment in the region and seek an early end to its occupation of Afghanistan.

“Finally, we must put recent events into proper historical perspective. The President has been here for 6 years. When he took over, the Nation was neither as secure nor as confident as it should have been.

“Where do we stand after 6 years of President Reagan’s leadership in foreign affairs?

“Working with Congress and with the broad support of the American people, President Reagan’s policies have brought us to the threshold of a new and remarkably different world, a world in which America’s interests, America’s pride, and America’s ideals are flourishing.

“What is this different world? Why is it cause for renewed confidence and hope for the future?

“Because we can glimpse now, for the first time, a world in which the incessant and pervasive fear of nuclear devastation is reduced. The threat of nuclear conflict can never be wholly banished, but it can be vastly diminished by careful but drastic reductions in offensive nuclear arsenals and by creating an ability to defend against them. It is just

such reductions—not limitations in expansion, but reductions—and just such defenses, that is the vision President Reagan is working to make a reality.

“Only a few years ago the democracies of the world were believed to be an embattled, shrinking handful of nations. Today people struggling under oppressive regimes of the right and the left can see democracy as a vital force for the future. Vital but nonviolent movements toward more open societies have succeeded. The failure of closed, command economies is more evident every day. A new wind of change is blowing.

“People who are ready to stand up for freedom and have no choice but to fight for their rights now know that communism’s march is not inevitable. President Reagan is a freedom fighter, and the world knows it. And I stand with President Reagan.

“Strong defenses, sound alliances, and support for the free economic and political development of peoples everywhere, that is what President Reagan stands for. His policies are not the policies of a party; they are the policies of all the American people. They are inevitable policies if our country is to remain the best and greatest on Earth and the hope of humanity everywhere.

“Let us show the strength of our free institutions by a full investigation of every detail of this Iran episode. But as we do so, let us unite, pull ourselves together and keep this country moving ahead to meet the dangers and the opportunities of this moment.

“Thank you, Mr. Chairman.” (*The Foreign Policy Implications of Arms Sales to Iran and the Contra Connection: Hearings Before the Committee on Foreign Affairs, House of Representatives, Ninety-Ninth Congress, Second Session, November 24; December 8, 9, 1986*, pages 58–62)

For Shultz’s recollections of the hearing see *Turmoil and Triumph*, pages 846–847.

288. Memorandum From the President's Assistant for National Security Affairs (Carlucci) to President Reagan¹

Washington, December 24, 1986

SUBJECT

NSC Activities

I assume my responsibilities as your Assistant for National Security on January 2, 1987.² This memo provides you with my preliminary thoughts on how to maintain the momentum of your successful foreign and national security policies during the next two years, and briefs you on the new philosophy, organization, and personnel of the NSC staff.

Leaving an Enduring Legacy

Above all, we must strive to institutionalize the main accomplishments of your Administration. You can thus leave the country with a strong and enduring legacy in the twin areas of foreign and national security policy. Our success—over the past six years and the next two—can influence future Presidents and vindicate the principles on which your policies have been based.

In a nutshell, history will judge your main contributions to have included:

1. rebuilding America's strength;
2. restoring America's confidence in itself and the confidence of our friends and Allies in us;
3. introducing SDI; and
4. launching the "Reagan Doctrine" of providing aid to those fighting Marxist regimes around the world whether in Nicaragua, Afghanistan, Angola or elsewhere.

Planning for Accomplishments in the Next Two Years

We should not, however, rest on our laurels. True, major new initiatives will be difficult so far into an Administration, but you can continue to control the foreign policy agenda by the forward-looking nature of your policies and the skill with which you manage our relations with the USSR and our Allies. Most important will be your ability

¹ Source: Reagan Library, Frank Carlucci Files, Chronology—Official (12/09/1986–12/30/1986). Confidential. None of the tabs is attached.

² After Poindexter resigned in late November 1986 (see footnote 3, Document 283), Keel served as acting President's Assistant for National Security Affairs. On December 2, Carlucci assumed responsibility as the President's Assistant for National Security Affairs.

to dominate the crises which are certain to arise. This will require solid contingency planning.

In my initial weeks on the job, I will seek in our daily meetings to learn your priorities. This will enable me to allocate NSC staff time to the areas of greatest concern to you. These priorities may include:

1. Congressional support for defense spending in general and for SDI in particular;
2. relations with the Soviet Union, including (but *not* limited to) arms control;
3. Central America, especially assuring continued aid to the Contras;
4. anti-terrorism and related activities; and
5. steps for peace in the Middle East.

Besides going on the offensive in areas such as these, we will surely be challenged to fend off potential problems in such areas as:

1. Congressional moves to narrow Presidential authority in foreign and security affairs, especially in arms control and in the aftermath of the Iranian controversy;
2. turmoil in countries particularly important to us such as the Philippines, Mexico, Egypt, Pakistan, South Korea, or South Africa; and
3. the ominous threat of protectionism and an ensuing trade war.

Action: To help prepare for decisions you will face in such areas, I propose to issue several National Security Study Directives on these issues early in January. These NSSDs will help reassert your policies, clarify your options, and analyze how we can best foresee policy opportunities and anticipate crises before they become unmanageable. As Parkinson once quipped, the success of a policy is best measured by the catastrophes which do not ensue.

The NSC Staff Role

The NSC, quite simply, must be organized to serve you by providing sound and consistent advice and translating your objectives into operating policies. Our overarching task is to assure *quality control* in:

1. staffing out Presidential options, so that your decisions are made in a timely manner with the best possible options formulated by all relevant Agencies;
2. monitoring implementation of your policies to ensure compliance and cohesion by all Agencies; and
3. preparing for crisis management.

We plan to have a more tightly focused NSC staff structure, one which concentrates on what is essential for it to do—namely, the three points above—rather than what other Agencies are best equipped to

do—namely, covert operations and routine diplomatic activities. The NSC staff is uniquely placed to take full account of your personal views, overall policy lines, and political situation at any given time.

Action: In January, I plan to discuss with the NSC staff their vital role and to issue a directive on the types of activities which are appropriate. (The directive is contained in Tab A.) A strengthened NSC General Counsel's office will help assure full compliance with all relevant laws, regulations, and directives. My initial discussions with the Tower Commission suggest they may ask you to issue an Executive Order along similar lines and send a copy to Congressional leaders for their information.³ If we do not do this, the Congress will almost certainly do something even more restrictive.

NSC Coordination of Other Government Agencies

We plan a more structured and organized process of decision-making, including:

1. as now, frequent NSC (or NSPG) meetings, chaired by you, with the relevant Cabinet officers and Agency heads, to discuss and resolve issues formulated by the Cabinet group and the Policy Review Group;
2. regular meetings and less formal lunches of Secretaries Shultz and Weinberger, CIA Director Casey and myself, to prepare issues and options for your later decision;
3. regular meetings in a newly-formed Policy Review Group (PRG), including the Deputy NSC Advisor, the Deputies or Undersecretaries of State, Defense, the CIA and others, as appropriate ("principals plus one") to formulate options and resolve issues, to assure that all decision papers are adequately prepared (especially for NSC meetings), and to plan for crises; and
4. the on-going interagency groups at other levels, e.g., the Assistant Secretary and working group levels.

Action: I am sending to the involved Agencies a draft NSDD (contained in Tab B) which establishes such a decision-making framework and reaffirms or sets forth responsibilities of the main officials participating in this process. The major change will be the establishment of the PRG, to act as the primary staff group to hammer out well-researched, well-coordinated policy choices for NSC principals.

The arms control decision-making structure will follow suit, but differs slightly because of the the greater than usual number of participants. This approach is spelled out in Tab C.

³See footnote 6, Document 286.

NSC Personnel and Structure

As you know so well, the NSC staff is an outstanding group of experts dedicated to the success of your foreign and national security policies. I have attempted to trim the professional staff by 10 to 15 percent, and have fewer offices reporting directly to me. For example, the office of Political-Military Affairs is being abolished. Discipline should and will be tightened throughout the organization.

Some offices, consequently, have been strengthened, such as the General Counsel's office. A new position of "Counselor" is being established. The arms control and defense planning functions are split, given the heavy workload on each, though the staffs will continue to overlap.

I am exceedingly pleased by the caliber of individuals willing to join the NSC staff, beginning with my Deputy, General Colin Powell. Regional offices will be led by the strongest of experts, including Fritz Ermarth for Soviet/European Affairs; Jim Kelly for Asia; Ambassador Bob Oakley for the Middle East; Ambassador Jose Sorzano for Latin America; Ambassador Herman Cohen for Africa; and Barry Kelly for Intelligence & Multilateral Affairs. Arms control and defense planning are not going to change at first, with Colonel Bob Linhard and Admiral Bill Cockell heading those sections. Peter Rodman has expanded responsibilities as Counselor, and Colonel Grant Green is going to make sure all of us perform our functions in an organized fashion as Executive Secretary for the entire enterprise. I look forward to the opportunities you will have to work closely with them over the next two years, as I plan to bring them into the Oval Office to brief you as the issues arise.

While we still have key selections to make, the NSC structure is fairly well set. It is shown in Tab D, which also contains bullets on the functions of each office.

NSC Dealings with Outside Groups

The staff fully realizes that its primary responsibility is to you, and its primary relationship with those outside the NSC is to motivate the other governmental departments and agencies. Hence, the staff will not routinely conduct business with the diplomatic, journalistic or Congressional communities. Where such interaction is appropriate, it will be centrally coordinated, and the interested Departments informed. (My directive to the staff is contained in Tab E.)

I currently plan to give only selective "backgrounders" and to keep initial direct involvement with foreign diplomats to a minimum.

I will, though, be more heavily involved in Congressional relations, since so many of your goals in foreign policy and national security will require responsible behavior by those in the Congress.

I look forward to serving you to the best of my ability.

Foundations of Foreign Policy, 1987

289. Memorandum From the White House Chief of Staff (Regan) to President Reagan¹

Washington, January 6, 1987

SUBJECT

Planning for 1987

As we prepare to move into the seventh year of your Presidency, we face a major challenge—dealing with Iran while at the same time advancing the elements of your 1987 agenda. Though substantively unconnected, the ability to deal with one will have a major effect on achieving the second.

The Iran controversy has resulted in not only questions regarding what happened but also questions regarding this Administration's ability to lead the country. If we are to be successful in advancing our 1987 agenda we must also demonstrate our ability to manage the "process" of the Iran issue.

There is a need not only to get to the bottom of what happened with regard to Iran but to do that in a way that does not impede the conduct of the regular business of governing the nation.

This memo attempts to review:

- (1) the current status of our efforts to manage Iran;
- (2) your potential new initiatives for 1987; and
- (3) a strategy to deal with *both*.

Iran

With respect to Iran, our focus should now be on *one theme*—getting all the facts out to the American people and setting things right.

¹ Source: Library of Congress, Manuscript Collection, Donald T. Regan Papers, Box 213, White House, Subject File, Planning, 1985–87. No classification marking.

The post-Iran revelation activities—personnel changes,² the Tower Board,³ your call for coordinated Congressional inquiry,⁴ your urging of independent counsel,⁵ approval of testimony by White House staff,⁶ Presidential statements and the naming of a Special Counselor⁷—can now be seen as a positive pattern, demonstrating your commitment to learn all that happened and share that information with the American people.

Dick Wirthlin's numbers confirm that these remedial steps not only checked the fall in overall approval ratings, but contributed to a positive though not complete recovery. The challenge now is to reinforce the positive nature of those actions.

We should avoid additional statements that describe what happened. No matter how detailed, they can never cover every single circumstance and therefore will contribute to even more criticism that you are "providing incomplete or inaccurate information, that you are covering up, or that you don't know what is going on." Rather, we should begin to place you apart from the day-to-day aspects of the Iran inquiry. Your primary attention should be directed to advancing arms reduction, reducing the deficit, providing catastrophic illness financing, and the other issues that are important to your agenda. In short, our strategy should be to put Iran "beside us." The now unstoppable Iran investigations will not allow a quick solution to the problem, no matter what we do. The Congressional hearings will go on and the independent counsel will require an extended period of time to complete his work.

² See footnote 2, Document 288.

³ See footnote 6, Document 286.

⁴ In his December 2, 1986, address to the nation on the investigation of the Iran arms and *Contra* aid controversy (see footnote 7, Document 286), the President affirmed the administration's desire to cooperate with Congress, adding: "But I do believe Congress can carry out its duties in getting the facts without disrupting the orderly conduct of a vital part of this nation's government. Accordingly, I am urging the Congress to consider some mechanism that will consolidate its inquiries—such a step has already been requested by several Members of Congress. I support this idea." (*Public Papers: Reagan, 1986*, Book II, p. 1595) According to a December 5 statement by Speakes, the President that day had met with the bipartisan Congressional leadership and told them "that it was important to expedite and consolidate the number of congressional inquiries being planned." (*Ibid.*, p. 1607)

⁵ See footnote 7, Document 286.

⁶ In his December 2, 1986, address, Reagan stated that he had taken the "unprecedented step of permitting two of my former national security advisers to testify before a committee of Congress." (*Public Papers: Reagan, 1986*, Book II, p. 1595)

⁷ On December 26, 1986, the President announced that he had appointed Abshire to serve as Special Counselor to the President and White House coordinator for the Iran inquiry. Abshire would assume his responsibilities on January 5, 1987. (*Ibid.*, p. 1646)

Dave Abshire's role will be to help coordinate and manage the Iran-related matters. Working with the other White House offices such as the Counsel, Legislative Affairs and the Press Office, he will be the primary focal point for the various Congressional investigations, the Special Counsel and other Iran-related inquiries.

The new year and Dave Abshire's arrival allow a clean break between those actions taken in November and December concerning Iran and getting on with leading the nation. David Abshire's effort should free the other White House staff to focus on the 1987 agenda. Iran issues will still require a portion of our attention, but David's role allows the rest of us to recognize that the White House requires the multi-track approach of handling a series of issues at the same time.

1987 Agenda

The 1987 challenge will be selecting from among a number of good themes those issues that reinforce your agenda and the offensive nature of the last two years without conceding important topics to the Democrats. On issues like *trade* and *agriculture*, where the new Democratic Congress is expected to flex its muscle, we will find our best defensive strategy will be to have a good offensive initiative.⁸ We must also bring focus and coherence to a diverse range of other domestic issues and integrate them with national security/foreign policy priorities.

The range of domestic issues "teed up" for action is substantial and includes:

- Catastrophic Health Insurance
- Welfare Reform
- Drugs/"Just Say No"⁹
- FY88 Budget and Deficit Reduction¹⁰
- Budget Reform
- A More Competitive and Productive America

—Trade

—VP's Task Force on Deregulation

—Product Liability Insurance

—Insider Trading/Wall Street Reforms

⁸ The mid-term elections took place on November 4, 1986. The Democrats won eight Senate seats, returning them to the majority, while they retained their majority in the House. (*Congress and the Nation*, vol. VII, 1985–1988, pp. 10–11)

⁹ Reference is to First Lady Nancy Reagan's drug education program.

¹⁰ The administration transmitted the FY 1988 budget to Congress on January 5. For Reagan's January 5 transmittal message to Wright and Bush, see *Public Papers: Reagan, 1987*, Book I, pp. 3–11. For the President's January 10 radio address, in which he indicated that the budget had been submitted "a full month earlier than usual," see *ibid.*, pp. 17–18.

- Agriculture/Farm Bill
- Right to Life/Adoption
- Environment

On the foreign policy front, the list of key issues includes:

- Arms Reduction
- Nuclear Testing Treaties Ratification¹¹
- SDI
- Support for Freedom Fighters
- Soviet Relations
- Middle East Efforts
- Maintaining Adequate Defense Spending
- 3rd World Debt
- Various Arms Sales Legislative Packages

The list of potential Presidential initiatives is great. Success will depend on carefully picking just a few for major emphasis so that we can keep your agenda focused; our internal and external resources sharply honed; and our Congressional allies firmly aware of your real priorities.

We no longer have control of the Senate and will be unable to push a legislative agenda with any certainty. Therefore, your 1987 Agenda should include some issues that can be successful without a legislative component. In dealing with the Congress either on our initiatives—such as welfare reform and catastrophic health insurance—or on Democratic initiatives like trade and agriculture, we will be essentially in an “asking” posture with little opportunity to set the schedule. We should expect no breaks in the timing or scheduling of issues (hearings, testimony, or floor consideration). We will need behind-the-scenes legislative finesse in order to arrive at acceptable compromises.

Rather than planning our agenda to respond to the Congressional priorities, we need to fix our agenda so that we start 1987 with a specific plan in mind. We should look at the calendar in two-month blocks: January/February; March/April; May/June. This will allow us not

¹¹ On July 3, 1974, Nixon and Brezhnev signed the Treaty on the Limitation of Underground Nuclear Weapons Tests and the Protocol thereto, also known as the Threshold Test Ban Treaty (TTBT), which prohibited underground nuclear tests above a 150 KT limit. On May 28, 1976, Ford and Brezhnev signed the Underground Nuclear Explosions for Peaceful Purposes and the Protocol thereto, also known as the Peaceful Nuclear Explosions Treaty (PNE), which extended the limitations of the TTBT to underground tests for peaceful purposes. Although the Senate had held hearings on both treaties in 1977, it had not, as of January 1987, acted on them. In a January 13, 1987, message to the Senate, Reagan urged ratification of both treaties. (*Ibid.*, pp. 21–23)

only to focus on the most current issues forced on us by the Congress and external events, but to do some intermediate range planning to be sure you are speaking out on the issues that are important to your agenda.

Generally speaking we can expect January and February to focus on the Budget and the State of the Union.¹² Following up on the State of the Union, we will put together a detailed plan of activities for each of your major initiatives. March and April will probably focus a good deal on specific budget battles and other issues before Congress. This is likely to be our most “defensive” time frame, with our having to spend a good portion of our time fighting off unwanted Congressional initiatives as the new Democratic Leadership tests their mettle and your resolve.¹³ May and June will begin the focus on the Economic Summit, which is in Venice this year, and other foreign policy initiatives.¹⁴

In addition to these time blocks, we will continue to search for the current special events that will permit you to show leadership and dominate the news coverage. The *Voyager* event¹⁵ is a good example of such a “current event,” though in all probability many of the upcoming events may be tied to a specific substantive issue rather than a special event. We will also plan for a press conference every four to six weeks beginning in February. You could begin some domestic travel in February, perhaps one day every three weeks or so and of course, every trip would not have to be an overnight. Travelling and having events outside of Washington will enable you to perceptually take your issues “to the people.” It will help to keep you on the offensive, bypass the Congress with whom your battles will be mostly defensive, and produce heightened interest and expanded coverage of the issues. It will also reinforce your special bond with the American people that subtly conveys your continuing efforts to overcome the bureaucratic morass in Washington.

¹² January 27; see footnote 1, Document 280.

¹³ The Senate leadership included Stennis (President Pro Tempore), Byrd (Majority Leader), and Cranston (Whip). The House leadership included Wright (Speaker), Foley (Majority Leader), and Coelho (Whip).

¹⁴ The G-7 Economic Summit meeting was scheduled to take place June 8–10 in Venice. Documentation on the meeting is scheduled for publication in *Foreign Relations, 1981–1988*, vol. XXXVII, Trade; Monetary Policy; Industrialized Country Cooperation, 1985–1988.

¹⁵ Reference is to the *Voyager*, flown by pilots Richard Rutan and Jeana Yeager. The experimental aircraft departed California on December 14, 1986, and flew non-stop around the world, returning on December 23. For additional information, see Sandra Blakeslee, “Voyager Succeeds in Historic Flight: World Circuit, on One Load of Fuel, Ends in California,” *New York Times*, December 24, 1986, pp. A1, A10.

The Budget

With the Budget transmitted to the Congress even before they actually returned (January 6), hearings on the Budget are expected to start almost immediately. Their focus is expected to be almost exclusively on raising taxes, raising domestic spending and cutting defense. Last year we adopted a budget strategy of low-key, get-along discussions that avoided a showdown with Senate Republicans. This year we need to agree upon our overall approach to the Budget: Is it confrontational or bipartisan cooperation? Do we make the Budget our top priority? Or do we want primarily to emphasize something else and let the Budget process percolate before we step in?

The Budget battle was launched with your January 3 Radio Address.¹⁶ Working with Jim Miller and Will Ball, we will outline in more detail a comprehensive approach to handling the budget this year. Since we don't have control of the Senate, we won't be able to rely on Pete Domenici and others to carry our fights into the final budget conferences. This year we will have to adopt different tactics in order to protect 3% real defense spending growth and cutting domestic spending without raising taxes.

Arms Control

The Nuclear and Space Talks are to reconvene January 15 in Geneva. To highlight that fact and to afford you an opportunity to reemphasize your approach to nuclear arms reduction, a meeting with our arms negotiators would be appropriate. Monday, January 12 would be a good day for you to meet briefly with Max Kampelman and the other negotiators to give them instructions for the next round of talks.¹⁷ Following your session, they could then go to the Press Room and brief on the current status of arms negotiations. In addition, we are preparing this week's radio address for you on this topic.¹⁸ It will highlight the resumption of the Geneva talks, your meeting next week and your genuine desire to achieve real arms reductions.

¹⁶ For the text of the address, see *Public Papers: Reagan, 1987*, Book I, pp. 2-3. In it, the President commented, "You know, when you look at a budget, all you see are long rows of numbers. They go on for pages, and they're not very exciting. But those numbers always add up to something, and it's not just a surplus or a deficit. No, it's also a plan, a hope, a vision of what America is and of where America is going."

¹⁷ The President met with Kampelman, Glitman, and Ronald Lehman on January 12. For the text of a statement released at the conclusion of their meeting, see *ibid.*, pp. 18-20.

¹⁸ The January 10 radio address dealt with the FY 1988 budget; see footnote 10, above.

Observance of Martin Luther King, Jr.'s Birthday

January 15 is the actual birthdate of Martin Luther King, Jr, although January 19 is celebrated as the Federal holiday. Given the recent race tensions in Queens there is a good opportunity for you to speak on racial tolerance. Ideally you could address an audience of young people in the White House, speaking to them on the importance of racial harmony and the special responsibility they have to insure that discrimination is eliminated.¹⁹ This would afford you an opportunity to address an issue of great importance and to do so as part of your observance of Dr. King's birthday.

Trade

There will be no issue that is upon us faster with more lasting implications than trade. Recent trade figures indicate the problem is getting worse, not better. We can expect another round of bad trade figures for December. Mari Maseng reports that trade is the number one issue with her business constituents. The Democrats in Congress are expected to start immediately with House and Senate hearings on trade and to move their bills quickly for floor consideration. Trade remains a defensive issue for us. We will portray it as part of your larger theme of keeping America competitive. Keeping our trading system open, while not allowing foreign competition to unfairly gain advantages, will require some bold and decisive efforts. Without such actions the pressure for harmful Congressional action may overwhelm us. Your advisors are prepared to recommend to you an Administration trade bill that would receive some Congressional support. Our challenge will be to get the maximum possible attention on your proposal, to have it viewed as our initiative rather than a response to the Democrats and to give us negotiating leverage during Committee markups and floor consideration.

We should concentrate the activities surrounding the announcement of the trade proposal into a single week in order to get the

¹⁹ On January 15, the President delivered an address to high school students on Martin Luther King, Jr. PBS broadcast his address to high schools throughout the United States. In it, Reagan remarked: "As recent unfortunate events have demonstrated, we cannot be complacent about racism and bigotry. And I would challenge all of you to pledge yourselves to building an America where incidents of racial hatred do not happen, because racism has been banned not just from the law books but from the hearts of the people. You should accept nothing less than making yours a generation free of bigotry, intolerance, and discrimination. If I might be presumptuous enough to offer this suggestion: A good place to start, a tangible contribution each of you can make, is to be totally intolerant of racism anywhere around you. If someone, even a friend, uses an ugly word referring to another's race or religion, let's make it clear we won't put up with it. Racial, ethnic, or religious slurs are vulgar, mean spirited; and there is no place for them in a democratic and free America." (*Public Papers: Reagan, 1987, Book I, p. 25*)

maximum amount of focus and attention. Your schedule should include meetings with business types, outside experts and Congressional allies. Messages should be dispatched to our trading partners around the world. Assuming your review and approval, our trade proposal should be ready to be announced as quickly as possible.

State of the Union

The week of January 26 is the week to firmly reestablish that Ronald Reagan has an agenda for his last two years in office, that this is the beginning of the fourth quarter in a very important game. The week will be focused around the State of the Union (SOTU) address scheduled for 9:00 p.m., Tuesday, January 27. The SOTU should be viewed as part of an ongoing process rather than a single, major-event speech that has no pre or post connections. As usual, the full compliment of pre and post speech briefings, and TV appearances by senior Administration officials are contemplated again this year.

Your State of the Union speech is expected to be an uplifting, philosophical, values-oriented address highlighting the agenda items for the next two years. You should have a preliminary draft for your "right track/wrong track" review on Wednesday.²⁰ The speech is expected to be somewhat longer than last year, but it is not expected to be a "laundry list" of important issues. Like last year we are also preparing the President's Legislative Message to be submitted to the Congress the next day.²¹ It will outline the numerous foreign and domestic Administration initiatives that Congress is expected to address during its 100th session as well as many of the deregulatory efforts that we are undertaking administratively.

Depending upon the initiatives contained in the State of the Union, one or perhaps two should be singled out for follow-up attention as quickly as possible. The point is not to select those initiatives now, but to agree that one or perhaps two post-State of the Union events will occur shortly after the speech—hopefully outside of the White House complex, if not outside of Washington, to highlight your State of the Union initiatives.

To promote grassroots support for your legislative message to Congress and the State of the Union, a briefing for Republican political

²⁰ January 7. The President was admitted to Bethesda Naval Hospital on January 4 to undergo several medical procedures. According to the President's Daily Diary, the President met with Regan at the hospital on January 7 from 2:50 until 3:20 p.m. (Reagan Library, President's Daily Diary)

²¹ Presumable reference to the President's message to the Congress, entitled "A Quest for Excellence." For the text of the message, see *Public Papers: Reagan, 1987*, Book I, pp. 61-79.

leaders from around the country would be useful. Mitch Daniels and the Office of Political Affairs will organize such a briefing, which would take place the day before/of/after the State of the Union, depending upon your schedule.²²

In addition, the remainder of the Budget details are expected to be sent to the Congress that week. The full departmental administrative and programmatic budgets will then become public. Depending on our overall budget strategy we may want to consider some Presidential involvement in this “2nd” Budget submission. The week will also include the one-year anniversary of the *Challenger* disaster and an appropriate way for you to personally recognize that occasion will be identified.²³ This will also allow you to highlight further the importance of space exploration, including the commercial spinoffs.

Catastrophic Illness

Given your decision to indicate in the State of the Union speech your intention to submit a catastrophic health insurance plan, once you have signed off on the final details of the plan we will need to arrange a well-orchestrated announcement. We need to tackle head-on the mistaken perception that you don’t care about how your policies impact the average person. Catastrophic insurance, in addition to being a worthy policy objective, is an issue that generates a lot of concern among all levels of citizens.

We can anticipate the Hill Democrats will advance a proposal of their own, have hearings and try to jump out ahead of us on this issue. They clearly can make the first move given their ability to control the hearing schedule but all the advice we are hearing from the Republican leadership on the Hill is not to let this very good issue get away from us.

Foreign Policy Speech

Particularly in light of the Iran affair, a major foreign policy speech, as we have discussed—a “State of the World” speech—if you will, will help place your foreign policy objectives in a broader perspective. The speech would give you the opportunity to articulate your foreign policy objectives and allow you to put your Iranian initiatives, Soviet

²² The President took part in a meeting to discuss the State of the Union address with the Republican Congressional leadership on January 27. The meeting took place in the Cabinet Room from 10:07 until 10:49 a.m. (Reagan Library, President’s Daily Diary) No minutes have been found.

²³ On January 28, the first anniversary of the disaster, the President spoke at 3 p.m. from the Oval Office; his remarks were transmitted via satellite to NASA installations worldwide. For the text of his remarks, see *Public Papers: Reagan, 1987*, Book I, pp. 79–81.

relations, commitment to freedom fighters and SDI/arms control policies in the framework of your overall agenda. The speech would build upon your National Security Strategy Report which is now required by Congress and due to be submitted in late January.²⁴ You will, of course, want to discuss this with George, Cap and Frank, but I suspect they will be supportive. This speech could be given in early February to an audience outside of Washington, which would help to highlight its significance. Once you have restated your overall national security objectives, George and Cap could each follow up with a series of major speeches of their own giving more specifics within their areas.

Welfare Reform

The decision memo on your welfare and federalism initiative is being reworked as we discussed and should be back to you shortly. Assuming you decide to go forward with a program that is along the general lines of the one recommended, this issue provides an opportunity to focus not only on a new Administration initiative but do so in a way that highlights a political gain for Republicans—Governorships. The National Governors Conference will convene in Washington February 22–23. While you will have announced your initiative earlier, this is a good forum to speak to both federalism and welfare reform. In addition, a visit at a later date to a State Capitol to address a State legislature would provide yet another good opportunity to pursue your initiative.

These efforts would, of course, be complemented by the regular White House meetings with key Congressional leaders, constituent groups and experts on welfare reform in order to build support for your proposal.

N.A.T.O. Meeting

Consistent with past practice, periodic meetings and discussions with our NATO allies would be useful. Again you will undoubtedly want to talk to George and Frank about this, but we should consider proposing a special meeting of some or all of the NATO heads in mid-March in a “neutral” location like Bermuda. This would be the first NATO leaders meeting since the Reykjavik Summit.²⁵ Iran surely would be an agenda item, but the main focus most likely would be your arms reduction initiatives.

²⁴ Printed as Document 290.

²⁵ See Document 278.

This meeting could precede your trip to Canada scheduled for early April and serve as a good bridge to the Economic Summit in June.²⁶ We can expect a series of challenges by the Congress to your leadership in international affairs, A meeting of the NATO allies would be important not only in confirming that the President is ultimately responsible for conducting foreign policy, but it would also give you the opportunity to pursue the arms reduction proposals discussed at Reykjavik.

President's Citizens Medals

One of the principal hallmarks of your Presidency has been your emphasis on acknowledging individual accomplishments and heroism. This emphasis on the exceptional contributions of individuals has been consistent with your philosophy of limited government and recognition of individual and community responsibilities to help effect change and the well-being of our fellow men.

To highlight your commitment to recognizing outstanding individual accomplishments, you should consider being more active and regular in awarding the President's Civilian Medal. This Medal is the second highest award the President can voluntarily bestow, but your history of awarding it has been sporadic. The *Voyager* people each received the medal, but the last previous recipient was a departing White House staffer when he changed jobs in February 1985.

If you agree, we would regularize the awarding of this prestigious honor. While it is not possible to suggest a fixed schedule, such as one medal per month, we would undertake a determined, but thorough and careful, effort to identify deserving individuals as potential recipients. The selection criteria would emphasize outstanding individual accomplishments with a focus on that individual who has made a "national" contribution rather than an exceptional local or regional accomplishment. Examples of the types of people we have in mind are the "heroes" you have traditionally honored at the State of the Union.

Presidential Luncheon Series

In addition to the events that promote key issues, if you agree, we will build into your schedule a continuation of your regular luncheon meetings with outside experts from academia, literature, medicine, etc. These sessions would continue those luncheons held during this past year that were so successful, but would be broadened to include a wider range of subjects and be held on a more regular basis. The subject matters could range from agriculture to scientific research to outer

²⁶The President was scheduled to travel to Ottawa to meet with Mulroney, April 4–6. Documentation on the visit is scheduled for publication in *Foreign Relations, 1981–1988*, vol. VIII, Western Europe, 1985–1988.

space and marine exploration to sports. The luncheons would serve to give you the different perspectives of non-governmental experts as well as keep you abreast of the "leading edge" developments in a wide range of subjects.

Conclusion

The preceding is not meant to be an all-inclusive outline of either the issues we will engage or the schedule to advance them. It does recognize that success in handling Iran will require an aggressive and coordinated plan to advance all the issues on your agenda. In addition, there is a very real need to "take the message to the people" and demonstrate you are not mired down in the Iran fallout, by doing more events outside of Washington.

We will work carefully to see that your schedule while not overloaded reflects the key issues you select as your domestic and international agenda. Additionally, creative scheduling of special events will be aggressively pursued. Taking the Presidency and your issues to the people should be central to your 1987 agenda. State legislatures, Senior Centers, high school youths/drug events all provide this great potential and will be utilized.

On the international front, there is a real need to build upon and strengthen your role as the "leader of the free world." Announcing policy initiatives, dispatching envoys, and engaging head-on arms reduction, trade problems and regional discussions, all will help to reinforce your international affairs standing with a Congress that wants to challenge your authority.

We must rely far less on the Congress and far more on the actions and activities we generate to provide the success stories for 1987. To retain the agenda we cannot be reactive or predictable. There must be new ground broken—from trade to catastrophic illness, in our relations with Nicaragua or in debating arms reduction. Bold and decisive executive action is needed. If you agree, I will get the staff preparing to assist you in achieving these goals.

290. Report on the National Security Strategy of the United States¹

Washington, January 1987

[Omitted here are the title page and the table of contents.]

I. An American Perspective

In the early days of this Administration we laid the foundation for a more constructive and positive American role in world affairs by clarifying the essential elements of U.S. foreign and defense policy.

Over the intervening years, we have looked objectively at our policies and performance on the world scene to ensure they reflect the dynamics of a complex and ever-changing world. Where course adjustments have been required, I have directed changes. But we have not veered and will not veer from the broad aims that guide America's leadership role in today's world:

- Commitment to the goals of world freedom, peace and prosperity;
- Strong and close relationships with our Alliance partners around the world;
- Active assistance to those who are struggling for their own self-determination, freedom, and a reasonable standard of living and development;
- Willingness to be realistic about the Soviet Union, to define publicly the crucial moral distinctions between totalitarianism and democracy; and
- Seeking meaningful ways of working with the Soviet leaders to prevent war and make the world a more peaceful place.

The foundation of a sound National Security Strategy, laid in the early days of this Administration, has held firm and served us well. Our economic, political and military power is resurgent. The Western democracies are revitalized, and across the world nations are turning to democratic ideas and the principles of the free market. In all of this, the United States continues to encourage those who seek the benefits of our democratic way of life.

While the United States has been the leader of the free world since the end of the Second World War, we have not acted alone. During that war and in the succeeding four decades, our strategy has been based on partnership with those nations that share our common goals.

¹Source: *National Security Strategy of the United States, The White House, January 1987* (Washington: Government Printing Office, 1987).

As the world has changed over the years, the differences between nations striving to develop democratic institutions and those following the totalitarian banner have come into sharp focus. As future changes take place in human rights, advanced technology, quality of life, and the global economy, our example will continue to exert tremendous influence on mankind. The United States is on the right side of this historic struggle and we have tried to build a lasting framework for promoting this positive change.

This National Security Strategy Report builds on the efforts of the Administration, Congress, and the American people over the past six years. But any strategy document is only a guide. To be effective, it must be firmly rooted in broad national interests and objectives, supported by an adequate commitment of resources, and integrate all relevant facets of national power to achieve our national objectives. It must provide a framework within which more specific and detailed objectives can be identified by those executive branch agencies charged with stewardship over various elements of the nation's power. And it must guide the creation of specific plans for attainment of those more detailed objectives.

For this reason, the annual presentations to the Congress by the Secretary of State and Secretary of Defense play a key role in supporting the objectives outlined in this report. In their respective areas of Foreign and Defense Policy, they develop detailed plans of action to sustain our National Strategy, advance U.S. interests and most importantly, reduce the risk to our nation and our allies.

What follows is this Administration's effort to articulate the National Security Strategy of the United States—a blueprint for future freedom, peace, and prosperity.

II. Fundamentals of U.S. National Security Strategy

U.S. Security in a Complex and Changing World

In the years following World War II, the United States faced, for the first time, an inescapable responsibility for world affairs. No longer protected by nearly perfect fortresses of oceans, allied with countries devastated by war, and presented with irrefutable evidence of Soviet expansionist aspirations, the United States shouldered the dual burden of facilitating the restoration of a world economic order and arresting the spread of the Soviet Union's peculiar brand of totalitarianism and communism.

The United States responded to the threats posed by Moscow with a policy of containment. Containment, as a strategy for world peace, entailed three distinct elements.

The first element, U.S. defense policy, involved forward deployment of military forces as necessary to deter and contain Soviet military

expansion. In practice, this meant keeping, for the first time in our history, large military formations on the soil of allies in Western Europe and East Asia. As Soviet nuclear weapons delivery systems grew, it also required a large strategic force, to augment the deterrence provided by the conventional forces of the United States and its allies. Thus our military security system rested primarily on two strategic zones, Europe and East Asia, backed by our nuclear deterrent forces.

The second element, U.S. international economic policy, involved economic recovery programs for Western Europe and Japan. It also required U.S. leadership in establishing and managing the international monetary system, and encouraging regional and global free-trade agreements.

The third element, U.S. policy toward the Third World, included both economic and security assistance. It also had a profound political component: decolonization, self-determination, and support for the evolution toward democracy. The Soviet Union opposed us in the Third World with a policy of “wars of national liberation,” through which they sought to exploit the instability of emerging nations to establish Marxist-Leninist regimes based on the Soviet model.

The three postwar decades witnessed important successes for our National Strategy. World war was avoided. Europe and Japan regained their prosperity, with the help of massive U.S. assistance, and most of the Third World was decolonized. Containment, however, was an expensive policy. But because the United States had the lion’s share of the developed world’s economic power, we could carry the burden.

The postwar era came to an end during the 1970s. The causes of its demise were threefold. First, the success of U.S. economic policies in Europe and East Asia dramatically changed the distribution of wealth and power within our alliance systems. The United States no longer had an overwhelming economic position vis-a-vis Western Europe and the East Asia rimland. And our success in deterring Soviet military aggression in these two strategic zones created growing public belief that direct Soviet aggression in these two regions had become less likely.

Second, the Soviet military buildup and the projection of Soviet power into Cuba, Nicaragua, the Middle East, Southeast and Southwest Asia, and Africa required changes in strategy for implementing our containment policy. Particularly significant was the Soviet Union’s attainment of strategic nuclear parity with the United States.

Third, the political awakening in the Third World created civil wars and regional conflicts that threatened to draw the United States and the Soviet Union into direct military confrontations. And economic developments, particularly in the energy area, contributed to political

instability and caused destabilizing effects in the international monetary system.

In such a significantly different world, the foundations of strategic planning had to be reconsidered. U.S. military superiority in strategic forces no longer exists and the continued growth of Soviet military capabilities applicable to Europe, the Persian Gulf, and other important areas, pose a continuing threat to regional security.

Today it is more important than ever before that our National Security Strategy be based on a solid understanding of U.S. interests and objectives and a realistic approach to dealing with the Soviet Union and other threats to U.S. security.

U.S. Interests

U.S. National Security Strategy reflects our national interests and presents a broad plan for achieving the national objectives that support those interests. The key national interests which our strategy seeks to assure and protect include:

1. The survival of the United States as a free and independent nation, with its fundamental values and institutions intact.
2. A healthy and growing U.S. economy.
3. The growth of freedom, democratic institutions, and free market economies throughout the world, linked by a fair and open international trading system.
4. A stable and secure world, free of major threats to U.S. interests.
5. The health and vigor of U.S. alliance relationships.

Major Objectives in Support of U.S. Interests

U.S. national security objectives are statements of broad goals which support and advance national interests. As such, they are not intended to be applied mechanically or automatically, but constitute a general guide for policy development in specific situations which call for the coordinated use of national power. The principal objectives which support our national interests are:

1. To maintain the security of our nation and our allies. The United States, in cooperation with its allies, must seek to deter any aggression that could threaten that security, and, should deterrence fail, must be prepared to repel or defeat any military attack and end the conflict on terms favorable to the United States, its interests, and its allies.

Specifically:

- To deter hostile attack of the United States, its citizens, military forces, or allies and to defeat attack if deterrence fails.
- To maintain the strength and vitality of U.S. alliance relationships.

- To deal effectively with threats to the security of the United States and its citizens short of armed conflict, including the threat of international terrorism.

- To prevent the spread of nuclear weapons.

- To reduce over the long term our reliance on nuclear weapons by strengthening our conventional forces, pursuing equitable and verifiable arms control agreements, and developing technologies for strategic defense.

- To assure unimpeded U.S. access to the oceans and space.

- To prevent the domination of the Eurasian landmass by the USSR (or any other hostile power, or coalition of powers).

- To force the Soviet Union to bear the brunt of its domestic economic shortcomings in order to discourage excessive Soviet military expenditures and global adventurism.

- To foster closer relations with the People's Republic of China.

2. To respond to the challenges of the global economy. Economic interdependence has brought tremendous benefits to the United States, but also presents new policy problems which must be resolved. Since our resource dependence has grown, the potential vulnerability of our supply lines is an issue of concern. Although continuing U.S. economic growth is helping lift the world out of recession, economic slowdown continues in many countries. We must devote attention to critical global problems, which if unresolved or unattended, may affect U.S. interests in the future. Many of these problems such as Third World debt, the international narcotics trade, and growing protectionism are currently having an impact on U.S. interests.

Specifically:

- To promote a strong, prosperous and competitive U.S. economy, in the context of a stable and growing world economy.

- To ensure U.S. access to foreign markets, and to ensure the United States and its allies and friends access to foreign energy and mineral resources.

- To promote a well-functioning international economic system with minimal distortions to trade and investment, stable currencies, and broadly agreed and respected rules for managing and resolving differences.

3. To defend and advance the cause of democracy, freedom, and human rights throughout the world. A foreign policy that ignored the fate of millions around the world who seek freedom would be a betrayal of our national heritage. Our own freedom, and that of our

allies, could never be secure in a world where freedom was threatened everywhere else.

Specifically:

- To promote the growth of national independence and free institutions throughout the world.
- To encourage and support aid, trade, and investment programs that promote economic development and the growth of free and humane social and political orders in the Third World.
- To encourage liberalizing tendencies within the Soviet Union and its client states.

4. To resolve peacefully disputes which affect U.S. interests in troubled regions of the world. Regional conflicts which involve allies or friends of the United States may threaten U.S. interests, and frequently carry the risk of escalation to a wider conflict. Conflicts, or attempts to subvert friendly governments, which are instigated or supported by the Soviets and their client states, represent a particularly serious threat to U.S. interests.

Specifically:

- To maintain stable global and regional military balances vis-a-vis the USSR and states aligned with it.
- To aid threatened states in resisting Soviet or Soviet-sponsored subversion or aggression.
- To eliminate, where possible, the root causes of regional instabilities which create the or risk of major war.²
- To neutralize the efforts of the Soviet Union to increase its influence in the world and weaken the links between the USSR and its client states in the Third World.
- To aid in combatting threats to the stability of friendly governments and institutions from insurgencies, state-sponsored terrorism and the international trafficking of illicit drugs.

5. To build effective and favorable relationships with all nations with whom there is a basis of shared concern. In the world today, there are over 150 nations. Not one of them is the equal of the United States in total power or wealth, but each is sovereign, and most, if not all, touch U.S. interests directly or indirectly.

Specifically:

- To support the formation of associations of states friendly to U.S. interests using the full range of diplomatic, political, economic, and informational efforts.

²This bullet is printed as in the original.

- To make major international institutions more effective in promoting peace, world order and political, economic and social progress.
- To explore the possibility of improved relations with those nations hostile to us in order to reduce the chance of future conflict.
- To strengthen U.S. influence throughout the world.

Our National Security Strategy must be resolute in supporting U.S. interests and objectives. It must also take into account the many threats and instabilities of today's complex and changing world.

Principal Threats to U.S. Interests

The most significant threat to U.S. security and national interests is the global challenge posed by the Soviet Union. While only a handful of people in the Politburo can claim with any confidence to know the Kremlin's precise near-term, tactical plans, the long-term strategic direction of Soviet foreign policy is clearer. Motivated by the demands of a political system held together and dominated by Marxist-Leninist ideology and the political party which represents it, Moscow seeks to alter the existing international system and establish Soviet global hegemony. These long-range Soviet objectives constitute the overall conceptual framework of Soviet foreign and defense policy.

Fundamental differences in economic, social, and political beliefs and objectives lead to an essentially adversarial relationship between the United States and the Soviet Union. The two sides nevertheless share the common goal of avoiding direct confrontation and reducing the threat of nuclear war. The real challenge for American statecraft is how best to realize this commonality of interests, so as to preserve peace, without jeopardizing our national security or abandoning our commitment to the cause of freedom and justice.

To execute its expansionist policies, the USSR has perpetuated a domestic political system of centralized totalitarian control and mobilized and organized this system to support its international objectives. Internationally, the Soviets have continued to assist groups waging so-called wars of "national liberation," sponsor with arms and military training international terrorist groups, promote and exploit regional instabilities and conduct an aggressive and illegal war in Afghanistan. In numerous other places around the globe, Soviet advisors and combat troops have also engaged in conduct in violation of international agreements.

The Soviets have undertaken an unprecedented military buildup that poses a continuing threat to the United States and our allies. The Soviet leadership clearly attaches the greatest importance to its military strength, which has been the most significant source of the USSR's influence on the international scene. For decades the Soviet Union

has allocated a disproportionate percentage of national income to the buildup of its military forces. It now has a uniformed military of more than five million (excluding more than one million border guards and other security forces). It is estimated that military expenditures currently absorb 15–17 percent of the total Soviet GNP.

Soviet military power permits Moscow to provide a strong defense of the homeland while facilitating direct and indirect participation in regional conflicts beyond Soviet borders. Furthermore, Soviet military resources increasingly are used to influence and broker the policies of other countries and to promote instability.

The evidence of the relationship between the Soviet Union and the growth of worldwide terrorism is now conclusive. Even though the Soviet Union does not have direct control over most of the terrorist groups, it supplies massive amounts of arms, money, and advisory assistance to revolutionary forces engaged in terrorist activities. The Soviets attempt to disguise such support by using middle men—radical governments such as Cuba, North Korea, Nicaragua, Syria, and Libya, which deal directly with radical terrorists and insurgents. Whether Moscow is providing support directly or indirectly, the ultimate targets of radical terrorism are the United States, Western Europe, Japan, and other moderate, pro-Western governments.

The Soviet Union in recent years has become much more sophisticated in wielding the instruments of national power. Despite significant weaknesses in the Soviet economy, the Politburo actively employs economic instruments in its global strategy. It uses trade with the West to obtain economic leverage, technology, and foreign exchange. The acquisition of military-related advanced technology through legal and illegal means, is especially important to the Soviets, to shorten weapon development times, reduce costs, and to compensate for the weakness of the Soviet economy. Acquisition of production technology is equally important to the Soviets, to improve the efficiency of their defense industry. Access to Western manufacturing equipment, processes, and know-how has enabled Soviet defense plants to introduce some advanced weapons into production up to five years earlier than would have been otherwise possible. The Soviets also attempt to obtain long-term economic agreements which build relationships of dependency on the USSR (e.g., those relating to the supply of energy resources to Western Europe).

In addition, the Soviets have established a massive political influence apparatus. This apparatus includes the world's largest propaganda machine, incorporating overt and clandestine activities in all types of media; funding and support of foreign communist parties and front organizations; political and ideological indoctrination of foreign students, government officials, terrorists, and military personnel; and

perceptions management of foreign visitors to the USSR. It includes separate efforts to conduct “active measures,” including disinformation, forgeries, the use of political agents of influence, and other deceptive operations.

While the Soviets cannot be branded as instigators of all revolutionary movements, their strategy clearly is to exploit domestic vulnerabilities in foreign countries to promote the emergence of regimes under Soviet influence or control. All this is accomplished under the rubric of “peaceful coexistence” with the United States and the West, defined as a continuing contest in which all forms of struggle are permissible short of all-out war.

While we remain properly concerned with the Soviet threat, we must not neglect other destabilizing international threats and problems which can seriously damage U.S. interests if not properly addressed. These include non-communist nations with oppressive governments and ideologies opposed to ours; international economic concerns of massive world debt, trade imbalances, and shifts in comparative advantage in our interdependent global economic system; the global population explosion and related food, water, and poverty problems; the proliferation of nuclear weapons; drug trafficking; and human rights violations, to name only a few.

An additional threat, which is particularly insidious in nature and growing in scope, is international terrorism—a worldwide phenomenon that is becoming increasingly frequent, indiscriminate, and state-supported. Terrorism is likely to be a prominent feature of the international landscape for the remainder of this century. It directly attacks our democratic values, undermines our diplomatic efforts for peaceful solutions to conflicts, and erodes the foundations of civilized societies. Effectively countering terrorism is a major national security objective of the United States.

A solid understanding of our national interests and objectives, against the backdrop of major threats to those interests, is essential to devising sound strategies. The next two chapters will discuss the principal elements of our foreign and defense policies, and the ways in which they contribute to the achievement of national security objectives. The effective integration of our foreign and defense policies provides the foundation for our National Security Strategy.

III. U.S. Foreign Policy

Continuity of Basic Goals

Our foreign policy reflects the basic thrust of our National Security Strategy—the promotion of our democratic way of life. History has shown us repeatedly that only in democracies is there inherent respect for individual liberties and rights. In the postwar world, democracies

have also exhibited extraordinary economic vitality. With their more flexible economies, democracies have continued to demonstrate the efficiency and dynamism necessary to maintain strength in a complex and difficult international economic environment.

If we are to achieve the kind of world we all hope to see, democracy must continue to prosper and expand. Today, in a number of countries in varying stages of economic development, democracy is growing stronger. The United States must be a beacon for democracy. Unfortunately, many in the world are prevented from seeing our beacon. For many more, it has been distorted; and still others, who are able to see it and are inspired by it, need help in the form of practical assistance.

We have provided assistance before—in postwar Western Europe and Asia—and we must again. What we helped achieve in those areas constitutes one of the most remarkable, positive chapters of recent history. Our support for democracy should not be hidden; it must be active and visible. Active support of democratic forces in the past two decades has demonstrated the value of this legitimate and important activity. The substantial support provided by West European democratic parties significantly aided the successful drives of democratic movements in Spain and Portugal.

We are interested in assisting constructive change which can lead to greater political stability, social justice, and economic progress. Change must come from within, following a path dictated by national and local traditions. In some instances, assistance and guidance is better provided by other democracies or multilaterally. Patience, respect for different cultures and recognition of our own limitations must guide our effort.

Instruments of Foreign Policy

The United States has an exceptionally diverse array of tools for protecting its international interests and for supporting the drive toward democracy across the globe. It is possible that no other nation has ever been comparably endowed. These instruments are normally most effective when used in concert with others. All of them must be adapted to changing situations. The resurgence of our national strength in this decade has been broadly based. It will endure into the next decade only if we protect this base and ensure that the tools available to us are properly sustained and effectively used. The separate, but interrelated tools on which the success of our foreign policy depends are:

Moral and political example. American spirit and prosperity represents a critical challenge to the ideology and the practical record of our adversaries: free, pluralist societies *work*. This power of example represents a potent advantage of American society, but we should not

leave its expression to chance. It is in our interest to spread this message in an organized way.

Military strength and economic vitality. A strong U.S. military capability is essential to maintaining the stable, secure environment in which diplomacy can be effective and our adversaries are deterred. America's economic power sustains this strength and fortifies our relations with the other countries that share our interest in a free and open international order.

Alliance relationships. The pursuit of American goals depends on cooperation with like-minded international partners. This relationship enhances our strength and mitigates the understandable reluctance of the American people to shoulder security burdens alone. The predictable difficulties that arise from time to time in all alliance relationships must be measured against the enormous value that these ties bring us and our friends.

Security assistance. By helping friends, allies, and those targeted by our adversaries acquire the means to defend themselves, we limit the potential of our own involvement in dangerous conflicts. Security assistance abroad is productive investment in our own security. It aids deterrence, promotes regional stability, helps to ensure access to vital overseas military facilities, and lessens our own military requirements. Resolute use of this valuable foreign policy tool directly promotes our security interests.

Economic assistance. In the decades since World War II, America has contributed nearly \$200 billion to the economic development of other countries. These financial resources have played a vital role in ensuring critical U.S. objectives are met. A well structured economic assistance program provides essential support for our world leadership position.

Trade policy. The impact of economic assistance is maximized when it is matched by a sound trade policy that facilitates the best use of our assistance. Moreover, a trade policy that aggravates the economic difficulties of others may only increase the need for future American assistance. Adherence to the principles of an open and fair world trading order ensures that countries acquire the economic strength to stand on their own feet, and contributes to our own well-being through mutually beneficial trade. Security considerations will sometimes require restrained trade and allied cooperation to prevent enhancing the military capabilities of our adversaries.

Science and Technology Cooperation. For most countries, access to advanced scientific and technological resources is critical to prosperity and long-term economic growth. U.S. world leadership and vast resources in science and technology constitute important strategic

assets to strengthen existing ties with friends and allies, and promote positive relationships with emerging nations.

Private investment in developing economies. The free flow of international investment is as central to global economic growth as an open trading order. U.S. private investment in less developed countries contributes significantly to their economic growth and promotes social stability. At a time when developing countries are striving to meet their debt-servicing obligations and the resources of our national budget are under pressure, the contribution of private-sector investment assumes increased importance.

Diplomatic mediation. In regions where conflict threatens our interests and those of our friends, political efforts are essential to ending violence, promoting freedom and national self-determination, and laying the foundations for future stability. The initiatives of American diplomacy take their strength from effective and integrated use of the other tools already discussed, and from the ability of U.S. representatives to act credibly as mediators of disputes. Making clear the firmness of our commitments to friends and allies will, in fact, increase the incentives of their adversaries to negotiate seriously.

International Organizations. Multilateral diplomacy and participation in international organizations provide an opportunity to address common global problems and share the task of solving them. Skillful U.S. diplomacy within these organizations has served to enhance our overall goals on issues such as peacekeeping, promotion of human rights, and encouraging the development of free economic and political systems.

Support for Freedom Fighters. The tools of foreign policy must encompass the special needs of those who resist the Soviet-style regimes implanted in Third World countries in the 1970's and 1980's. America has a long history of private and government support to groups seeking national independence and freedom. This is a vital and important effort, as aggressive Marxist-Leninist regimes clearly threaten international peace and stability. We seek to advance the cause of freedom and democracy, and to demonstrate to the Soviets that their actions aimed at spreading Marxist-Leninist totalitarianism will bring them no enduring gain.

International Economic Policy

The United States supports market-oriented policies that foster economic growth, both domestically and internationally. The economic growth of the United States is the cornerstone that ensures our strength and permits human potential to flourish. Our policies of economic growth have provided the underlying base of support for the most

important element in our National Security Strategy in the past six years—the revitalization of U.S. military power. The dynamic growth of the U.S. economy is the envy of much of the world. We are now working in this country to rebuild American productivity, sustain our scientific and technological leadership, make the most of our human potential, and move into the 21st century with an even more efficient, capable and competitive American economy. Our nation will achieve these goals with hard work, determination, and a commitment to the revitalization of American industry.

The United States places reliance on private enterprise and initiative. This philosophy leads to higher living standards and concern for the economic advancement of the individual. Our National Security Strategy in the international economic area seeks to support and promote market-oriented economic policies which will maximize economic opportunity and individual welfare.

It is important to understand why we stress private enterprise as the basis of our international economic policy. This is one of the prime areas in which the United States—and the free world generally—differ in all respects from the communist world. The Soviet economic model is characterized by the ineffectiveness of the centralized command economy, the failure of collective enterprises, and the inability to provide adequate standards of living for the mass of Soviet citizens. The Soviet model of economic organization *does not work* and *will not work*.

Under the leadership of General Secretary Gorbachev, the Soviet Union has announced that it is attempting fundamental reforms in the management of economic policy. Recently, Gorbachev invited the Western private sector, and U.S. business leaders in particular, to develop a long-term stake in the future of the Soviet economy. In light of this Soviet initiative, we need to ask ourselves what kind of Soviet Union we wish to see in the next twenty or thirty years. Clearly, we can affect the outcome only at the margin. But we should not ignore new opportunities for increasing economic interaction between our two societies. Greater economic freedom for the Soviet people is in the interest of the West as long as it does not foster greater Soviet investment in military capability.

But we must approach such interaction with a sense of realism. There are some areas where it would clearly not serve constructive purposes. Soviet membership in the General Agreement on Tariffs and Trade (GATT), for example, would not be in the best interests of the West at present, in addition to the danger of GATT politicization, the USSR's state-directed trading system is fundamentally incompatible with the free-market orientation of the GATT international trading system. Suggestions by Soviet officials about possible USSR membership in the World Bank or International Monetary Fund should be

treated with caution for similar reasons. We would oppose such membership under present circumstances.

The USSR's effort to broaden its foreign economic relations forms an integral part of Soviet national security strategy. In addition to aiding the Soviet economy, it is designed to exploit dependence of trading partners and enhance Soviet power and influence generally. Trade with the West can also provide access to advanced technology which facilitates the Soviet military buildup. Non-communist governments need to display greater discipline in weaving security considerations into the fabric of East-West commercial relations.

Specifically:

- As recognized in the Helsinki Accords, government-to-government cooperation in the economic sphere should be dependent on progress in other areas of East-West relations, including Eastern observance of human rights.
- COCOM controls on strategic technologies should be maintained, streamlined and enforced to restrain the ability of the Soviet Union and its allies to match or overtake Western defense capabilities.
- The International Energy Agency (IEA) should continue its efforts to reduce dependence among member countries on insecure energy supplies.

Early in our Administration, we laid the international economic groundwork for greater cooperation with our allies. We have attempted to foster the view that the future belongs to those who allow free enterprise to guide economic decisions and not to those regimes which allow bureaucratic functionaries to set the course of economic development. Throughout these six years, we have witnessed these principles move from concept into reality. In France, economic liberalization is steadily progressing. In Japan, slowly but surely, trade and capital markets are being opened. In Germany and the United Kingdom, new economic courses are being set to sustain growth with low inflation.

We believe that market-oriented policies are key to greater growth in America and throughout the world over the long-term. We have worked diligently to resist protectionist tendencies both at home and abroad, since protectionism will harm all free nations. Immediate as well as long term costs would more than offset any short-term benefits which might be gained.

We have encouraged market-based energy policies and more open energy trade within the International Energy Agency. We have been the prime movers in laying the groundwork for a new round of negotiations in the GATT that will open markets for our exports of goods and services and stimulate greater growth, efficiency and worldwide job

opportunities. We have forged stronger ties with our Asian partners by emphasizing the future role of U.S.-Pacific economic relations.

The industrial nations of the West have become increasingly interdependent. None of these countries acting alone can effectively resolve long-term economic problems. The United States and its allies must work together if we, and the rest of the world, are to prosper and grow.

Enhancing world economic growth, opening markets, and ameliorating the developing country debt situation are long-term goals that can be met only through sound economic policies, prudent lending, and direct investment and aid strategies that will elicit the broad economic development and growing markets needed to sustain long-term prosperity. Significant contributions of capital and know-how through aid, investment, technology transfer and training are as much an ingredient of regional peace and collective security as are deterrent forces and defense alliances. This redefinition of the traditional concept of “burdensharing” is in keeping with the capabilities of the United States and our allies and the evolving responsibilities of shared leadership.

In short, our international economic policy is built around the belief that economic freedom is not the sole possession of a chosen few, but the universal right of all people. We will use our economic power and political will to preserve and nurture our vision of the world’s economic future, which belongs to free people, free governments and free economic enterprises.

Political and Informational Elements of National Power

We are faced with a profound challenge to our national security in the political field. This challenge is to fight the war of ideas and to help support the political infrastructure of world democracies. To accomplish this we must be as committed to the maintenance of our political defense as we are to our military defense.

Public opinion polls consistently find that two-thirds of the American electorate normally take no interest in foreign policy. Moreover, only a bare majority today believes that this country needs to play an active part in world affairs—and that majority is eroding. There is no natural domestic constituency for foreign policy—*we must build one*.

The instruments to implement such an approach include a number of traditional foreign policy agencies such as the Departments of State and Defense, Agency for International Development (AID), and U.S. Information Agency (USIA), plus several less traditional participants including the Departments of Commerce and Treasury, and the U.S. Trade Representative (USTR).

Another actor in the field of political, informational and communications activity is the private sector. During the past six years, the private sector has been energized as a key element in the projection

of U.S. foreign policy goals. Leading private citizens and groups are taking steps to identify and organize the many local forces throughout the United States that have a direct stake in the nation's relations with the rest of the world. The private voluntary organizations in world affairs are doing an indispensable job of public education. They have our strongest encouragement and support.

While we focus on the needs of an effective political and informational policy, we must keep in mind that the Soviet Union has a most aggressive public deception and propaganda program, using a wide range of techniques aimed not only at the Third World, but also at our alliance partners. The current Soviet regime has increased the range and intensity of Soviet public diplomacy and propaganda efforts. We must actively counter Soviet propaganda and active measures using the full range of U.S. informational programs.

Our political and informational strategy must also reach to the peoples of denied areas, particularly the USSR and Eastern Europe—to encourage hope for change and to educate publics on the benefits of free institutions. This is achieved through the electronic media, written materials, and the increased contact and exchange of ideas that come from such contact. The process of gradual change will take place inside, but the stimulant and the vision of “how things could be” must come from outside in a closed society. This is the vision of a nation which believes that a world of democracies is a safer world, and one where the respect for the dignity of all men has a better chance to be realized.

[Omitted here is the remainder of III U.S. Foreign Policy, IV U.S. Defense Policy, and V Executing the Strategy.]

VI. Looking Forward to the 1990's

Six years ago, when the American people elected me as their President, I was determined to achieve four near-term, urgently needed objectives in the National Security Strategy area:

- First, to restore our nation's military strength after a decade of neglect which allowed the Soviet Union to overtake us in many critical categories of military power;
- Second, to restore our nation's economic strength and reinvigorate the world economic system, in the wake of the energy crisis and global recession;
- Third, to restore the nation's international prestige as a world leader, after some years of our image being tarnished and our adversaries believing that the United States was retreating from its international obligations; and
- Fourth, to restore personal motivation to all Americans and carry our message to the world that individuals and not governments should control their economic, spiritual and political destinies.

After six years, I can report this restoration process is well underway. The ship of state is heading in a new, long-term direction which should be pursued over the remaining years of this century. I believe that our most important thrust in the National Security Strategy area has been to restore the image of the United States as the light of freedom throughout the world.

We have seen our message taken to heart by peoples and governments throughout the world in these last six years. We have seen nations change their economic thinking to place more emphasis on the worth and work of the individual as opposed to satisfying the interests of the state. We have seen thousands of freedom loving people take up arms against those regimes which seek to impose their will on populations who want peace and economic stability. We have seen mounting opposition to those forces in the world that aggressively employ military power and coercion to achieve their goals.

This is what has given me the personal strength to forge ahead in times of trouble and criticism, in times of great risk and potential loss. I have seen that time is on our side against those forces in this world that are committed to the elimination of freedom, justice, and democratic ways of life. Time is running out for those regimes because people everywhere realize that the way of life imposed by those forces is counter to basic human values. People across the world see that we offer a *vision of the future*. Our adversaries offer the darkened ways of an unsatisfied past through domination by military power, stifling statism, and political oppression.

I have used every opportunity these past six years to drive this theme home, both here and abroad. This is also the dominant theme of our National Security Strategy—the very pulse of our nation which must be carried into the future to ensure that we remain strong and innovative, vibrant and free.

We must never forget that freedom is never really free; it is the most costly thing in the world. And freedom is never paid for in a lump sum; installments come due in every generation. All any of us can do is offer the generations that follow a *chance for freedom*.

I ask that we stand together in my final two years as your President to ensure that we continue setting in place a strategy which will carry us securely into the 21st Century.

291. Address by Secretary of State Shultz¹

Denver, February 20, 1987

Meeting America's Foreign Policy Challenges

Today, I want to talk with you about the role the United States seeks to play in the world. Overall, our foreign affairs situation is good and our prospects bright. We have a strong hand with which to influence world affairs to our benefit—but only if we are persistent, use our advantages wisely, and apply the necessary resources to the conduct of our foreign relations.

To do so, we need to have clearly in mind just where we are and where we're going; the problems we face and the strengths we have for dealing with them; and, finally, the challenges that we should be focusing on right now. And that's the purpose of my remarks to you today.

America's Foreign Policy Goals

We begin with the question of our foreign policy goals. What are we, as a people and a nation, seeking to accomplish?

There is a strong consensus on our basic objectives. They are widely understood and supported by the American people. I think all of us can agree that we serve the interests of the United States best when we seek to:

- Protect the safety of our nation against aggression and subversion;
- Promote our domestic prosperity;
- Foster the values of freedom and democracy both at home and abroad;
- Act in a manner consistent with our humanitarian instincts; and
- Combat those activities which undermine the rule of law and our domestic stability—particularly, right now, terrorism and narcotics trafficking.

Over the past four decades, both Republican and Democratic administrations have come to agree on these goals. They're not the source of divisive partisan debate. But for that very reason, we sometimes take them for granted. We shouldn't. We should keep reminding ourselves of them, for they represent, in effect, the compass of our dealings with other nations.

¹ Source: Department of State *Bulletin*, April 1987, pp. 5–8. All brackets are in the original. Shultz spoke before the Institute of International Education and the World Affairs Council.

Foreign Policy Problems

Now, how are we doing in accomplishing these broad objectives?

Clearly, we face a number of serious and immediate challenges in the world today—ones that directly affect our national interests. In the Middle East, in Africa, and elsewhere, persistent tensions threaten regional peace and stability. The continuation of conflict in the Persian Gulf raises the possibility of wider escalation of a war that threatens our energy security and that of our allies. In Central America, democracies are struggling to eliminate externally supported aggression and subversion. In Afghanistan, Angola, and Indochina, the Soviet Union and its proxies are using military force in the most brutal manner to maintain and expand their influence and control.

Elsewhere in the developing world, the efforts of local governments to address the root causes of their economic and social malaise have been hampered by large foreign debt and disappointing growth rates. The transition to greater political freedom in many of these countries continues to be a fragile process.

Current events in Beirut have yet again illustrated that no single country or its citizens are exempt from the scourge of terrorism.² Combating that threat will continue to demand steadfast courage and expanded cooperation on the part of all civilized nations.

And among the major industrialized democracies of the world, we confront persistent pressures for thinly disguised protectionist measures. These shortsighted actions would only stimulate political confrontations among trading partners. They would have the effect of dismantling the open world trading system which has helped to generate so much of the West's prosperity and technological advantage of the past four decades.

Positive Trends in Our Favor

Now, that's the catalogue of problems. But more than balancing those problems is increasingly clear evidence that we are making significant progress in the world. Trends are in our favor. The movement toward expanded political and economic freedom is real and growing.

Our world is already in the midst of a scientific and technological revolution—one whose social, economic, political, and strategic

²Presumable reference to the continued seizure of hostages in Beirut. On January 24, three American teachers and one Indian teacher at Beirut University College were kidnapped. (Bernard Gwertzman, "U.S. Aides Link Latest Seizures to Extradition: Hijacking Suspect Held in Germany Is Focus," *New York Times*, January 25, 1987, pp. 1, 13) It is also possible that Shultz is referring to fighting that broke out in West Beirut February 17–18; see Ihsan A. Hijazi, "Unrivaled Clashes Raging in Streets Of Western Beirut: 50 Dead in the Fighting: Shiites and Druse Are Battling With Tanks and Artillery—Many Shops Burn," *New York Times*, February 19, 1987, pp. A1, A14.

consequences are only beginning to be felt. Time and space are contracting as instantaneous communications make business, politics, and culture truly global for the first time. Familiar measures of economic development—and, by extension, military and political strength—are becoming outdated. This new information age is bound to have, and already has had, a profound impact on world politics and economics.

My own belief is that, having long since passed from the agricultural age—although we still produce more than enough food to feed ourselves—we in this country have left the industrial age, and we're in a new era. No longer, if somebody asks you, "What is the symbol of America's economy?"—well, maybe once you would have said the blast furnace and the assembly line. You wouldn't say that today, would you? It's different.

This new information age has the potential to be *our* age—a period which plays to the great strengths of the West. The productivity and competitiveness of a nation will be far more dependent on how freely knowledge can be used and shared. And unlike oil or mineral wealth, knowledge is a resource that does not diminish but, rather, increases with its use. In this sort of environment, open societies such as our own will thrive; closed societies will fall behind. What is more, this lesson—that freedom and openness are the wellspring of technological creativity and economic dynamism—is increasingly well understood throughout the world.

Recent events in the Philippines have once again demonstrated the power of the democratic idea. Throughout Latin America, we have seen a remarkable resurgence of democratic governments. Contrary to predictions of just a few years ago, the percentage of Latin America's population living under freely elected governments has grown from 30% in 1979 to more than 90% today. In witnessing these events, we cannot be indifferent to just how positive and important a role the United States can play in supporting such developments.

At the same time, there is an equally encouraging trend on the part of many nations away from central planning toward greater economic freedom for the individual and increased reliance on free market-oriented solutions to the problems of economic growth. Few countries would now dispute that entrepreneurial initiative in a market environment is the engine of development and growth. These truths are being acknowledged even in the communist world, as demonstrated by economic reforms in China and Hungary.

All this reflects that the great ideological struggle that has marked this century ever since the Bolshevik revolution of 1917 has essentially been decided. In the contest between the Western values of democracy and individual freedoms and Soviet-style, party-dominated centralized collectivism, the trend is in our favor, and it's clear. In contrast with

earlier decades, no one speaks today of communism as the wave of the future. The battle of ideas will doubtless continue, but we have the winning hand.

As a consequence, it is the Soviet Union's massive military might alone—and not any inherent economic advantage or political appeal—that underlies its status as a global competitor. The Soviet Union possesses a clear and sobering strategic threat to the United States and its allies. It has the capability to intervene with conventional military force, directly or through proxies, in many regions of the world and to threaten and to try to intimidate our allies and friends in these areas. It commands a massive nuclear arsenal and, in particular, an offensive ballistic missile force able to inflict great destruction on the United States and our allies.

We must be prepared to counter these threats. We must be prepared to deter Soviet aggression against the United States or its allies, by whatever means. We must have the defensive strength necessary to demonstrate that we and our allies would be able to respond instantly, and with enormous effectiveness, should we be attacked. That's the way to keep the peace, to have the capacity to deter.

Why Our Approach Works

As a nation, we have the ability to meet these challenges. We can capitalize on the foreign affairs opportunities before us. To do so, we have to show patience and determination—but we have powerful advantages in our favor.

The first of these advantages is our democratic vision. The effectiveness of our foreign policy reflects our confidence in our beliefs and values and in our purposes and priorities as a society. People throughout the world look to us for a vision of the future, precisely because so many individual Americans—such as Martin Luther King, Jr., whose birthday we celebrated recently—have worked to extend the promise of our beliefs to everyone, regardless of race, creed, or class. And by so doing, they have made America stronger in the world: stronger in our own sense of solidarity as one people and stronger as a precious source of hope—realistic hope—for oppressed people everywhere.

And we gain strength from our tremendous economic capabilities. America's economic capacity—its ability to support ambitious national objectives, to advance the edge of technological creativity, and to support increased domestic prosperity—can only be described as awesome. Of course, we have our problems—and not the least is a Federal budget deficit that we must address promptly and effectively, and I'm confident we can. And by doing so, we will be better able to draw upon the powerful economic advantages that we possess in the pursuit of our foreign policy objectives.

We are also benefiting from a renewed sense of hard-headed realism about the importance of our own military strength. Healthy American defenses are the indispensable underpinning for any American foreign policy seeking a safer world and a more durable peace. Our weakness invites challenges and intransigence; our strength deters aggression and encourages restraint and negotiation on the part of our adversaries. But we face entirely new security challenges in today's world, including protracted armed subversion, state-sponsored terrorism, or the political disruption and violence associated with large-scale narcotics trafficking. If we are to be effective in meeting these threats—as well as in deterring more traditional forms of aggression—we have to be steady in supporting our commitments and ready to act decisively when necessary. We have to show the political will to use our military strength intelligently and effectively in defense of our most vital interests. And we have to be clearly perceived by both friends and adversaries as having that will.

Now let me turn to our diplomatic efforts. Power and diplomacy are not contradictory alternatives in our dealings with the world. They are complementary and reinforcing components of our foreign policy. Military preparedness alone is not enough. Diplomacy is an essential and cost-effective means of accomplishing our objectives. But diplomacy that is not backed up by military strength is usually ineffective. And so, as a first resort, we seek to meet our objectives with diplomacy. It can encourage like-minded nations to join with us in common effort and bring a greater sense of predictability and stability to our relations with potential adversaries. If we attempted to deal with the diverse threats to our interests on a unilateral basis, this would demand great effort and enormous expense on our part. But there is a more efficient strategic alternative. Our diplomacy—along with its various tools such as security assistance and economic support funding—seeks to maximize our effectiveness in the world through cooperation with those nations with which we share basic values and common interests.

The Foreign Affairs Resource Crisis

Thus far, I have spoken about America's winning hand in world affairs because I am personally confident about our national strengths and the wisdom of our general approach. But I also have to sound a warning note as well. Just as we should be consolidating our recent gains, we are in danger of undercutting our position in the world by denying ourselves the necessary resources. Any strategy is only as good as the tools provided to work toward its objectives. And we are fast approaching a situation in which the United States will simply not have the foreign policy tools needed to get the job done.

Last month, the President submitted to the Congress his fiscal year (FY) 1988 and FY 1987 supplemental requests for the foreign affairs budget—some \$19.6 billion.³ I can assure you, the budget request was no pie-in-the-sky wish list. It reflected a number of tough choices that we had to make as part of our contribution to reducing the overall Federal deficit. As a result, our request for FY 1988 is \$1.6 billion *lower* than for the previous year. Our total request amounts to less than two cents on every dollar proposed to be spent by the Federal government.

This year, as the Congress begins to review our foreign affairs budget request, there is no fat to be cut—we've already gotten to the bone and well beyond. Over the past 2 years, Congress has made devastating cuts in our foreign affairs budget proposals. We have lost over \$3.3 billion from the resources we were operating with in FY 1985, and we've had mild inflation since then, but some inflation, so the real value is even less. And, remember, a portion—roughly 40% or so—of that budget is fixed. It doesn't get cut. So the cuts get borne heavily by the remainder. And if you are trying to operate an embassy in Japan or in Western Europe where the currency cross-rates have changed drastically, you're in tough shape.

But these drastic reductions were *not* generated through any careful determination of national priorities. They didn't reflect any lessening in the importance or number of foreign policy challenges that this nation faces in the world. These cuts were more severe, in percentage terms, than the reductions in any other function in the President's budget requests. And, as I was saying, for our key posts in Europe and Japan, they have been even more damaging as a result of the recent decline in the dollar.

But what do these figures really mean? These draconian budget reductions are forcing us to play Russian roulette as we shortchange our various foreign policy interests. If massive cuts are continued this year, they will directly undermine our ability to exercise effective leadership in the world.

³ Shultz presented a statement in support of the administration's FY 1988 request for the foreign affairs budget before the Senate Budget Committee on January 23. In his statement, Shultz indicated that of the \$19.6 billion requested by the administration, \$15.2 billion was earmarked for foreign assistance, with \$4.4 billion in budget function 150 operations to finance the Department, USIA, and BIB. He indicated that the administration sought \$1.3 billion in supplemental funds for FY 1987, noting that this was "the minimum amount necessary to protect our core interests until the completion of the FY 1988 budget process. The supplemental funds will help meet critical unexpected needs, major shortfalls from absolutely essential projects where there are firm commitments to key allies, and projects which Congress has asked us to consider and fund." (Department of State *Bulletin*, March 1987, p. 9)

This budget crisis is perhaps the most urgent—and the least recognized—foreign policy problem facing our nation today. These cuts have seriously impaired our ability to provide necessary economic and military support for our allies and friends in need. By doing so, they risk our continued access to vital military bases and facilities overseas that would require tremendous expense and effort for us to try to replace or compensate for. They signal—correctly or not—a declining U.S. interest in supporting our friends and allies in strategically important regions.

And the effects of these cuts go further. They hamper our war on drug traffickers and on terrorists. They restrict our attempts both to promote democratic values and reforms overseas and to expand trade and develop jobs. And, by forcing us to close overseas posts and to curtail necessary training, such as language training, they are weakening not only our career Foreign Service but the government's very ability to follow, analyze, and understand developments in a fast-changing international environment.

Let there be no mistake: the expenditure of resources in support of our foreign policy objectives is not any sort of a "giveaway." Our foreign affairs programs are designed to advance U.S. national security interests. They're a cost-effective way of doing so, and they make less likely the possibility that we will have to fall back on military means to counter threats against us. They are an investment in a better future for ourselves and our children. Attempting to save some dollars in the short run through deep cuts in these programs may turn out to be a very expensive illusion. Over the longer term, these cuts may cost us much more—in money, in jobs, and even in lives.

Challenges Before Us

And that should be an important lesson for all Americans. The pursuit of an effective foreign policy—one that seeks meaningful progress toward our basic goals—doesn't lend itself to quick fixes. Americans have to be prepared to conduct foreign relations on a coherent, long-term basis. But that requires a special steadiness and persistence on our part. A world of peace and security will not come without considerable exertion or without our facing up to some tough choices.

In particular, we cannot allow ourselves to lose our sense of focus on what we are seeking to achieve in the world and what is required to reach those ends. It would be all too easy for us as a society to become distracted from what is truly at stake in the most urgent foreign policy challenges now facing us.

The first such challenge lies with our firmness and reliability in promoting the cause of democracy, national self-determination, and individual freedom in various parts of the world. In some cases—as

in the Philippines today—this will involve our continued support and assistance for the efforts of the Filipino people to strengthen democratic institutions in the face of a bitter communist insurgency and economic problems. It is in our strategic interest to do so and to do all we can to support President Aquino's government in promoting democracy, stability, and prosperity in the Philippines.

Where necessary—as in Central America—we must be prepared to assist friendly governments in dealing with externally generated threats to their political stability. We desire a peaceful and negotiated resolution to such regional tensions and will work, and do work, actively to those ends. But we should never forget that the firmness of our support for threatened democratic governments is a necessary incentive for potential aggressors to refrain from threats and attempts at subversion.

Today, we also see the power of the idea of freedom calling into question the old assumption of the inevitable permanence of dictatorships of the left in various countries. Soviet-sponsored aggression in Afghanistan, Angola, and Cambodia, and the oppression of a Marxist-Leninist regime in Nicaragua, have given rise to resistance movements. These men and women are struggling for the rights denied them by communist rule. And, as such, they deserve our support.

We should be under no illusions. Over the longer term, our reliability in supporting those who believe in freedom in the face of communist totalitarianism is an important element in securing and ensuring our own security. It encourages our friends and gives our adversaries a reason for restraint. And conversely, if we fail to support those struggling for freedom in their own countries, we will only face more daunting challenges to our security over the longer term.

The second pressing challenge is that of our response to terrorism. In recent years, we have seen new and ever more virulent forms of this modern-day barbarism. These include the emergence of narcoterrorism, where the narcotics traffickers provide the money and the terrorists provide the muscle—the use of such violence in association with narcotics trafficking to undermine local governments. Quite simply, terrorism is war. It's a shadow war involving direct and brutal assaults on the lives of our citizens, on our national interests overseas, and on our basic values.

It's vital that we win this war. But to do so, we have to be prepared for a long, tough effort. It's inevitable that, as a people, our hearts go out to the individuals directly affected by terrorism and to their families and friends here at home. But we cannot allow our sympathies to overshadow the pressing need for us to stand firm behind our principles and to deny international terrorism further leverage against us. Our foremost priority must continue to be to demonstrate, through word and action, that there are no rewards for terrorist violence. We have to

see to it that the terrorists not only don't get rewards, they pay a price. We have to redouble our cooperative efforts with other nations in dealing with this scourge.

The third pressing challenge we face lies with the management of our relations with the Soviet Union. The Soviet Union poses the primary threat to our security, yet our two countries share a basic interest in ensuring that—as the President and General Secretary Gorbachev agreed at their Geneva summit in 1985—they said, “A nuclear war cannot be won and must never be fought.”

In our dealings with the Soviet Union, we have pursued a four-part agenda of issues that are important to us, including arms control, regional conflicts, bilateral matters, and human rights. In the field of arms control, the President's discussions with General Secretary Gorbachev at Reykjavik last October revealed potential areas of agreement on substantial and verifiable mutual reductions in offensive nuclear weapons that would enhance strategic stability. We are committed to pursuing these opportunities at the negotiating table, even as we will also continue our efforts—consistent with the ABM [Anti-Ballistic Missile] Treaty—to research ways of strengthening that stability through greater reliance on defenses. Both efforts are complementary and necessary.

But this places special demands on us. We need a sustained effort that is firm, realistic, and patient. We can't afford to become either disheartened or euphoric with each week's news out of Moscow. Agreements for their own sake are of no interest. It is the content that counts. Nailing down the details of any meaningful agreement with the Soviets will take time and tough negotiating. And for that sort of negotiating to be successful, we have to be prepared to take the necessary steps to keep America strong.

Conclusion

And so, as Americans, we have our work cut out for us. We have to use our power and our diplomacy with exceptional skill in a highly competitive international environment. But if the problems before us are great, so, too, are our strengths and our opportunities. Our political and economic freedoms are those which hold the greatest promise for the future. Our diplomacy is active in seeking practical, negotiated solutions that might strengthen the peace, and we have rebuilt our military strength so that we can better defend our interests and discourage others from violence. And we have allies with whom we share common purposes and ever more effective cooperation.

The test for us will be whether—in the conduct of our foreign policy—we continue to make the best use of our energy and creativity as a people in the service of peace and our democratic ideals. I, for one, am confident that we will meet that challenge.

292. Notes of a Meeting¹

Washington, February 25, 1987, 1:30 p.m.

PARTICIPANTS

The President
Secretary Shultz
Don Regan

Where we are w/Soviets

Have process in motion comes from Geneva summit.

At this round modest progress.² Tone more businesslike. Mvt. on substance as well.

Soviets accepted our proposal we tabulate when we agree/disagree.

Will buy 4,500 ballistic missile ceiling.

Regional dialogue—Armacost to Moscow,³ and we will probe Afghan.

P. Are we going to have a summit?

G.S. Getting to point where human rights not a block.

P. No bows or credit when they turn people loose.

G.S. Soviets want high level meeting. Want me come to Moscow. We should structure things for visit in late March or early April.⁴ If these productive meeting, it is a basis for summit.

G.S. Need regain initiative w/coordinated step to assert our agenda.

Clarify for Soviets and encourages them move in our direction.

We want entice them finish START and INF and accept agreement w/space compatible w/SDI going forward.

Preview INF treaty in letter to Gorbachev. Armacost set stage for visit by G.S.

President review progress, give a vision beyond 2 years and identify practical steps.

Timing should coordinate w/private initiatives.

¹ Source: Reagan Library, Frank Carlucci Files, Secretary Shultz (01/21/1987–03/12/1987) [Meetings with the President—notes]. No classification marking. Drafted by Carlucci. The President met with Shultz, Carlucci, and Regan in the Oval Office from 1:32 until 2:06 p.m. (Reagan Library, President's Daily Diary) A portion of the notes are printed in *Foreign Relations, 1981–1988*, vol. VI, Soviet Union, October 1986–January 1989, Document 21.

² Reference is to the ongoing round of Nuclear and Space Talks in Geneva.

³ For Armacost's March 20 report on his discussions in Moscow, see *Foreign Relations, 1981–1988*, vol. VI, Soviet Union, October 1986–January 1989, Document 26.

⁴ Shultz met with Soviet officials in Moscow, April 13–15; see *ibid.*, Documents 38–47.

Nature of Speech—

Objectives:

- 1.) Reassert P. objective and program
- 2.) Reassure Congress and Allies P. at work and thinking of future.

Theme: Safer world

Willing to work with Soviets to accomplish.

What we achieved.

More cooperative relationship.

Gorbachev wants make improvements.

Lower risk of war.

Stanford event May 14.⁵ Mulroney favors. Semi-favorable out of Mexicans.

Tower report handling.⁶ Whatever report we can see statement we need to make. New attitude toward Iran, and then review achievements and agenda.

Timing. Say you know truth. High policy went off rails when used arms to get hostages. Want to set straight.

1. New NSC team in place and working.
2. Attitude let's get all facts out. Facts come out.
3. No deals with terrorists.
4. Peaceful solution to Gulf war. No arms to combatants.

⁵Reference is to a proposed trilateral meeting with Clark and Sepulveda at Shultz's home in Palo Alto on May 14. In telegram 152936 to Ottawa and Mexico City, May 19, the Department summarized the meeting: "Secretary Shultz discussed what he referred to as the information or knowledge revolution and the large trends in the world today. As more countries acquire the means to participate in this revolution, political and economic power becomes more diffuse. Our three countries, he said, are well positioned to take advantage of these trends, however, because of their openness and freedom. Both Clark and Sepulveda agreed that there are other trends in the world which will require careful management if they are to be prevented from derailing these encouraging developments. Sepulveda expressed the belief that one of the greatest challenges would be to find ways in which to transfer the means to participate in the information revolution to developing countries. The discussion focused on the Pacific Basin in particular as a region which is both increasingly important in the world and which presents particular opportunities to the United States, Canada and Mexico." (Department of State, Central Foreign Policy File, Electronic Telegrams, D870388-0139)

⁶The Report of the President's Special Review Board was scheduled to be released on February 26; see Gerald M. Boyd, "Panel Said to Find Reagan Was Told of Iran Dealings: Regular Briefings Cited: Tower Commission's Report Is Also Said to Describe 'Freelancing' by North," *New York Times*, February 25, 1987, pp. A1, A12, and Lou Cannon and David Hoffman, "Reagan Urged to React Decisively To Tower Commission's Criticisms," *Washington Post*, February 24, 1987, pp. A1, A12.

5. Join Arab friends in concern—ships in Gulf.
6. Iran has leg. interest. They have recognize we do too.
7. Don't let charges undermine brave efforts of those who trying stop spread of Communism in Latin America.
8. Future.

Catastrophic, Welfare Reform, Competitiveness.

In Foreign Affairs successes to build on.

Asian relationships strong.

Soviets and we working from same agenda.

Remarkable changes in Middle East. Will have initiatives in Middle East.

Central American may be great challenge. Policy of strength and diplomacy. No second Cuba in our Hemisphere.

Prosperity without inflation in context of peace used to be a dream. If Iran can be lofty which flawed in execution and set right then go on to achievements.

293. Address by President Reagan to the Nation¹

Washington, March 4, 1987

Address to the Nation on the Iran Arms and *Contra* Aid Controversy

My fellow Americans:

I've spoken to you from this historic office on many occasions and about many things. The power of the Presidency is often thought to reside within this Oval Office. Yet it doesn't rest here; it rests in you, the American people, and in your trust. Your trust is what gives a President

¹ Source: *Public Papers: Reagan, 1987*, Book I, pp. 208–211. The President delivered his address at 9 p.m. from the Oval Office. The address was broadcast live on nationwide radio and television. In a personal diary entry for March 4, the President commented: "Our Wedding anniversary. Nancy says my speech tonite is her present from me." He also wrote: "Nancy surprised me by joining me for lunch in the study. After lunch a brief huddle with Howard, Stu S., Dick W. & Landon Parvin about the speech & upstairs to wait for 9 P.M. The speech was exceptionally well rcv'd. & phone calls (more than any other speech) ran 93% favorable. Even the T.V. bone pickers who follow the speech with their commentaries said nice things about it." (Brinkley, ed., *The Reagan Diaries*, vol. II, November 1985–January 1989, p. 696)

his powers of leadership and his personal strength, and it's what I want to talk to you about this evening.

For the past 3 months, I've been silent on the revelations about Iran. And you must have been thinking: "Well, why doesn't he tell us what's happening? Why doesn't he just speak to us as he has in the past when we've faced troubles or tragedies?" Others of you, I guess, were thinking: "What's he doing hiding out in the White House?" Well, the reason I haven't spoken to you before now is this: You deserve the truth. And as frustrating as the waiting has been, I felt it was improper to come to you with sketchy reports, or possibly even erroneous statements, which would then have to be corrected, creating even more doubt and confusion. There's been enough of that. I've paid a price for my silence in terms of your trust and confidence. But I've had to wait, as you have, for the complete story. That's why I appointed Ambassador David Abshire as my Special Counsellor to help get out the thousands of documents to the various investigations.² And I appointed a Special Review Board, the Tower board, which took on the chore of pulling the truth together for me and getting to the bottom of things. It has now issued its findings.³

I'm often accused of being an optimist, and it's true I had to hunt pretty hard to find any good news in the Board's report. As you know, it's well-stocked with criticisms, which I'll discuss in a moment; but I was very relieved to read this sentence: ". . . the Board is convinced that the President does indeed want the full story to be told."⁴ And that will continue to be my pledge to you as the other investigations go forward. I want to thank the members of the panel: former Senator John Tower, former Secretary of State Edmund Muskie, and former national security adviser Brent Scowcroft. They have done the Nation, as well as me personally, a great service by submitting a report of such integrity and depth. They have my genuine and enduring gratitude.

I've studied the Board's report. Its findings are honest, convincing, and highly critical; and I accept them. And tonight I want to share with you my thoughts on these findings and report to you on the actions I'm taking to implement the Board's recommendations. First, let me say I take full responsibility for my own actions and for those of my

² See footnote 7, Document 289.

³ *Report of the President's Special Review Board*, February 26, 1987 (Washington: President's Special Review Board, 1987).

⁴ The complete sentence reads: "From the President's request to Mr. Meese to look into the history of the initiative, to his appointment of this Board, to his request for an Independent Counsel, to his willingness to discuss this matter fully and to review his personal notes with us, the Board is convinced that the President does indeed want the full story to be told." (*Ibid.*, pp. IV-12 and IV-13)

administration. As angry as I may be about activities undertaken without my knowledge, I am still accountable for those activities. As disappointed as I may be in some who served me, I'm still the one who must answer to the American people for this behavior. And as personally distasteful as I find secret bank accounts and diverted funds—well, as the Navy would say, this happened on my watch.

Let's start with the part that is the most controversial. A few months ago I told the American people I did not trade arms for hostages.⁵ My heart and my best intentions still tell me that's true, but the facts and the evidence tell me it is not. As the Tower board reported, what began as a strategic opening to Iran deteriorated, in its implementation, into trading arms for hostages. This runs counter to my own beliefs, to administration policy, and to the original strategy we had in mind. There are reasons why it happened, but no excuses. It was a mistake. I undertook the original Iran initiative in order to develop relations with those who might assume leadership in a post-Khomeini government.

It's clear from the Board's report, however, that I let my personal concern for the hostages spill over into the geopolitical strategy of reaching out to Iran. I asked so many questions about the hostages welfare that I didn't ask enough about the specifics of the total Iran plan. Let me say to the hostage families: We have not given up. We never will. And I promise you we'll use every legitimate means to free your loved ones from captivity. But I must also caution that those Americans who freely remain in such dangerous areas must know that they're responsible for their own safety.

Now, another major aspect of the Board's findings regards the transfer of funds to the Nicaraguan *contras*. The Tower board wasn't able to find out what happened to this money, so the facts here will be left to the continuing investigations of the court-appointed Independent Counsel and the two congressional investigating committees. I'm confident the truth will come out about this matter, as well. As I told the Tower board, I didn't know about any diversion of funds to the *contras*. But as President, I cannot escape responsibility.

Much has been said about my management style, a style that's worked successfully for me during 8 years as Governor of California and for most of my Presidency. The way I work is to identify the problem, find the right individuals to do the job, and then let them go to it. I've found this invariably brings out the best in people. They seem to rise to their full capability, and in the long run you get more done. When it came to managing the NSC staff, let's face it, my style didn't match its previous track record. I've already begun correcting this. As

⁵See Document 281.

a start, yesterday I met with the entire professional staff of the National Security Council.⁶ I defined for them the values I want to guide the national security policies of this country. I told them that I wanted a policy that was as justifiable and understandable in public as it was in secret. I wanted a policy that reflected the will of the Congress as well as of the White House. And I told them that there'll be no more free-lancing by individuals when it comes to our national security.

You've heard a lot about the staff of the National Security Council in recent months. Well, I can tell you, they are good and dedicated government employees, who put in long hours for the Nation's benefit. They are eager and anxious to serve their country. One thing still upsetting me, however, is that no one kept proper records of meetings or decisions. This led to my failure to recollect whether I approved an arms shipment before or after the fact. I did approve it; I just can't say specifically when. Well, rest assured, there's plenty of recordkeeping now going on at 1600 Pennsylvania Avenue.

For nearly a week now, I've been studying the Board's report. I want the American people to know that this wrenching ordeal of recent months has not been in vain. I endorse every one of the Tower board's recommendations. In fact, I'm going beyond its recommendations so as to put the house in even better order. I'm taking action in three basic areas: personnel, national security policy, and the process for making sure that the system works.

First, personnel—I've brought in an accomplished and highly respected new team here at the White House. They bring new blood, new energy, and new credibility and experience. Former Senator Howard Baker, my new Chief of Staff,⁷ possesses a breadth of legislative and foreign affairs skill that's impossible to match. I'm hopeful that his experience as minority and majority leader of the Senate can help us forge a new partnership with the Congress, especially on foreign and national security policies. I'm genuinely honored that he's given up his own Presidential aspirations to serve the country as my Chief of Staff. Frank Carlucci, my new national security adviser, is respected for his experience in government and trusted for his judgment and counsel. Under him, the NSC staff is being rebuilt with proper management discipline. Already, almost half the NSC professional staff is comprised of new people.

⁶The President met with approximately 50 members of the NSC staff in Room 208 of the Old Executive Office Building on March 3 from 11:30 until 11:38 a.m. (Reagan Library, President's Daily Diary) No minutes from this meeting have been found.

⁷Baker's first day as White House Chief of Staff was March 2. (Steven V. Roberts, "Quick Quips, Quick Action as Baker Takes Charge," *New York Times*, March 3, 1987, p. A11)

Yesterday I nominated William Webster, a man of sterling reputation, to be Director of the Central Intelligence Agency.⁸ Mr. Webster has served as Director of the FBI and as a U.S. District Court judge. He understands the meaning of “rule of law.” So that his knowledge of national security matters can be available to me on a continuing basis, I will also appoint John Tower to serve as a member of my Foreign Intelligence Advisory Board. I am considering other changes in personnel, and I’ll move more furniture, as I see fit, in the weeks and months ahead.

Second, in the area of national security policy, I have ordered the NSC to begin a comprehensive review of all covert operations.⁹ I have also directed that any covert activity be in support of clear policy objectives and in compliance with American values. I expect a covert policy that, if Americans saw it on the front page of their newspaper, they’d say, “That makes sense.” I have issued a directive prohibiting the NSC staff itself from undertaking covert operations—no ifs, ands, or buts. I have asked Vice President Bush to reconvene his task force on terrorism to review our terrorist policy in light of the events that have occurred.¹⁰

Third, in terms of the process of reaching national security decisions, I am adopting in total the Tower report’s model of how the NSC process and staff should work. I am directing Mr. Carlucci to take the necessary steps to make that happen. He will report back to me on further reforms that might be needed. I’ve created the post of NSC legal adviser to assure a greater sensitivity to matters of law. I am also determined to make the congressional oversight process work. Proper procedures for consultation with the Congress will be followed, not only in letter but in spirit. Before the end of March, I will report to the Congress on all the steps I’ve taken in line with the Tower board’s conclusions.¹¹

⁸ According to *Washington Post*, reporter Lou Cannon: “White House sources said that Reagan had planned to announce the choice [of Webster] himself, as part of a campaign to demonstrate that he is acting rapidly to rebuild his administration and restore his credibility. But Webster, who was offered the job by Reagan in a 10:20 a.m. telephone call, did not call back to accept it until 6:04 p.m., prompting a hasty announcement in the White House briefing room by spokesman Marlin Fitzwater in time for the evening network news broadcasts.” (Lou Cannon, “Reagan Names FBI’s Webster as CIA Director: President Takes Steps To Repair Damage Of Iran-Contra Affair,” *Washington Post*, March 4, 1987, pp. A1, A6)

⁹ Documentation on this review is scheduled for publication in *Foreign Relations, 1981–1988*, vol. II, Organization and Management of Foreign Policy.

¹⁰ See footnote 9, Document 258.

¹¹ On March 31, the President transmitted to Congress the text of NSDD 266, “Implementation of the Recommendations of the President’s Special Review Board.” For the text of the transmittal message, see *Public Papers: Reagan, 1987*, Book I, pp. 310–311.

Now, what should happen when you make a mistake is this: You take your knocks, you learn your lessons, and then you move on. That's the healthiest way to deal with a problem. This in no way diminishes the importance of the other continuing investigations, but the business of our country and our people must proceed. I've gotten this message from Republicans and Democrats in Congress, from allies around the world and—if we're reading the signals right—even from the Soviets. And of course, I've heard the message from you, the American people. You know, by the time you reach my age, you've made plenty of mistakes. And if you've lived your life properly—so, you learn. You put things in perspective. You pull your energies together. You change. You go forward.

My fellow Americans, I have a great deal that I want to accomplish with you and for you over the next 2 years. And the Lord willing, that's exactly what I intend to do.

Good night and God bless you.

294. Memorandum From the President's Special Assistant and Counselor, National Security Council Staff (Rodman) to the President's Assistant for National Security Affairs (Carlucci)¹

Washington, March 10, 1987

SUBJECT

Presidential Priorities and Initiatives

In your meeting with the senior staff in the Sit Room on Friday, February 27, we discussed compiling a list of priority issues and possible new initiatives that would define a meaty foreign policy agenda for the coming months.² The staff has provided some good ideas, which I have pulled together in the attached paper.

Somewhat arbitrarily I have grouped them into three categories:

—Top Priorities: These are the obvious “big issues,” including areas where the President wants to leave a strong legacy (SDI, freedom

¹ Source: Reagan Library, African Affairs Directorate, NSC Records, Subject File, Presidential Initiatives 1987. Secret. Sent for information.

² No record of this meeting has been found.

fighters), as well as other issues of major importance where we are fending off disasters (e.g. trade and protectionism). The Venice summit³ and arms control are under this heading as well.

—Other Positive Initiatives: These are other issues on which we are in a position to take important positive initiatives if we choose. E.g., Berlin,⁴ Andean Summit,⁵ African hunger.

—Other Decisions and Issues: These are a third tier of issues on which the USG has to fight for important programs (or against other harmful actions) in the Congress. E.g., the 150 account,⁶ Biden-Levine.⁷

In addition, there is a different kind of “priority” that was discussed at our Friday meeting: the President’s need to “win one somewhere.” He needs to reestablish his political clout with the Congress; right now they’re not afraid of him up there. The best candidate may be winning on the \$40 million for the contras; also, any deal that may be struck that assures more durable SDI funding.

Omitted are some important issues on which we have policies in place that need to be maintained (e.g., Third World debt strategy, strategic forces modernization, counterterrorism policy, defense management reform) but which do not call for new initiatives at the moment.

Bill Cockell, Fritz Ermarth, Jose Sorzano, Jim Kelly, Hank Cohen, Steve Danzansky, Bob Dean, and Bob Linhard concur.⁸

Recommendation

That you review the attached and use it in briefing the President.⁹

³ See footnote 14, Document 289.

⁴ The President was scheduled to visit Berlin, June 11–12, to attend its 750th anniversary celebrations and meet with Kohl. The President’s June 12 speech at the Brandenburg Gate in West Berlin is printed as Document 303.

⁵ Reference is to a proposed summit involving the five Andean leaders and Reagan.

⁶ Reference is to budget function 150 appropriations, which allocated funding to finance the operations of the Department, USIA, and BIB.

⁷ Reference is to the Arms Export Reform Act of 1987 (S. 419 and H.R. 898), introduced by Biden and Levine, in the Senate and House, respectively, on January 29. The bill specified that a majority in each house would need to approve most weapons sales, “except to close allies.” For additional information, see John H. Cushman, Jr., “Arm Wrestling, as It Were, With White House,” *New York Times*, January 28, 1987, p. B8.

⁸ Rodman initialed concurrence for all officials listed here.

⁹ Carlucci did not approve or disapprove the recommendation.

Tab A

Paper Prepared by the President's Special Assistant and Counselor, National Security Council Staff (Rodman)¹⁰

Washington, undated

PRESIDENTIAL PRIORITIES AND INITIATIVES

I. TOP PRIORITIES

These are the obvious "big issues." Some are priority objectives; others are issues on which we are fighting off potentially harmful Congressional actions; some are a combination of both:

—We want to *institutionalize the SDI program* and leave behind a U.S. defense strategy reoriented toward strategic defense. This includes: fighting for increased funding in the Congress and for the bipartisan support that will sustain it over the long term. It means satisfactory resolution of the debates with the Congress over the correct ABM treaty interpretation, a vigorous test program, and a possible decision on incremental deployment.

- One possible initiative (if opposition from Cap Weinberger can be overcome) would be a bipartisan Presidential commission on defense stability, with some Congressional membership and non-governmental experts to help develop a national consensus on the positive role of strategic defense. Or make use of the existing Long-Term National Strategy Commission, which has a good support staff and mix of people, for this purpose.¹¹

—We also want to institutionalize *support for the freedom fighters* as a lasting legacy. This means:

- in Central America, winning durable bipartisan support for the contra program, for aid to the region's democracies, for a sensible diplomatic track, and for additional pressures on Nicaragua and Cuba (as the NSSD paper is examining),¹²

- in Afghanistan, maintaining the considerable bipartisan support we have, ensuring the \$4.02 billion 6-year aid program for Pakistan,

¹⁰ Secret.

¹¹ Presumable reference to the NSC-DOD Commission on Integrated Long-Term Strategy, co-chaired by Iklé and Wohlstetter. The Commission's final report was released in 1988; see *Discriminate Deterrence: The Report of the Commission on Integrated Long-Term Strategy*, January 1988 (Washington: Government Printing Office, 1988).

¹² NSSD 2-87, "Central America," issued January 22. The NSSD is scheduled for publication in *Foreign Relations, 1981-1988*, vol. XV, Central America, 1985-1988.

doing more to assist the Resistance politically as well as militarily, stepping up pressure on the Soviets, working on confidence-building between India and Pakistan, and nurturing our own relations with India. The NSSD will cover many of these issues.¹³ A Vice Presidential trip to South Asia in April or May may be useful.

- in Angola, making some decisions (as per the NSSD) that would step up military, political, and economic pressures to disabuse the Soviets, Cubans, and MPLA of any notion that time is on their side;¹⁴ and
- in Cambodia, stepping up our support for the non-Communist resistance while keeping ASEAN in the lead, and continuing to work with ASEAN and the Chinese toward a political solution.

—The *Venice Economic Summit* will highlight the strong ties with our most important allies on political, security, and economic issues. Among other things, this meeting will attempt to tackle head-on the crucial areas of trade and protectionism, particularly in agriculture. But undoubtedly, security issues will also be addressed, and a visible consensus will strengthen our hand with the Soviets.

—On *trade and protectionism*, the main battleground may be the U.S. Congress. Major protectionist legislation in the U.S. could trigger a new cycle of protectionism in the EC and Japan, and dampen trade and growth. Similarly it would choke off Third World export earnings and thereby compound the debt problem with its threat to the international financial system.

- Our competitiveness approach will help us fend off protectionist pressures; likewise a vigorous role of U.S. leadership in the Uruguay round of GATT negotiations,¹⁵ as well as any progress made at Venice.
- The Nakasone visit in April will require careful preparation, including Congressional groundwork, so that neither alliance issues nor trade problems are seen as worsened.¹⁶

—*Arms reduction* and the other issues in U.S.-Soviet relations will continue to be issues of major political importance, not only in the U.S. but in the Western alliance. A satisfactory agreement on INF or START which does not jeopardize SDI would be a major achievement and vindicate this Administration's realistic approach. Other negotiations (e.g., CW, conventional arms) need to be managed carefully.

¹³ Presumable reference to the study being prepared in response to NSSD 1-87, "Afghanistan," issued January 22. The NSSD is scheduled for publication in *Foreign Relations*, 1981-1988, vol. XXXV, Afghanistan, November 1985-February 1989.

¹⁴ NSSD 3-87, "Southern Africa," issued January 22. The NSSD is scheduled for publication in *Foreign Relations*, 1981-1988, vol. XXVI, Southern Africa, 1985-1988.

¹⁵ See footnote 3, Document 276.

¹⁶ Nakasone was scheduled to visit the United States, April 29-May 5. Documentation is scheduled for publication in *Foreign Relations*, 1981-1988, vol. XXXI, Japan; Korea, 1985-1988.

II. OTHER POSITIVE INITIATIVES

—The President's visit to *Berlin* should be the occasion for not only a major speech on East-West relations in Europe but also an important diplomatic initiative on lowering barriers in Berlin. We are working with State on a possible initiative; Ambassador Burt is strongly supportive. We need to accelerate this work because intensive consultations with the UK, France, and FRG are essential before the President can broach any kind of detailed proposal in a speech.

—In the *Middle East peace process*, we have an NSSD and draft NSDD that will guide our strategy.¹⁷ There are no home runs to be hit, but we have a sensible strategy of shaping the conditions that could eventually make a negotiation possible:

- continuing consultations with Israel, Egypt, and Jordan and among them (including visits here by Hussein and Mubarak, Whitehead visit to Cairo),¹⁸
- support for Jordan's West Bank/Gaza development plan, which strengthens the King's hand vs. the PLO,
- a possible trip by Secretary Shultz to the area in May or June after Hussein's visit.

—The *Iran-Iraq war* calls for more efforts to rebuild confidence in us by the Gulf States and Iraq, helping in various ways to bolster the security of those threatened by Iran, and maintaining steady pressures on Iran. This includes:

- the possible use of U.S. military resources to assist freedom of navigation (FON) in the Gulf, keeping the Strait of Hormuz open, continuing contingency talks with the Saudis and the Gulf States, and proceeding with modest arms sales. (An important Presidential statement has already been issued,¹⁹ contingency talks and planning for FON have begun, and arms sales have been requested).
- Next steps include approaching the UK and Gulf States on FON, fighting for the arms sales in Congress, continuing diplomatic efforts in the UN Security Council to help end the war, and enunciating our Gulf policy in any Presidential speech on the Mideast.

¹⁷ NSSD 4-87, "Middle East Peace Process," issued January 22.

¹⁸ Whitehead met with Mubarak in Cairo on March 1. Documentation regarding the meeting is scheduled for publication in *Foreign Relations, 1981-1988*, vol. XIX, Arab-Israeli Dispute.

¹⁹ The administration issued two statements on the Iran-Iraq war on January 23 and February 25. Both statements underscored the desirability of maintaining the free flow of oil through the Straits of Hormuz and the necessity of supporting the self-defense of allies in the region. For the text of the statements, see *Public Papers: Reagan, 1987*, Book I, pp. 46 and 181.

—Planning is proceeding on an *Andean Summit on narcotics and terrorism*. Our ambassadors in the region believe this is a good idea which will be supported by the five key regional leaders (Bolivia, Colombia, Ecuador, Peru, and Venezuela). Finding a venue will be a delicate task but manageable.

- Ideally, we would aim for a regional “action plan” committing participants to greater cooperation and effort against trafficking, which could also stimulate more collaboration against terrorism.

- At a minimum, the event would dramatically raise consciousness in the region of the political importance of the problem as a threat to democracy as well as to public health and safety.

—A Presidential initiative to *combat hunger in Africa* is ready to be launched. Last year the President asked an interagency Task Force, chaired by NSC and OPD, to reexamine our aid programs for sub-Saharan Africa to ensure they were efficiently organized to promote economic growth and private-sector development.²⁰ A new program, representing the consensus of the 15 departments and agencies involved, outlines steps to reorient our aid efforts and mobilize the parallel efforts of other donors to stress structural and policy reform in recipient countries—to maximize the effectiveness of whatever levels of aid are available in this era of scarce resources.²¹

—On *South Africa*, no immediate pressures face us, but the Anti-Apartheid Act will cause us to revisit the sanctions question later this year.²² There is risk in a passive posture and advantage in the President’s preempting the Congress and taking the initiative back into his own hands. The key issue now is the political dimension: our hope to see a political negotiation begin in South Africa that produces a peaceful democratic solution. The NSSD is considering our options:

- The U.S. may want to declare itself in favor of a framework or set of principles for resolving the South African “power sharing” dilemma. These need not be detailed prescriptions but a set of standards (democracy, constitutional freedoms and guarantees, minority rights, etc.) by which we will judge the outcome and the positions of

²⁰ NSSD 3–86, “U.S Support for Economic Growth in Sub-Saharan Africa,” issued September 19, 1986, established the terms of reference for the review of U.S. economic programs and policies. The NSSD is published in *Foreign Relations, 1981–1988*, vol. XLI, Global Issues II, Document 255.

²¹ In a statement released on March 11, Fitzwater indicated that the task force charged with undertaking the interdepartmental review specified in NSSD 3–86 (see footnote 20, above) had completed its work and recommended a plan of action in order to help end hunger in Sub-Saharan Africa. For the text of the statement, see *Public Papers: Reagan, 1987*, Book I, pp. 236–237.

²² See footnote 3, Document 279.

the parties, thus putting the ANC as well as the South African government on the spot.

- We could do this alone or with our allies.
- A Presidential speech could be the vehicle. Like the September 1, 1982, speech on the Middle East²³ it might not bring immediate results but could help define the agenda for all subsequent consideration of the subject, transcending the sterile sanctions debate and put *our* balanced definition of the issues front and center.

—Another possible initiative with a long-term purpose would be to propose wholesale *revisions in the National Security Act*, to rationalize the USG governmental structure in, particularly, the intelligence field (including a Joint Congressional Committee), to strengthen the laws protecting official secrecy, etc.²⁴

—A Presidential “*State of the World*” message to Congress would be an opportunity to furnish a broad, sophisticated overview of our foreign policy complementing the National Security Strategy Report of January.²⁵ It would attempt to be more than a laundry list of regional and other topics; it should include an analysis of basic trends and an articulation of basic objectives, to make clear what the Reagan Administration really represents and to describe, in effect, the legacy the President wants to leave behind.

III. OTHER DECISIONS AND ISSUES

Many of these are damage-limitation efforts that have to be made, though some are third-order issues worthy of attention and possible new initiatives.

—The *150 account* remains a key priority. State has created a public diplomacy effort but the problem calls for increased Presidential involvement. Possible efforts include creation of an NSC-led Function 150 Committee to coordinate administration policy, and a Presidential meeting with a group of leading CEOs to engage them in generating public and Congressional support for our programs.

—Congress is moving ahead rapidly to dismantle essential *export controls* and the Administration needs to stick to its agreed schedule for providing our own alternative legislative package. If we fail to act quickly, Congress will dictate the legislative outcome. The Bonker subcommittee will mark up its legislation as part of the trade bill on March 18; we

²³ See Document 116.

²⁴ Reference is to the National Security Act of 1947, which Truman signed into law on July 26, 1947. The Act established the National Security Council, which met for the first time on September 26 of that year. For additional information, see *Foreign Relations, 1945–1950, Emergence of the Intelligence Establishment, Documents 196–240*.

²⁵ See Document 290.

should aim at sending up a letter by March 13 including an Administration legislative package and proposed regulatory changes.²⁶ The NSSD exercise has made progress toward an Administration position.²⁷

—The *Biden-Levine bill* on arms transfers is a challenge to the President's authority to conduct foreign policy and would be a devastating blow to our position in the Middle East in particular. A vigorous White House-led campaign against Biden-Levine is needed to forestall the legislation; it is also an essential part of our effort to restore our credibility among our Arab friends. A veto threat will assert Presidential leadership.

- At the same time, we must continue a deliberate Congressional notification strategy for pending arms transfers to show our friends we are a reliable supplier and to show Congress we are pursuing a vigorous foreign policy while conducting adequate consultations.

—The NSC staff is working on a SecDef proposal to develop a strategy to counter *the European left's assault on NATO defense requirements*.²⁸ This study will include a look at how NATO strategy might be updated to capitalize more effectively on technological advances that could help offset Warsaw Pact numerical superiority.

—*Legislated restrictions on Presidential authority* in foreign and defense policy should continue to be opposed as a matter of principle and to highlight the damage done. The restrictions on ASAT testing and CW production are an example. (FCC plans to speak out more on this general theme.)

—An effort to restore our *UN funding* would capitalize on the President's success in pressing the UN to make major procedural reforms which give the U.S. a much greater role in determining UN policies. This is something the President can now take credit for and it deserves more publicity.

²⁶ Reference is to H.R. 3 (H. Rept. 100–576), introduced in the House by Gephardt on January 6. Bonker was the chair of the House Subcommittee on International Economic Policy.

²⁷ NSSD 7–87, “National and Multilateral Strategic Export Controls,” issued January 30. It is scheduled for publication in *Foreign Relations, 1981–1988*, vol. XLIV, Part 2, National Security Policy, 1985–1988.

²⁸ Telegram Tosec 10168/8631 to Shultz in Nairobi, January 10, transmitted the text of an action memorandum from Ridgway to Shultz. In it Ridgway referenced a December 30, 1986, letter from Weinberger to Shultz (attached as Tab 2 of the memorandum), in which Weinberger “expressed concern over the emergence in Europe of ‘defensive defense’ and what he saw as a new generation of alternative strategies for the defense of NATO.” Ridgway continued, “He proposed that an appropriate interagency group be tasked with developing a coordinated strategy for meeting this challenge.” She indicated that the Department agreed “with DOD that more needs to be done on the public diplomacy front, but we believe this can be pursued through existing interagency arrangements.” (Department of State, Central Foreign Policy File, Electronic Telegrams, [no D number])

295. Minutes of a National Security Council Meeting¹

Washington, March 13, 1987, 11 a.m.–noon

SUBJECT

South American Democracy (U)

PARTICIPANTS:

The President

The Vice President's Office:

Craig Fuller

State:

George P. Shultz

Elliott Abrams

Treasury:

Richard G. Darman

OSD:

Caspar W. Weinberger

Richard L. Armitage

Commerce:

Malcolm Baldrige

Education:

Wendell Willkie

OMB:

Joseph Wright

Wayne Army

CIA:

Robert Gates

Robert Vickers

USTR:

Amb Michael B. Smith

JCS:

Robert T. Herres

John H. Moellering

AID:

Peter McPherson

USIA:

Charles Z. Wick

White House:

Howard H. Baker

Frank C. Carlucci

David Chew

Jose Sorzano (NSC)

Jacqueline Tillman (NSC)

Minutes

President Reagan: I know it is no secret to most of you that I have a vision of a democratic Western Hemisphere where the United States has warm and solid relations with all the countries of the hemisphere. That's why my first trip as President was to Latin America.² We've had well-intentioned policies in the past that resulted in the United States being thought of as the colossus of the north, and we offered a lot of advice and rarely heard theirs. But there is no reason why this should still be. We are all Americans, from the Tierra del Fuego to the North Pole. There is no reason why we could not be the force for good in the

¹ Source: Reagan Library, Executive Secretariat, NSC Meeting Files, NSC 00142, 03/13/1987 [South American Trends & Developments]. Secret. All brackets are in the original. The meeting took place in the Cabinet Room. No drafting information appears on the minutes.

² The President presumably is referring to his January 5, 1981, visit to Ciudad Juarez, made while he was President-elect; see footnote 4, Document 30.

world that we could be. But they have a chip on their shoulder from the way they were treated by us in the past. (U)

Since I've considered this a priority of this Administration, I've pretty much had an open door policy for the new Latin democratic presidents, and over the last six years, have met with most of them here at the White House. In reflecting on what I've heard from them, I am struck by their deep desire to make sure their democracies survive, the difficulties they face in achieving this, and also, how much they want and need our help so they can make it. (U)

The special challenge for them seems to be managing their debts, and Soviet diplomatic inroads, terrorism and narcotics in some cases are important problems for them as well. I've told these Latin American presidents that we are not the "colossus of the north" anymore, that those days are over. But we want to help them as much as we can. It's in our national interests that we do so. So I'm glad that we are meeting to make sure we are doing all we can to support, protect and preserve democracy in South America. (U)

Just about fifteen minutes ago I was talking about how selective the Soviets are in the set of quotations they use from Lenin. They use the ones they like and print them in their books. But there is one quote of Lenin that we need to remember for this meeting today. Lenin discussed their approach to world communism and said they would first take Eastern Europe, which they have already done. Then, they would organize the hordes of Asia. Well, they have made great progress there. Then they would move to Latin America. In taking Latin America, the United States, the last bastion of imperialism, would be isolated and fall into their hands like overripe fruit. These are the stakes we are talking about today. (U)

APNSA Frank Carlucci: Thank you Mr. President. This review is appropriate because the last time the NSC considered South America was four years ago after the Malvinas/Falklands war. Much has happened in South America since then. It's important to keep in mind that the inter-American system is the oldest international regional organism in the world and after World War II, when Harry Truman began his great work of creating the security networks that constitute our modern alliances today, the Rio Treaty was the first the U.S. entered into.³ (C)

We have tended to be very preoccupied by Central America, yet we should not only worry about the back yard, we should worry about the neighborhood too. And there have been spectacular developments in South America today. Eight countries are democracies and two are in transition. And we see real dynamism in the leadership that has resulted

³ The 1947 Inter-American Treaty of Reciprocal Assistance, commonly known as the Rio Treaty, committed its signatories to providing assistance to meet armed attacks.

from the democratic changes. The caliber of the South American presidents is high; they are serious and capable men. The greatest threat to them today is the debt problem and the need for economic structural reforms. One issue we might think about is whether our debt policy should show greater sensitivity to the political obstacles it represents to them. And perhaps we should not be overly worked up when one of them gets off the reservation, like Brazil and Ecuador; perhaps we could accommodate a bit more. And what about Gorbachev's visit to the region?⁴ And why are the South Americans not supporting us on democracy in Nicaragua? Have we done enough to get all the facts out about Central America? Can we link the South American and Central American democracies? (S)

Is it not in our best interests to institutionalize the South American democracies into the Western democratic alliance? Where is the mirror image of the Brezhnev Doctrine that insures the irreversibility of democratic gains? We need to generate a domestic consensus to insure that these gains are guaranteed to stay. Those of us who follow Latin American affairs know that our attention span is short when dealing with this part of the world. The pattern is very cyclical. Because it is essential to our national security, we react with attention when our interests are challenged. And it ebbs when the situation lessens. We need to institutionalize a long-term policy that is mutually reinforcing, and geared at a level of attention that is sustainable over time and that can enjoy bipartisan Congressional support. (C)

We don't have all the resources we could give to the region. But are we focussing our aid, Peter, to places where it can get the maximum results, where we can get the maximum value for the dollar, so we can assure that these democratic reforms are here to stay? (C)

Bob Gates: Mr. President, I'd like to focus on the debt and Gorbachev's visit to the region. The recent decision by Brazil to suspend payments on its foreign debt is a reminder of the seriousness this problem poses for democratic governments in South America.⁵ In a

⁴ In early March, a Soviet parliamentary delegation, headed by Boris Yeltsin, traveled to Nicaragua "to reaffirm ties between the two nations and take soundings for a possible visit later this year by Soviet leader Mikhail Gorbachev." (Julia Preston, "Soviet Delegation Visits Nicaragua To Reaffirm Support: Tour Seen as Test Run for Gorbachev Trip," *Washington Post*, March 8, 1987, p. A34)

⁵ On February 20, the Government of Brazil indicated that it would stop interest payments on its foreign debts. Sarney announced the decision in a 15-minute nationally-televised address. (Alan Riding, "Brazil to Suspend Interest Payments to Foreign Banks: Debt Totals \$108 Billion: President Sarney Says Freeze Will Prevent the Depletion of Currency Reserves," *New York Times*, pp. 1, 35, and Richard House, "Brazil Halts Payments on Debt: Indefinite Suspension Again Raises Specter Of Losses for Banks," *Washington Post*, pp. A1, A16; both February 21, 1987) In telegram 1959 from Brasilia, February 21, the Embassy provided a summary of Sarney's address, noting: "The speech was conciliatory and reassuring, and non-confrontational." (Department of State, Central Foreign Policy File, Electronic Telegrams, D870136-0248)

number of countries there is the sense of being victimized by the industrial world. To give you a sense of the debt, Brazil owes \$110 billion, Mexico owes \$104 billion, and Argentina owes \$24 billion. In many cases, such as in Brazil and Argentina, the massive foreign debts of these countries were incurred under previous military regimes, and as a result, the general public is often unwilling to accept harsh economic austerity measures to meet debt payments that were incurred under previous military regimes. The democratically elected governments are increasingly unwilling or unable to impose them. (S)

Thus, these and other governments are advocating economic growth rather than austerity as the best prescription to promote long-term prosperity and meet their foreign debt obligations. Furthermore, they see the debt issue as a political as much as an economic problem, and they are looking to the U.S. and Western Europe for a political solution to the problem in the long run. In Brazil, for example, the situation continues to deteriorate. The import reductions have greatly reduced access to materials for production. There has been a seaman's strike. The Army is guarding nine oil refineries. There is labor unrest. President Sarney is recovering politically but we don't see him putting an economic program in place that can eventually get him out of this situation. (S)

Major Latin American debtors are watching the Brazilian situation closely to see how it is resolved, and while several have expressed support for Brazil's actions, none except Cuba have pushed for joint action or a debtors cartel. But Brazil's action legitimizes radical action on the debt, especially when these actions are taken by moderates like Sarney and supported by the Army. With little prospect of substantial improvement over the next few years, we believe there is an escalating risk of serious confrontation between the region's governments and their international creditors. (S)

Next, we have good evidence from a wide variety of sources that Soviet Secretary Gorbachev is planning an unprecedented visit to South America within the next year. Such a visit follows intensive diplomatic activity on the part of the Soviets. Last year, for example, the Foreign Ministers of Uruguay, Brazil and Argentina visited Moscow and the Mexican and Peruvian Foreign Ministers may go in the spring.⁶ Shevenaravy [*Shevardnadze*] went to Mexico in October and may go back to Brazil, Mexico, and Lima. The Moscow party boss was just in Nicaragua. (S)

The Soviet leader may attempt to link a visit with a potential U.S. summit later this year, and then go on to Mexico, Peru, Argentina,

⁶ In telegram 9525 from Mexico City, May 12, the Embassy noted that Sepulveda visited the Soviet Union, May 3–7, and met with Gromyko, Shevardnadze, and Gorbachev. (Department of State, Central Foreign Policy File, Electronic Telegrams, D870375–0227)

Brazil, and Uruguay, with possible stops in Nicaragua and Cuba as well. We've got a map of a potential itinerary. (Maps were distributed.) For very little cost to them, they can reap major benefits: the chipping away of the Monroe Doctrine and increasing their political access. More broadly, the trip can demonstrate the legitimacy of a Soviet role in the Western Hemisphere, and increase trade and cultural links with the new South American democracies. They can attempt to shift our economic and military resources further away from the Middle East and other regions to this hemisphere and help consolidate Nicaragua. So this is a considerable payoff. (S)

President Reagan: Of course, if they're first going to Mexico, maybe Montezuma can be engaged. (laughter) (C)

Bob Gates: We'll do what we can, sir. (laughter) (U)

Secretary Shultz: I have a handout for you. I realize this is very unlike the State Department. (laughter) [Secretary Shultz distributed copies of a new report issued by the State Department: *Democracy in Latin America and the Caribbean: The Promise and the Challenge*.]⁷ This is by way of registering what has been happening in the hemisphere in the last ten years. The map in the middle of the book shows the extent of the change and if you turn to the next page, you'll see a list of the various things the United States has been doing.⁸ (C)

There is more we can do, but we have programs involving the National Endowment for Democracy, the administration of justice, electoral institutions, strengthening legislative capacities, anti-narcotics assistance, and civil-military relations. We put this out to get some serious attention from the press to what is going on down there. (C)

The sweep of democracy is a good thing for the United States. Our problem is to do all we can so that democracy takes root and stays. Democracy is the best insurance we can have against efforts there from the USSR. Well, they are free to go down there and visit if they want; there's no law against that. It's what they see and think and have to contend with when they're there that counts, and now it's democracy. Also, as Frank mentioned, on the plus side are the very capable people in leadership positions produced by these democratic processes. Some have turned out better than expected. President Sarney is one, considering the unique and difficult circumstances that led to his becoming Brazil's president. So there are some very good people. (C)

⁷ Produced in the Bureau of Public Affairs in March and issued as Special Report No. 158.

⁸ The map is entitled "Types of Government, Latin America and The Caribbean: 1976 and 1986," and is printed on pages 18 and 19 of the report.

And we have to recognize that almost all of these countries are experiencing great difficulties. These new democratic presidents are trying to govern in turmoil, with economic problems, drugs, and terrorism. It's different from place to place. In Ecuador, the earthquake caused many more deaths and economic damage than we originally thought. We have been responding on the disaster side, but I think there is a strong argument for a Vice Presidential trip down there next week to show our support.⁹ (S)

I'd like to go on now to what we are doing operationally. First, the best small program we have is IMET for training military officers. However these countries go, the role of the military will be strong, and in most cases, potentially positive. We need more contacts with them as professionals to reinforce their non-political roles. But IMET levels fell off under Carter and we don't now have adequate funding. We should give this a larger priority. We should counter with the same in political and economic areas too, to develop professional contacts with U.S. people, educators, and so on. We might refocus for this. The amount of funding for these programs is small, but in the current atmosphere, even getting \$2 million on hand for this is hard. But we should give attention to it. (C)

On the debt and the economic situation. Lots of work has been done. Treasury has the lead with the Baker Plan.¹⁰ It has been well received but has been difficult to implement. I think we should be prepared to roll over sometimes but when we do, we have to remember this is other people's money. And in large part, it is the things they don't do that cause severe problems. Brazil is a good example. Brazil put in controls, and as these programs often do, they work well for a period of time and people get euphoric. It's the classic excuse for not shutting down the money supply and cutting the budget. And now it has exploded. So it's not the debt. It's that they didn't do what they had to do. (C)

⁹ Several earthquakes hit Ecuador the first week of March, killing hundreds and prompting the government to suspend oil exports. ("Hundreds Killed in Ecuador Quake: Damage to the Nation's Oil Area Stops Vital Export Flow," *New York Times*, March 10, 1987, pp. A1, A8) On March 22, Bush visited Ecuador for 4½ hours to meet with Febres-Cordero. (Tyler Bridges, "Bush Says President Told of 'Reservations': Iran Arms Scandal Dominates Press Conference in Ecuador," *Washington Post*, March 23, 1987, p. A6) In telegram 3429 from Quito, March 23, the Embassy provided the text of Bush's press conference, held in the Presidential palace after the meeting. Bush stated that he was "very pleased to have had a very thorough and very full briefing by President Febres-Cordero on the damage. The agony, damage that was pictured, the agony that this country is going through as a result of this natural disaster can't help but grip your heart, and I just explained to the President that we want to go back and do as much as we possibly can to be helpful, in addition to the things that we have done." (Department of State, Central Foreign Policy File, Electronic Telegrams, D870557–0101; D870232–0130)

¹⁰ See footnote 7, Document 265.

We have put out sensible talk from the beginning of the Administration about what it takes to make it work. From your speech in Philadelphia, to Cancun, and to the Baker Plan, all good stuff, and the international system is absorbing it gradually. But they keep fighting it. (C)

The best measure of how well a country is doing is by monitoring voluntary capital flows. Their own capital flowing out is a marker to watch. It is interesting that the capital flow in Mexico finally turned and last year they had a net inflow. So it's an interesting indicator. (C)

I think we have a strong debt strategy, and I'm sure Dick will talk about it. But before you jump in, I think we have to look very carefully. The commercial banking system is much more insulated and less vulnerable than earlier. But I must say I can't believe the regulations over our own banking system will not let them take loan losses against these loans. That's why I don't agree with Treasury. (laughter) (C)

And we are working with the Department of Justice and USIA in an administration of Justice program to help strengthen the judiciary systems. (C)

So I see that we have five problem countries: Suriname is in a transition of some kind, the situation there is not stable and bears careful watching. We may get another democracy out of it. Chile is another problem and Paraguay. And, on the other side of the spectrum, there are Cuba and Nicaragua. We focus on the Central America picture and the Contra problem. We are in the throes of that now. If we lose the Contras, it will be a big loss. The South Americans have two big fears: one is U.S. military intervention in the area; and the other is their fear that we might pull the plug and walk away and let Gorbachev walk in. This is all they are reading. And then people like Dodd and others fan these fears. They are really doubtful about our staying power. (C)

Drugs represent a big threat to the South Americans, especially in the Andean countries. A country like Colombia has everything going for it: resources, new oil, coal, and a strong democratic tradition. But they have a vicious drug problem that is tearing it to pieces. (C)

So the trends are powerful in good directions. Economic education is taking place, democracy is in place, but the situation is tremendously fragile. Operationally, we know what we want to do, are doing, and could do better if we have a little more money. But in this town, all I hear is "how can you want more money for foreign policy when Medic Aid does not have enough?" I'm sick of hearing that. (laughter) (C)

APNSA Frank Carlucci: In support of what you were saying, as the options continue becoming clearer in Nicaragua, democracy versus communism, our policy has to be consistent, especially regarding Chile

and Paraguay. But second, have we really done all we can to get our point of view across about this? (C)

Secretary Shultz: No, but we work on it hard and incessantly. But we confront the active opposition of Mexico. The others are mainly passive. The South Americans want Central America settled so we can pay attention to them. They see the threat. But they also see this big program going on in Nicaragua that they fear we're going to walk away from it and leave them facing the fallout of the fighting, refugees, and so on. (C)

Secretary Baldrige: On the South America point, as difficult as it is, it is not hard just to get South America's support. The American people, the average person, still isn't sure about what we're looking for there, what we think "success" is. If our people don't understand, it is easy to understand why the South Americans don't. (C)

Secretary Shultz: We have been explaining Central America constantly and endlessly. When was it, Mr. President, when you gave that speech to the Congress, four years ago? We have reiterated that what we want in Nicaragua should be structured to the will of the people. And we'd like to get there through negotiations. (C)

USIA Director Wick: Mac is right. People are confused because Dodd says what we say isn't true. That's why people don't agree. We're facing the pulling of the plug here. That's why I'd like to suggest a summit meeting between you and the key leaders of South and Central America to tell them where we are and what our shared interests are. (C)

President Reagan: We have to face up to it. Nicaragua, like the Soviet Union and Cuba, has a massive disinformation campaign entrenched in our media. Dodd and Kerry and the likes of them are always on the front page. The other side isn't. I remember several years ago when a Catholic Bishop was leading a group of refugees out of Nicaragua into Honduras. The story in the media was that they were being attacked by the Contras. He was an American Bishop and was in Iowa by then so I called him and he said, well no, they were being attacked by the Sandinistas and had been rescued by the Contras. But you never read about that. (C)

I was watching the debate on Contra aid the other day on Channel 8 and the things the opposition was getting away with were unbelievable.¹¹ (C)

¹¹ Presumable reference to the debate in the House of Representatives. On March 11, the House voted 230 to 196 to approve H.J. Res. 1975, which suspended \$40 million in further aid to the Contras for 6 months until the Reagan administration accounted for the previous money spent. (Linda Greenhouse, "House in Vote To Block Funds For the Contras," *New York Times*, March 12, 1987, pp. A1, A10, and *Congress and the Nation*, vol. VII, 1985–1986, p. 210)

And Charlie, I didn't know Gallup was international, but they took a poll of the people in the other Central American democracies, and overwhelmingly the people see Nicaragua as a threat and the people don't want us to leave the area. Eighty percent of Hondurans said their safety was guaranteed by our military maneuvers. Now where have you read that in the American press? So all of us have to go directly to the American people. (C)

Some days when I've made a speech and watch the TV news that night, oh you see me, and my lips are moving all right, but you're hearing someone else's voice talking about what I said. (C)

Secretary Shultz: Well we did have one minor triumph, on human rights in Cuba. We got to within one vote of winning and getting that point across.¹² (C)

President Reagan: And what did the American people read about it? (C)

Jose Sorzano: That we were defeated. (C)

Secretary Weinberger: I have a flyer here for you, Mr. President, to show you how elevated the debate has become. This is something from the Joe Coulter debate. He talks about the three major Contra leaders, one's name is Uno and has forgotten the other two names. (laughter) (C)

But this is a meeting on South America and we are running short of time, so I'll be brief. Nothing about the importance of this region has changed since the Monroe Doctrine was enunciated. It was a vital region then; it is a vital region now. We are concerned about the debt burden gradually forcing the breakdown of the democracies. (S)

For us, one of the most difficult obstacles has been the reduction of IMET and with it, the reduction of American influence in the region. General Herres told me an interesting statistic. In 1985 of the ten Air Force Chiefs in the region [all] had been U.S.-trained. Their replacements are French and British trained. We have very few Latin Americans here for training. We spent \$150 million in IMET in the 1960s, \$17 million in the 1970s, and are down to \$8 million now. We need direct influence. (C)

When we went to Bolivia for Blast Furnace, only 45 percent of the Bolivian helicopters were operational.¹³ After we were there, we

¹² On March 11, the UN Commission on Human Rights rejected a U.S. resolution expressing "deep concern" regarding Cuban human rights abuses and calling on the Cuban Government to release all political prisoners and permit free travel. ("U.N. Unit Rejects Faulting Cuba," *New York Times*, March 12, 1987, p. A12)

¹³ Reference is to the joint U.S.-Bolivian counter-narcotics operation that began in July 1986, in which U.S. troops transported Bolivian police on raids to destroy remote cocaine laboratories. Documentation on the operation is scheduled for publication in *Foreign Relations, 1981-1988*, vol. XLVI, War on Drugs.

got them up to seventy-eight percent. In El Salvador, they are usually between seventy-five to eighty percent operational, the rest of them in the other countries are down at about thirty percent. This is the result of our withdrawal. We need to regain the consensus of support for the Monroe Doctrine, a bipartisan view in North America to work in this hemisphere. (C)

On scholarships, there are currently twenty thousand students that have been trained by Cuba and the USSR. We need people in the Congress who understand how vital the region is and how vital it is that we help them in the ways they want. And on a long-range basis. We should increase economic aid if we can get it appropriated. (C)

The Soviets are trying to increase their influence in the Pacific and in the South American countries. So we need a broad consensus about building a strong and friendly South America. (C)

President Reagan: They have worked with twenty thousand students? How many are in the U.S. on scholarships? (C)

Director Wick: It's in the hundreds. (C)

General Herres: IMET is a high leverage program. In my generation, at the academies, flight schools, war colleges, and other schools there were always Latin Americans. That generation is soon to retire and there is no follow-on generation. As a matter of fact, in Peru we have been totally replaced by the USSR. Getting them here to the States is important in de-politicizing the military. Six to eight months here has a great influence. (C)

Senator Baker: In my opinion, IMET is the best money spent in foreign relations. (C)

Deputy Secretary Darman: First, Frank, I do want to make it clear that we have made an important shift from one emphasizing austerity to one emphasizing growth. In fact, the countries have by and large moved from contraction to growth. Second, many have made economic changes. But, I don't want to sell them short or appear as though there aren't any problems. (C)

Brazil and Argentina are the major debtors, Mexico, is a special case so I'll leave it out. But most of the countries have good chances of settling with the banks and if so, Brazil will be isolated. Brazil came up with a harebrained scheme of indexing the whole economy and these policies just don't work out politically in the long run. Inflation was up twenty percent this month, it was running at 3000 percent in February 20 and is running around seven hundred percent. This obviously is not sustainable so they have to get out of it. (C)

There was a serious risk that the debt strategy would fail, but we passed it. The banks were about to shoot themselves in the foot

and were holding up negotiations. We were at the point where many of the negotiations were stacked up and there was a great deal of frustration. Then Brazil took its action and we were facing a potential debtors cartel. But now the banks have moved on Argentina, Chile, Mexico, and Venezuela so we don't think there is any immediate danger of this. (C)

We think we have to constantly push on economic reforms but obviously don't want to get to the point where it is counterproductive. So we are constantly testing the balance that can work. (C)

In a general way, I think we can justifiably say that the debt strategy can be improved and has improved. Banks negotiations are proceeding better; options for financing are out there. But I don't think you'll see the debt converted to equity soon, this will only happen over time and with major changes in economic policies and stable political systems. So, we're faced with continuing negotiations, these are frustrating and tedious. (C)

I'd like to thank Secretary Shultz for taking the lead in emphasizing the need to shift to growth. But the process is country-by-country and is very tedious. (C)

Senator Baker: And I'd like to add that apparently I have a stake in this. Dick Darman handed me a note earlier saying that if the South American loans go, they're going to change the name of the Baker Plan to the Howard Baker Plan. (laughter) (C)

Secretary Shultz: My sense is that we have covered a lot of ground and we have a lot out there. To have it effectively operational so it will make sense, perhaps we should draw the threads together and make a program out of it. Put the pieces together. (C)

APNSA Frank Carlucci: I agree. And I hope you've looked at the paper because it has some provocative ideas about how we might institutionalize a process for the region.¹⁴ (C)

Secretary Baldrige: There are a couple of pages on trade. In general, we just don't talk enough about it, especially in our USIA programs. The U.S. has a big advantage in trade in South America. We took in 54 percent of their exports, while the Europeans were at 30 percent and the Japanese only at 9 percent. So we're taking in their exports. And we don't use this or talk about this enough. (C)

Secretary Shultz: Mac makes a good point. But when we speak of trade, what they think about is informatics in Brazil and flowers in Colombia. (C)

¹⁴ Presumable reference to "Democracy in Latin America and the Caribbean: The Promise and the Challenge." See footnote 7, above.

Secretary Baldrige: But where else can they go? We tell them to diversify their exports then slap them with counter veiling duties when they do. (C)

296. Information Memorandum From the Director of the Policy Planning Staff (Solomon) to Secretary of State Shultz¹

Washington, March 28, 1987

SUBJECT

Global Trends and Future U.S.-Soviet Relations

SUMMARY: S/P has identified five emerging global trends which, in part, derive from Information Age technological advances (and the subsequent reordering of domestic and world economic patterns). These trends are creating a more fluid and complex international system which will, on the one hand, diminish the individual superpowers' ability to influence world events, but, on the other, will provide opportunities (if not incentives) for new forms of U.S.-Soviet cooperation to counter growing instability at the start of the 21st Century. These trends are:

I. *An end to the post-WWII bipolar world* and the emergence of a multipolar world system as some of today's rising economic powers gradually assume greater political (and military) responsibilities;

II. *Shifts in the international economic order;*

III. *A rise in political tensions between—and within—developing, industrial and post-industrial countries* will occur as a consequence of the increased economic interaction between companies, industries and nations;

IV. A destabilizing *diffusion of increasingly destructive high-tech armaments* among nations which will increase the likelihood and violence of localized regional conflicts and concurrent threats to superpower interests; and

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons MARCH 1987. Confidential. Drafted by Galatz.

V. *Globalization of media and information*, which is not only altering economies, but transforming the way governments rule and societies respond.

If your dialogue with Soviet leaders on global trends is sufficiently promising, you might propose to Foreign Minister Shevardnadze convening a small bilateral group of "futurologists" to discuss the implications of these trends on future U.S.-Soviet relations.² *END SUMMARY.*

I. An Emerging Multipolar International System

The 21st Century world order will be more fluid and complex. More states will be reaching a basic economic level and, overall, the relative economic power of nations will shift rapidly, based upon their ability to acquire and exploit new technologies. In turn, as more nations develop, some will seek to exert a greater political voice.

In Asia, Japan is leading the way, and perhaps will reach superpower status. While Japanese development to date has largely been based on commercializing the scientific innovations of the West, the country seems poised for a new creative era. Tokyo seeks to become the 21st Century's equivalent of Paris in the 19th Century or New York in the 20th Century. Japan's growing economic and technological preeminence could lead to its reemergence as a political and military power.

Key questions regarding Japan's future world position will be its relationships with the U.S. and China: will Japanese-American relations continue to be one of alliance, or of enmity? And if the U.S.-Japan relationship sours, will Tokyo turn to China as a new international partner?

Overall, the emergence of more assertive regional power centers and alliances is likely. India could play one in South Asia; Brazil in Latin America. Likewise, a central European political, cultural and security entity could emerge—complete with a process of "Finlandization."

Implications for the U.S. and U.S.S.R.: A multipolar system will reduce the superpowers' absolute power, prestige and influence. The power that is wielded will be exercised more subtly and the bilateral competition will increasingly be played out through economic, public diplomacy and traditional diplomatic channels. While the superpowers will retain military superiority, the continued belief that nuclear war

² Presumable reference to Shultz's impending talks with Soviet leaders in Moscow; see footnote 4, Document 292.

cannot be used to advance their respective positions will limit superpower influence. Meanwhile retention of military superpower status will continue to be a costly proposition, requiring the continued diversion of resources away from the U.S. and Soviet domestic and international economic agendas.

II. Shifts in the International Economic Order

The new economic era will be characterized by scientific and technological advance; broad ability to absorb and use these advances through new production processes; and global telecommunications systems that link economies, firms and individuals. Technological advances increasingly will be initiated in the civil (as opposed to military) sector. Therefore, commercial technological innovation will become an important determinant in world technological leadership. Differences in global competitiveness will lead to shifts in relative economic power. This will not change significantly the absolute relations among the 10 largest world economies, although their share of global GNP (except for Japan and China) will decline. Today's NICs (especially Korea and Brazil) will gain in stature as the smaller OECD and Eastern European countries drop. Among the LDCs, "new" NICs (e.g. China and India) will emerge. Productivity and demographic trends, as well as technological advance *per se*, will influence relative economic positions.

Implications: Both countries will see their relative economic strength decline, and both will be under tremendous pressure to restructure their economies to compete in the global market place. Because of the closed nature of the Soviet system, Moscow will be less successful than the United States in reforming its economy sufficiently so that it can *apply* technology to produce world-class goods and services. This will lead to a greater incompatibility of U.S. and Soviet economic interests than exists today.

III. Growing Inter- and Intra-National Political Tensions

Countering the rise in global economic interaction will be the exacerbation of a wide range of political tensions among nations, along with the resurfacing of traditional historic, security, and ethnic clashes both between—and within—countries.

In the *West-West* context, key developments are likely to include:

—Continuing and politically debilitating technology competition and trade disputes with ongoing battles over protectionist measures;

—Growing political competition with the superpowers, as some of the new economic powers begin to translate economic interests into broader political goals.

In the *North-South* context, features of this growing discord include:

—Tensions resulting from discrepancies in levels of growth, standards of living and the developing nations' aspirations (and impatience) to share the benefits of economic wealth;

—Pressure to preserve national identities in the midst of the drive to compete in the global marketplace. Diffusion of the ideological character of development as so-called Marxist or socialist states across the globe discard the statist centrally planned economic model and move toward free market reform. This "end to ideology" will intensify as the NICs and reform-bent Communist countries offer development alternatives, compromising both "pure" capitalism and socialism.

In addition, *irredentist movements* of political and religious character are likely to grow. Prompted by discrepancies in standards of living and opportunities for advancement, ethnic and religious groups will grow restive with colonial-era national boundaries and will press for communal self-assertion.

And there will be an *intensification of anti-change, anti-technology movements* including peace, environmental and religious groups and others who believe that a return to traditional and moral solutions—not more technology—is needed to solve global problems. The election gains of the Greens in West Germany, the rise of Islamic Fundamentalism, and the growth of nuclear freeze zone proponents are three current manifestations of this trend.

Implications: Here again, the 21st Century's version of the superpower rivalry will continue on basically the same terms—without either side significantly advancing its position.

The U.S. will continue to see in the rise of trading states and the sweep of free market reforms across the globe proof of the vitality of the capitalist system, while the Soviet Union will view growing trade and debt tensions as proof of the Marxist-Leninist theory of contradictions and destructive competition within the capitalist camp. The U.S. will continue working to control economic tensions and nurturing the rise of democratic political and economic institutions, while the Soviet Union will continue exploiting instability to advance its own agenda.

Yet, the rise of nationalism and economic/political alternatives to the U.S. and Soviet systems will undermine the superpowers' ability to find a responsive chord; development assistance will be available elsewhere, and so will high-tech weapons systems. In addition, the fear of becoming the site of a superpower regional confrontation will increase the desire of many countries to form "independent" regional, security alliances.

IV. Weapons Proliferation and Growing Political Instability

Whether or not the U.S. and Soviet Union agree to substantial reductions in their strategic nuclear arsenals, we are likely to see the continuation, and even acceleration, of existing trends toward proliferation of sophisticated conventional and nuclear weaponry: they will become more lethal in their effects; more flexible in their potential use; and more available.

Implications: Both NATO and the Warsaw Pact will continue modernizing their military forces. Faced with budgetary and demographic constraints, the U.S. and its allies will face the recurring need to counter or redress specific military asymmetries in the East's favor. We will look to high-tech as a basic means of doing so—though this will become increasingly difficult given the Soviet Union's own progress in upgrading its weaponry. That said, the most likely scenario is that the application of these new technologies will not decisively alter the fundamental military balance between the U.S. and Soviet Union.

But many of these sophisticated weapons systems will become increasingly available to medium-sized and even smaller states—through sales from larger states as well as through the increasing sophistication of indigenous arms industries. In addition to the long-standing dangers of nuclear proliferation and (more recently) of CW proliferation, the U.S. and Soviet Union will worry about the spread of ballistic/cruise missile technology, high performance aircraft, chemical and bio-technology with military applications, and so on.

The ready availability of increasingly more sophisticated weaponry to large numbers of nations will mean that local and regional conflicts will grow progressively more dangerous. They will not only involve greater casualties and destruction, but may become far less easy to contain or isolate in their effects on, and expansion to, third parties (witness the dangers of the Iran-Iraq war). The spread of such weapons will also give internal resistance movements the means to escalate guerrilla warfare. And the availability of highly-destructive weapons for the individual (e.g. backpack nukes in the most extreme case) will provide the means for a dramatic intensification of subnational violence, as we are already witnessing in international terrorism. All these developments will increase the risk and danger of Soviet-American confrontation.

V. Globalization of Media and Information

Telecommunication and computer advances will have profound effects on the world—increasing information flows and speeding them up in the process. Governments will communicate faster, and public

diplomacy campaigns will become increasingly sophisticated, with world leaders “talking” directly to foreign audiences. Gorbachev’s own personalized style of public diplomacy clearly foreshadows this trend.

For developing nations, the most immediate applications of such technological advances will be improvements in health care and education because of the ability to extend the delivery of services to remote regions.

Implications: As already noted, Information Age technologies are profoundly altering economic relationships and prompting reform/efficiency drives within the U.S. and U.S.S.R. They are also changing the way the two countries govern. In the West, the rise of these technologies could result in a trend away from representative toward broader-based popular participation in government, with electronic referendums and instant electronic polling feedback.

In the East, these advances will have a decentralizing affect on power and decision-making and force an opening of closed societies: advanced technologies will reduce the effectiveness of jamming and wiretapping, and more and more people will be able to communicate freely at times and to audiences of their own choosing. Hence, in addition to resulting in a competitive economic disadvantage for the Soviet Union as well as escalating the contradiction between economic efficiency and political control. Information Age advances will at once, and contradictorily, promote the spread of scientific/rational thinking and “non-rational” attitudes (religion, traditional morals, etc.).

In the time remaining before your Moscow trip, S/P will expand the list as needed and prepare revised talking points for your global trends discussion.³

³Solomon provided Shultz with revised talking points under cover of an April 6 information memorandum. He also sent Shultz another iteration of the talking points under an April 10 information memorandum. Copies of the revised points are in Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons APRIL 1987.

297. Memorandum From the President's Assistant for National Security Affairs (Carlucci) to President Reagan¹

Washington, April 18, 1987

SUBJECT

Shultz Moscow Visit

I have briefed Former Presidents Carter, Ford and Nixon on the Shultz Moscow Visit.² All appreciated the contact.

President Ford laid particular emphasis on not allowing the Soviets to place any constraints on SDI deployment. President Nixon was not surprised that little progress had been made in the START Space and Defense area. He expressed concern about the Zero SRINF proposal. While politically it is hard for the Europeans to refuse such a proposal, he noted, it does entail a rupture "in the seamless web" of the NATO flexible response doctrine. Europeans worry that acceptance of the Zero option would move us closer to a massive retaliation response to a Soviet attack in Europe where we would be in the position of "trading Cleveland for Berlin."

President Carter was supportive of the INF initiative, including the Zero SRINF proposal. He said he would so state publicly if you desired.

I also talked to Zbigniew Brzezinski who was quite supportive of our approach, although he acknowledged the concerns of the Europeans. He raised one caution and one suggestion. We should avoid getting into the Carter trap whereby we raise expectations on a treaty and a summit to the point where we generate pressure on ourselves to make unwise concessions. The suggestion was that we consider a dramatic new proposal on conventional reductions.

¹ Source: Reagan Library, Frank Carlucci Files, Howard Baker (03/27/1987–04/28/1987; NLR–776–B1–2–2–1–6. Confidential. Sent for information. Copies were sent to Howard Baker and Shultz. Also printed in *Foreign Relations, 1981–1988*, vol. VI, Soviet Union, October 1986–January 1989, Document 50.

² See footnote 4, Document 292.

298. Electronic Message From Alison Fortier of the National Security Council Staff to Grant Green of the National Security Council Staff and the Deputy Assistant to the President for National Security Affairs (Powell)¹

Washington, April 21, 1987, 11:40 a.m.

SUBJECT

GOP Leadership Meeting of April 21.²

The following summary is not necessarily word-for-word. Direct quotes are noted.

The President followed his talking points. There was a little back and forth on the budget.

The President then turned to Secretary Shultz who made a 45 minute presentation. Shultz opened with a Sakharov quote about disarmament being inconceivable without open society. President has said similar things . . . that tensions produce arms not the other way round. President has always insisted that we follow 4 point agenda with Soviets. Did this in Moscow along with other bi-lateral issues. We had hard talks on the Embassy Moscow situation.³ Also had interesting time with Ryzhkov on the economy.⁴ Discussed human rights, regional issues, and arms control.

Always a fight to get people to pay attention to human rights and regional issues. But these were front & center in my meetings in Moscow.

¹ Source: Reagan Library, Nicholas Rostow Files, Subject File, Arms Control (1); NLR-497-2-8-2-8. Secret; Sensitive. Copies were sent to David Matthews, Linhard, Brooks, Kramer, Schott Stevens, Rostow, Ermarth, and Sommer. Fortier forwarded the message to Rostow at 11:44 a.m.

² The President met with the Republican congressional leadership in the Cabinet Room from 9:35 until 10:38. (Reagan Library, President's Daily Diary)

³ According to the memorandum of conversation of Shultz and Shevardnadze's first conversation in Moscow, which took place the morning of April 13: "Then there was the problem of the new US Embassy chancery building. We had been examining the structure for some time. The Secretary had to say that the building was just honeycombed with various types of listening devices. Our intelligence services had to admire Soviet techniques. But at this point it was an open question as to whether we could deal with what had been put there and still have a secure working environment. Some felt that the presence of these devices was so pervasive that the only solution was to tear down the present structure and start over." (Memorandum of conversation, April 13; *Foreign Relations, 1981-1988*, vol. VI, Soviet Union, October 1986-January 1989, Document 38)

⁴ Shultz met with Ryzhkov on April 14. For the memorandum of conversation, see *Foreign Relations, 1981-1988*, vol. VI, Soviet Union, October 1986-January 1989, Document 41.

On human rights, things are changing in SU. Whether they're going in direction we want, remains to be seen. Political prisoners have been released, emigration is up from 100/month to 500; Sakharov back in Moscow. Gorbachev pursuing policy of greater openness. Evidence of this in Seder; Refuseniks came from other parts of SU; Soviets could have prevented this but let it happen.⁵ Went to suburban area to meet with playwrights, etc.⁶ They see greater chance to publish, argue now. They feel legitimate, can say what they think. I asked to go on Soviet TV. They said yes. Interview lasted 32 minutes, was not cut though they omitted Russian translation of my remarks on Afghanistan; that Soviets should get out of Afghanistan. They used to stiff arm you on these issues, new leadership willing to talk about it.

On regional issues, had very tough talk from both of us. Unrelenting in their statements on Afghanistan though I personally think we may be near end game on Afghanistan. This is time to keep pressure on. Paks getting bombed. Need help on air surveillance. If Congressional statutes prohibit helping them, we need to fix so we can do this.

On Central America, they declared aggressively their intention to stay there. They see Nicaragua as piece of real estate they intend to have say in. So this is not politics, this is U.S. national security.

Discussion on all arms control issues: Ball didn't move very much—a little bit. Positions changed but not necessarily together. But what Pres. put on the table in START still there: 50% reductions, on heavy bombers. But they weren't interested in discussing that or Space much.

There's a chance for agreement on INF. They're interested in agreement as are we. The President leaves me in enviable position, if you find something good for U.S., fine; if not, don't do it. That basic attitude comes across to Soviets and helps.

The Reykjavik formula of 100 INF globally on each side is there. We continued to say we believe 0 is better than 100 for piece of mind of

⁵ Shultz and Shevardnadze met the evening of April 13 from 8:30 until 10:30 p.m. During the conversation Shultz "said he had attended a seder at Spaso House and had been able to meet some of the people about whom he had talked to the Foreign Minister earlier in the day. He added that Mrs. Shultz had had a very fine day, seeing many things the Secretary wished he had time for." (Telegram Secto 6027 from Secretary of State Shultz's Delegation, April 15; *Foreign Relations, 1981–1988*, vol. VI, Soviet Union, October 1986–January 1989, Document 40)

⁶ In telegram Secto 6030 to the President, April 15, Shultz described his "last day in Moscow [April 15]," noting: "The highlight was a two-hour discussion with nine Soviet intellectuals, novelists, poets, and artists. They were all exhilarated by Gorbachev's openness policy. Some of these writers are only now being allowed to publish works they wrote 20 or 30 years ago. But they all emphasized that this current level of 'glasnost' must be considered just a beginning. I left with them a variety of books by current American authors which they eagerly accepted." (*Foreign Relations, 1981–1988*, vol. VI, Soviet Union, October 1986–January 1989, Document 47)

Japanese and others, for verification, and gets us away from hard question of where the 100 should be deployed. They're big to get us not to deploy in Alaska and we won't agree. President Reagan agreed to 100 at Reykjavik; we'll go with that.

On verification, our detailed treaty tabled at Geneva. They say they're prepared for intrusive verification; may want to go further than we. That gives tremors to some here. INF & START with intrusiveness will increase transparency of their society. They're bringing verification proposals to Geneva on April 23.

On SRINF, they have & we don't. There are 120 or so Soviet launchers (x5 or 6 warheads). Gorbachev tried LRINF formula for SRINF/eliminate in Europe with some in Asia. We said no. Difficult enough to verify with LRINF but SRINF can be put on plane and moved easily. We said it would have to be zero. This is our position since 81—to limit them; must be global limits. We've insisted on equality and the right to match. They didn't accept this but the next day there was evolution in their position. Shev. meeting: equality of zero; they agreed to draw down within one year. We must insist on equality; can't let go of that principle. Under this agreement, they'd take out 1200 warheads and we'd take out 180 warheads and if (President has made no decision), we were to have zero SRINF, they'd remove 500–600 warheads and we'd remove zero.

We told them sometime ago that we have CW demolition plant which they're welcome to watch. They've said they have no CW. But last few weeks Gorbachev said they have CW and they're establishing CW demolition facility. Shultz suggested we exchange visits and they agreed. We continue to push global CW ban with great intrusiveness for verification; insist on mandatory challenge inspection.

On nuclear testing, he said CORRTX has inaccuracy of 30%; their method more accurate. We're interested in verification with best method you can have. President trying to get them interested in verification for some time. If through Congressional action, we throw the towel in on nuclear testing, we're throwing in the towel on much more orderly and desirable way to proceed.

We had a brief discussion on conventional arms. As you come down in nuclear arms, conventional imbalance becomes more important. Cites recent Gorbachev speech—recommends it to you to read; he said new things; "this guy's a firecracker, believe me."

We went on to Brussels; Soviets taunted me, do you want zero option or not.⁷ This gave us the chance to say that we're members of

⁷ Shultz departed Moscow on April 15 for Brussels, where he briefed the NATO foreign ministers on his trip to Moscow.

free alliance; will come back with our position after consultations. Had sensational interagency team with me. Terrific talking points for me to use in Brussels. Told the allies: you can accept the Soviet offer, reject it or make a counterproposal. Made two points. Peace/deterrence in Europe depends on nuclear deterrence; NATO strategy one of flexible response. If decided that we want some SRINF, then alliance must be ready to deploy; we don't want empty right to match. Make us look dumb. So Allies must face up to whether they want us to deploy.

We don't have much money; we have one system ready. Convert PIIs to PIb. So we can have the weapon but they must be ready to deploy. So everyone is now trying to consider where to go on SRINF. There's an HLG (Perle) and a SCP (Holmes) these weeks so active consultations. We need to see whether we have the guts to deploy or whether to go down to zero and what are the problems there.

There are nuclear forces left in Europe: Lance, F-111's, fighter bombers. So our capacity to respond flexibly is there.

We must maintain our strength. We're cutting our security assistance brutally; Spain, Greece, Turkey. Cut Turkey to rivets. Plus there's talk about passing that crazy Armenian resolution. Look at the map, look at where Turkey is. We're not providing the funds and we're roughing them up. They're not paragons of virtue, neither are the Greeks.

The President then turned to Rep. Cheney who was with Codel Wright in Moscow. Cheney said he started out as a sceptic about the Soviets interest in arms control. But he came away persuaded they are serious about this arms control package. If you believe in arms control, this is as good a deal as we'll see in the near future.

Bob Michel: Why did the Soviets offer a zero-zero option? Is it to play politics with our allies?

Shultz: If I brought back their side of the deal to you, you'd run me out; they're playing a political game for FRG. FRG worries that WWII battlefield will be on German soil; the shorter the range of weapons, the more likely it will look to FRG that battlefield will be there. But I don't think that strategy will work with our allies.

Boschwitz: What about verifiability of those weapons?

Shultz: 0 easier to verify. Uncertainty about how many are there. Mobile harder to count. Can have certainty about number destroyed. Certainty about production plants you monitor; may not be sure of all production plants though surer of these.

Warner: Did you discuss the broad vs narrow ABM?

Shultz; Broad vs narrow not what discussed in Geneva. Didn't discuss broad vs narrow. I reiterated our view of negotiating record.

Kemp: Did ATBM come up?

Shultz: No.

Lott: Don't feel we have strategy on how to get security assistance funds we're interested in. We need to get together.

President Reagan: then continues with his talking points on trade. Those on Japan were modified somewhat. The President stated: We took action with the Japanese. We'll know shortly whether the message got across.

Michel: We need to work on strategy on trade bill; Yeutter and Baldridge are in the Far East; we're talking to Jim Baker about strategy this afternoon.

299. Minutes of a Meeting of the Secretary of State's Open Forum¹

Washington, May 11, 1987

[Omitted here is the title page.]

MR. WILSON: Welcome to a special session of the Secretary's Open Forum. Today we celebrate the fortieth anniversary of the Policy Planning Staff. The theme of the anniversary is Future Foreign Policy Challenges for the U.S. Mr. Richard Solomon, the current Director of the Policy Planning Staff is today's moderator and for your information, all comments are off the record. Mr. Solomon.

MR. SOLOMON: I am delighted to welcome the Class of SP here. All but two of our colleagues are with us and the two that aren't here² are caught up in either ambassadorial or academic pursuits but we were delighted that we were able to attract this complete a representation of one of the more interesting institutions that evolved out of

¹ Source: Department of State, S/P Files, Open Forum Program—Chronological Files and Journals, Lot 92D97, 40th Anniversary of S/P 5/11/87. No classification marking. Printed from a tape transcript of the meeting. Solomon sent Nitze a copy of the minutes under cover of a July 16 letter, which read in part: "After some delay, and serious deliberation, we have decided that it would be inappropriate to publish an edited version of the formal presentations and interchanges made at the seminar marking the fortieth anniversary of the Policy Planning Staff. This judgment reflects a desire to maintain the confidentiality of frank remarks made in an 'off the record' context, and a feeling that a condensation of the informal exchanges—necessary to produce a document of manageable length—would not effectively convey their character." (Library of Congress, Manuscript Division, Paul Nitze Papers, Subject File, 1922–1998, Box II: 116, State Department Miscellany, 1985–1990, 1998)

² References are to Paul Wolfowitz, then-Ambassador to Indonesia, and Anthony Lake, then-Professor at Mt. Holyoke.

our foreign policy in our effort to deal with the world following World War II. The Secretary of State and Paul Nitze will be joining us in about half an hour. They are involved in a current diplomatic exercise that went a little longer than we initially had anticipated. But we will get started and let me just very quickly give you the ground rules, and first begin by saying that we very purposefully put our session here in this seminar style room rather than a very large conference room just to preserve a sense of intimacy. We anticipated we would attract a good deal more than just this one room and there is an overflow room that is being covered by the television camera there so that many more people will be listening in than just those of you in the room. We will limit the discussion during the afternoon to those at the table but there will be an opportunity for all of you in the chairs around the table and in the other room to have a chance to shake hands and have a discussion with our participants at a reception which will follow the seminar on the 7th floor in the Treaty Room. And as you may have noticed walking in here, there are several other functions under way this afternoon and just let me say that when the session is over, if you will go up to the 7th floor Treaty Room through the elevators on the east side of the building, they have been reserved for our use. You will go directly to the 7th floor. If you get on the near elevators you will end up on the 8th floor which is another function. So please do try to keep that in mind and I will mention it before we get through with the afternoon discussion. Let me also say there is an iron law of the clock for this afternoon. We have eleven former directors plus the Secretary who, as I said, will be joining us shortly and we have about 150 minutes or a little more. So what we have done is asked the former directors to limit their presentations to ten minutes or a little bit less and then we will have a chance for a bit of discussion across the table.

The only other substantive point I would make is that we very consciously asked our participants to think not about the past but about the future. We are at a time of very interesting changes. Secretary of State Shultz himself has been very concerned with thinking through some of the implications of the dramatic economic, technological and political changes that are now occurring all around us and so we have urged people to think about future challenges, quite apart from the accomplishments and contributions of the Policy Planning Staff in the past.

Let me just say that we will keep things informal. There is coffee along the wall just outside of the seminar room and as the afternoon proceeds, if any of you, guests included, would like to stand up and go out and get a cup of coffee and come back, you are more than welcome to do so. So with that brief introduction, let me just say that we will proceed not strictly in chronological order. What we have done is

clustered the presentations around several themes, the first of which is the issue around which this Staff was initially established and its first director, Professor George Kennan, was of course seized as one of the major issues that has confronted American foreign policy in the post-war era, that is how to manage, how to deal with our relations with the Soviet Union. On that basis, Professor Kennan we would be delighted to have you kick off our seminar.

MR. KENNAN: The Policy Planning Staff in the old part of this building forty years ago has come to be connected, as a great many of you know, with the principal, the question of containment and I am often asked where we stand today with all of this. The answer is, of course, that containment as conceived in 1946 has very little to do with the problems that we face today. The Soviet Union has no intention of attacking Western Europe today or even would it be possible for it to threaten Western Europe or Japan politically through the Communist Party, the way that it was in 1946 and 47. And as for its supposed adventurism in the Third World, I have to confess that I never understood what my good friends in either the Carter administration or in the present Reagan administration were talking about when they referred to Soviet adventurism in the Third World. Soviet efforts to gain influence there, in those countries, aside from being practically indistinguishable in method from our own, seem to be, to me to be, not a bit more ambitious, not a bit more threatening, no more adventurous and certainly no more successful than the similar Soviet efforts of the 1950s, 60s and 70s. And today the Soviet Union has very good reason in its own interests to avoid anything that would destroy or undermine the stability of world relationships in these coming years and would thus interfere with its effort to master the immense internal tasks that it has taken upon its shoulders.

For this reason, the whole principle of containment as that term was conceived when it was used by me back in 1946, is almost entirely irrelevant to the problems we and the rest of the civilized world face today. Now many people have difficulty in understanding that when that concept of containment was put forward forty years ago, it was put forward with a view to prepare the ground and facilitating, improving the possibilities for negotiation and compromise and accommodation with the Soviet Union over the negotiating table.

To my great disappointment, that element disappeared from the scene. It turned out that there were a great many people and highly influential people in the west who considered that the dangers of an attempt to negotiate with the Soviet Union at that time were greater than the dangers of unlimited and indefinite perpetuation of the Cold War and of the weapons race and the (inaudible) spend off. They thought that to negotiate would impose strains on the western community

for which that community was not yet prepared, would divide it and would weaken it in the face of the Soviet Union.

Now it is my impression that today, in Europe at least, the period in which we could afford to refrain from pursuing a political settlement of that nature is coming to an end. At least the Cold War situation that we have known for all these last thirty and forty years is going, it seems to me, in the very near future to come under increasing and very serious strain. This is partly, of course, because the Brezhnev [*Gorbachev*] regime with its greater flexibility, with its greater openness and its obvious commitment to an internal program of enormous scope and difficulty, has, as I said a moment ago, every reason to wish to see tensions reduced, every reason to seek some sort of a stable accommodation and it is no doubt going to put pressure on us in one way or another to move along that line. But it is also because the Eastern European Soviet satellite countries have been gaining a wider measure of independence than they had in earlier years and I think it very likely that they are going to gain even more of it in the coming period. For this reason they are going to want to create a new, and for them more favorable relationship with Western Europe. And to that too we here will be asked to respond. This is why I think that we must be careful in thinking that we can just go on as we have been doing over these recent years. A new wind is blowing from the East as we all know. A new generation is about to come into power and is partially coming into power both in Eastern Europe and in Western Europe. There are going to be increased demands for political negotiation and if we Americans don't take the lead in finding a way out of this present Cold War impasse and exploring the possibilities for an East/West political accommodation, others may take that lead and events may begin to drift out of our hands to the extent that they are in our hands today.

Now I would only remind you in conclusion that this thought that I have is in essence the very same one that was expressed to me by General Marshall some forty years ago this month, almost to the day, when he asked me to set up the Policy Planning Staff and to assume as our first task giving him advice on what to do about European recovery. "If we fail to take the leadership ourselves", the General said to me, "in tackling this problem of European recovery, then others will do so, we would be put on the defensive and things would get really out of our hands." We assume it was then, the condition and the nature of the problems are different today, but the principal and the danger remain to my mind rather similar.

MR. SOLOMON: Thank you very much. Now let me in the sense of trying to cluster these discussions call on Bill Cargo to give us a sense of the U.S. Soviet competition in the broader pattern of evolving global

relationships and then we can have a bit of an exchange before the Secretary comes in.

MR. CARGO: I will seek to be very brief, Mr. Chairman, having in mind the time pressures to which you alluded. But I would like to express my appreciation to those who conceived and instituted these activities today to mark the fortieth anniversary of the creation of the Policy Planning Staff. And I know we are meant to be forward looking, Mr. Chairman, I couldn't help but wonder what kinds of issues we will be facing, a possibly similar group to this on the fiftieth anniversary of the Planning Staff is celebrated, as I hope it will be in 1997. We are entitled to wonder whether the pattern of relations between the United States and the Soviet Union will be basically the same, whether there will still be a heavy focus on U.S.-Soviet confrontational relationship and the political security and arms control issues related to it or whether this will have been modified or at least moderated by some kinds of accommodation efforts. And what would be the differences in the world power structure and how will these differences impact on the security of the United States and the well-being of the American people. Of course not even planners have a crystal ball from which they can deliver blueprints of what the power structure of the world will be ten years from now, or for that matter, even five years from now. But I will risk a few comments on observable trends and I think that is indeed the function of planners in the department, of the State Department and the Policy Planning Staff, to look at the changing pattern of global political, military and economic power relations in terms of observable trends, the rate and magnitude of change, the implications and challenges for the United States and the policy of operational adjustments which should be made.

I can only comment really in a fairly general way observable trends. Those who have wider and more current sources of information can clearly do so with greater specificity and greater certainty. But from my point of view, I see myself no trend toward greater stability or diminished problems for the U.S. in the global environment of U.S. foreign policy and U.S. national security policy. It appears to me that a further dynamic and challenging period lies ahead. There are significant changes underway in the world's economic and financial power structure including many Third World countries. I am sure that some of my colleagues will be commenting on that more in detail.

I don't know whether it is a consequence or a separate matter, at least at the present time, there are serious economic imbalances. The global political and military power structure appears to be changing relatively less rapidly. One relevant question which is I am sure not new, and I am sure is heavily discussed, in the case of Japan, how and in what ways is increased economic and financial power and the ability

to project that power reflected in an increased projection of political power and increased military power.

In the global military power structure, again from my perspective, the dominant positions of the United States and the Soviet Union seem destined to be continued. Soviet basic objectives, I feel, are not likely to change materially. And the U.S. Soviet relationship, I feel, can be expected to be basically confrontational, although successful efforts and accommodation may make it less strident from time to time. However, the Soviet power equation, vis a vis the U.S. and the U.S. Soviet relationship, can clearly be affected by developments in other power centers. In NATO Europe, in China and Japan, in particular, as well as by developments in the U.S. and the Soviet Union and in the arms control relationship. As far as NATO Europe is concerned, there have been many predictions over many years that NATO Europe would find its own way and some kind of a separate accommodation with the Soviet Union. There is large room between that development and the present situation. My own strong tendency is to believe that NATO will continue in substantially the same form that it now continues for primary reasons that relate to the increased cost of defense that would fall on Western European countries, represented variously at one to two percent increase in defense of their gross national products and also for the reason that the Europeans would have to face an increased German presence both in military forces and in leadership.

So far as China is concerned, there are others that can speak to that subject much better than I can. But a relevant question is how rapidly and how far will China be able to achieve military modernization. And if this is achievable within a reasonable time frame, what will the impact be on the Soviet Union? Will any “net gain” in U.S. security and stability vis a vis the Soviet Union as a result of this be offset by possibly greater pressures on the peripheral states around China?

So far as Japan is concerned, I have already alluded to what I think to be the major question. How long is it possible for a dynamic, expanding, economic and financial global power to refrain from beginning to maximize the political implications of this power and will they refrain from an expansion of military power to which they could easily aspire to if they wished and easily attain.

So far as the other elements of the power structure are concerned, there is great change in the lesser developed world and it is clear that this is being reflected in economic power and what this will do over the course of time I don't think it is possible now to anticipate. But what is clear is that these trends in the power relationships of the various components, power centers in the world, do demand constant attention, constant evaluation of the trends and their significance to American interests.

I think, Mr. Chairman, that there are many other things that I have scribbled on notes but in view of your time stringency, I think that I shall stop there.

MR. SOLOMON: Let me just say for our colleagues and those listening in, we worked out an arrangement where everyone would get a bonus or two if people were under ten minutes and everyone is doing so well, being used to the planning process, they plan their time well that we will have more time for some interchange and now I just open the floor. I think we have clearly had a very interesting opening pair where our presentations were the issue of possibilities for, as Professor Kennan put it, some negotiation of an East/West accommodation was put forward as one approach. The possibility, and Bill Cargo has suggested that the U.S. Soviet relationship will remain confrontational, I don't know whether anyone would like to chime in on that wavelength or some other . . .

MR. CARGO: Well, Mr. Chairman, I qualified that slightly with some possibility of moderation. Several kinds of development that Mr. Kennan is discussing take place.

MR. KENNAN: Since I didn't use all my time . . .

MR. SOLOMON: Mr. Secretary, we have just finished our first two opening presentations in which Professor Kennan raised the possibility of negotiating some East/West accommodation and Bill Cargo had somewhat more on the pessimistic side pointed to the possibilities or likelihood of an ongoing competitive confrontational relationship with the Soviets. But we have had at least a big issue put right on the table.

MR. SHULTZ: And you managed to do it before I got here. (laughter)

MR. SHULTZ: Well I am very pleased to have this session going on. It is a collection of people who have thought carefully for a long time about what should happen to our foreign policy. A very distinguished group of people. I am primarily motivated by wanting to listen to what you have to say. But let me—and I saw the program and that is why I came here a little earlier than I was supposed to and it disrupted the protocol of everything to no end. At any rate, I would like to hear a little bit more about the first two statements and perhaps I will do that as we go along.

But let me just make a few comments about my own perspective on what is taking place around the world. It seems to me that right now there are more different colored balls in the air than has been so for quite a while. I think in terms of the world economic situation there are major impending developments that come out of the certainty that our trade deficit picture will change a lot. That come out of the fact that agriculture is never going to be the same for various systematic reasons. That come out of the shifts in technology that tend to substitute

processes for raw materials and thereby change in a way the value base for a lot of economies that have been dependent on raw materials. I think myself that the information revolution is a pervasive one and we are only beginning to wake up to its full implications. You see it most vividly in the fact that we do have a global financial market without any question at all. But I think it is clearly having a big impact on the way we conduct our diplomacy and it is pervasive. I don't think it is too much to say that just as we long ago left the agricultural age, that we have left the industrial age. Nobody says the symbol of our economy and society is the blast furnace and the assembly line, but they might have said that a few decades ago. But nobody says that now. So there are big differences. It seems to me that what we see are big increases now and prospective increases in world GNP and as that happens the shares of world GNP shifts. And as that happens, more and more countries have the size necessary to undertake things that are of real significance.

It also seems to me to be the case that while we tend to think of say military weaponry as being very important for us to stay right up on the leading edge of everything that is going on, the things that are considered in that mental framework to be obsolete, the weapons that people could put together ten or fifteen years ago aren't of any real interest in our military establishment, are still very potent and easy to come by. So if you put that together with size around the world and if you put that together with the capacity of ethnic tensions as in Sri Lanka or religious movements with all of their capacity to be intolerant, and other sources of tension, you can describe a world that has a lot of problems to manage if it is going to take advantage of the undoubted big opportunities that all these new things give to us.

While some of this will certainly have an East/West dimension, there are big elements of that future that don't necessarily have that dimension at all. And in fact, having had the interesting opportunity of visiting both China and the Soviet Union sort of back to back recently, the changes that at least appear to be taking place in both of those economies, and I guess I'll get to hear Winston later on in the program, but there are really fascinating changes taking place and how well they will be able to manage the difficulty of decentralizing centralization remains to be seen. It is a hard problem and yet both of those economies and societies seem to be in the process of trying to do it.

So I think this chance to celebrate the fortieth anniversary of the Policy Planning Bureau Dick has seized on, comes at a good moment, a good chance for us to benefit from collecting all of you heavy thinkers together and hearing what you have to say. So having said that, I will now subside and listen to what you have to say.

MR. SOLOMON: Mr. Secretary, I was pointing out that our planning colleagues have planned their time so well that we have actually a

little more time for some discussion and I call on Professor Kennan who was about to pick up, I guess your point about . . .

MR. KENNAN: Most of what I was going to say the Secretary has just said and I only want to point out that the agenda today for East/West discussion goes far beyond what many people think it would be. They think it is composed overwhelmingly just of discussion of the nuclear weapons race and we are all faced with a whole series of problems. The North/South problems, all sorts of them, the environment problems, the revolution in communication, which are not going to be solved by nuclear weaponry or by any discussions of nuclear weaponry. In other words, the agenda for East/West discussions is going to have to be very greatly widened in the coming period.

MR. SOLOMON: Any one else who would like to chime in here? Paul?

MR. NITZE: As I understood those last two remarks from Mr. Cargo and George Kennan, there is a dichotomy drawn by you as between whether or not emphasis should be put upon negotiations or upon basic underlying difference between the two social structures. I am not sure that those two are in conflict. It would seem to me that regardless of the degrees of difference and objective between point of view between the Soviet system and ours, the situation is one where one just has to negotiate. I think—in other words, one has to do both.

MR. SOLOMON: So we have dialectic rather than a dichotomy.

MR. NITZE: That is correct.

MR. SOLOMON: Bill

MR. CARGO: Could I just say very briefly that what Mr. Nitze says reflects my view. I was really addressing myself fairly narrowly to what appears to be the power structure in the world and there on the military side I see no way of reaching a different conclusion than that the focal point of this is around the U.S. Soviet military balance and is likely to remain so. On the economic side, as the Secretary has said far better than I could, there are great changes going on in the world in terms of economic power, the ability to project economic and financial power and the implications of this.

MR. WILSON: Why don't we move on to the next topic which is Ambassador Gerard Smith who has expressed interest in talking about the effect on our alliance relations and moving to strategic defenses, a topic of considerable current interest and debate.

MR. SMITH: Mr. Secretary, I was asked to give a futuritive sort of twist to this and that is a little difficult in light of the title that I have elected but I will try to keep it as future looking as possible.

MR. SHULTZ: Well you are ahead of the game with a word like futuritive. (laughter)

MR. SMITH: I guess that is a racetrack term. (laughter) I feel a little diffident talking about this subject with Paul Nitze here whom I take it as part of his business is always taking, checking on the vital signs of European leaders on this and related topics, but nevertheless I will have a try at it. I think that it is hard to find anything positive in my judgment about the impact of the strategic defense program on our allies' relations. I will concentrate mostly on Europe but the Japanese are, as I see it, not enthusiastic except perhaps for commercial purposes. The Australians don't want very much to do with it. So if you look at Europe you see that this program, SDI, strategic defenses, is impinging on seven very important elements of our relationship. Military strategy, the problem of conventional power versus nuclear power, the extended nuclear deterrence question, the East/West relation question, the matter of defense expenditures, the matter of sharing technology and finally the whole question of the British and French strategic forces which would be substantially diminished I suspect if the Soviets deploy effective defenses.

I think that the SDI is driving us apparently towards what I call unilateral revision of the Solomon Treaty Commitment which to my mind can only be prejudicial for all of our treaty relations on every subject. If we can diddle with this treaty, we can diddle with the North Atlantic treaty and discover that it meant something quite different in 1948. So there is something that I think is most worrisome. We still don't know if SDI is going to be an obstacle or a lever. I think there are signs in both directions and I hope and pray it will turn out to be a lever. I think that if things work out to my mind badly and we do have something to deploy, the system, the alliance system and the East/West system can assimilate it if it is not a population defense. If it is something less than that I think the patterns with which we have worked with our allies over the past thirty, forty years will be able to absorb it. I don't think it will be good. I think it will upset a lot of our apparent stability, but I think it will be tolerable. So that it seems to me, and this is to state what everybody was telling us when we were in this job, we certainly need a much more coherent and more logical policy. We need to integrate our programs of defense and arms control much better and that just says one thing to me, that the Policy Planning Staff has got a very important role to play here.

SPEAKER: Strategic defense possibility does have one redeeming feature. You just might learn how to fix it so you are not vulnerable to ballistic missiles. And personally, that would be a relief.

SPEAKER: Maybe a horse can be taught to fly. (laughter)

SPEAKER: That would be interesting too. (laughter) Well you work on that project and I'll keep working on ballistic missiles. (laughter)

SPEAKER: I would like to remind my dear friend, Gerry, that in the summer of 1951 I was at the Lincoln Summer Project. As you remember,

George, that went on, I guess you were at MIT also, I was one of the few non-scientists there and I heard some of the most eminent scientists in the world stand up and say "what a ridiculous notion it is to think of an eighty story building being thrown 5,000 miles", that was an ICBM. So that I am not sure whether we have a very good grasp on what is going to prove feasible. I am not saying it is good, Gerry.

MR. SMITH: All I can say to that argument is that nobody on the other side was trying to stop that test. It was a free field whereas if we deploy something here, the Soviets are not going to let us have a free ride.

SPEAKER: I am not arguing, I am not going to complicate life, it is simply on the feasibility that I think I wouldn't be dogmatic, that is all.

MR. SOLOMON: Anybody else want to jump in on this flying horse? I have a feeling we will want to come back to it. Walt Rostow has put forward a very provocative title which I think keys in on a number of the concerns that Secretary Shultz raised a moment ago, what he calls the fourth industrial revolution and its implications for our foreign policy.

MR. ROSTOW: For reasons I won't burden you with, unless you insist, there has been a tendency in economic history over the last two hundred years for innovations to bunch in groups, not wholly, but quite marked. I think I know why but it is not relevant at the moment. The first industrial revolution was the cotton textile machinery and Watts steam engine and making reasonable iron out of coke rather than charcoal. The second was the railway that led right on to cheap steel. The third around the turn of the 20th Century either way was the internal combustion engine. A new round of chemicals and electricity. And if you wanted to extend that down to color television and jet engines and pharmaceuticals as we have known them, that began to decelerate around the mid-60s. The fourth industrial revolution is the grouping that we are living with, micro electronics in all its manifestations including robots and the communications revolution. Genetic engineering, new industrial materials which people I think suddenly are beginning to take seriously, is ceramic shields, super conductivity and lasers. These have four characteristics as compared to the historical past. There is a much more direct linkage between science, engineering, business and labor. Science has had an oblique road on the whole, oblique rather than direct relationship with the great inventions. Secondly, it is going to be ubiquitous, it is going to touch every branch of manufacturing, all the services and agricultural, animal husbandry and forestry. Third, it is immediately relevant to the developing regions depending on their stage of growth. Less perhaps in, certainly less in Africa south of the Sahara, although it may have some relationship to animal husbandry, forestry and so on. And the Koreans, the South

Koreans, you can take a developing country and jam it into a pretty across the board high-tech state which is what is happening and a most remarkable adventure there. A third characteristic is that, a fourth characteristic rather, is that I don't believe in the end any single country is going to dominate as Britain did textiles or the United States the early stages of mass automobile. These are such diversified fields, every one that I have mentioned, that you are going to see special comparative advantage grow up in many places.

Now against that background, what I want to do is just suggest to this highly sophisticated group, seven ways in which this revolution bears on military and foreign policy and I am going to do this in the form of cryptic notes because I am determined to stay, like all of us, within my ten minutes.

First, military. It is clearly going to be revolutionary and I give you as a second hand comment of someone who is neither side, is not an engineer, the judgment of men I trust who believe it is going to be more revolutionary in conventional warfare than in strategic defense or strategic delivery.

Secondly, the rate of diffusion of these technologies is going to be fundamental to whether we get our balance of payments under control to U.S. productivity and competitiveness. We all know that we ought to be balancing the budget or coming close to it and that we ought to have a sensible dollar exchange, whatever that is. And I believe probably because of an accident of our history, the land grant colleges and that kind of osmotic linkage between science and the active world, we are going to do pretty well at generating a new technology and we are. But in certain of our sectors we have been dreadful. The link between the CEO and his own R&D people has been very poor. In others like chemicals, electronics, aerospace, it has been good. I think the critical problem for the United States is diffusion of technologies while, of course, maintaining a role of leadership and not domination in the generation and the unfolding of their possibilities.

Third, Western Europe and Japan. What I think is going to happen out of this fourth characteristic of the industrial revolution is that we shall see not merely competition which is obvious between Western Europe, United States and Japan, but intensified collaboration. Out of this whole, the impact of this revolution on foreign trade, I think we are going to have to go much deeper in writing new rules of the game. As an economic historian I can tell you that it was not a question of free trade and protection that made the world viable between 1815 and 1914. Nor was it Britain because Britain declined in that period. It was a rather complex set of rules of the game which even with a highly protectionist United States made the international system viable and we are going to have to write new ones and I won't go into them now.

But I think we ought to draw back from the simple free trade protection perspective and look at it in terms of the total rules of the game required to make the world economy viable.

One other dimension here, talking of the advanced industrial countries, contrary to the conventional was that I believe that the ties across the Atlantic and perhaps with Japan, which many of [are] beginning to think inevitably will weaken as the Soviet problem becomes less acute perhaps, or whatever, was quite short-sighted. I will simply say bluntly it is my judgment that looking ahead twenty four years to China and India and others who will in this, the Atlantic may be the minimum viable unit, the minimum viable unit in which to conduct an effective technological and economic system.

Fourth, the more advanced developing countries are now in a position to absorb the new technologies quite rapidly and repeat over the next generation or two what the United States and Germany did to Britain in the 19th Century and Japan and Russia to the advanced industrial world in the 20th, that is catch up. You can begin to see it in the Pacific Basin, you can begin to see it clearly in Brazil. It is going to spread. This does not mean a mercantilist confrontation is inevitable. The wisest economist ever to write about this question is the man who is acclaimed to being the first modern economist, David Hume, about 1839, in which he discussed this adjustment that must be made as new countries come up and said it will work because there are advantages for the more advanced if they remain industrious and civilized. The advantages of the trade, it enlarges as poor countries become rich but you have to change your structure to accommodate the new competition.

That means a fifth point, in my view, that we ought to be moving much more rapidly than we are towards a Pacific Basin organization and a Latin American hemispheric organization to cope not only with the short run issue . . . (end of side A) . . . better rules of the game within a Pacific Basin organization and a world wide organization. But in our relations with the developing countries a forthcoming position by ourselves and Europe and Japan on the new technologies is going to be essential and a very positive item which we can—we can behave that way so long as we are ourselves moving ahead and living up to the David Hume criteria.

Sixth, I believe the new technologies and all the ramifications including their acceleration of the diffusion of power heightens the case of—I would put it in maybe somewhat different terms than George, but essentially I agree with George, that this is a time that we had better think seriously operationally about how we would like to see the Cold War end. It is not good enough to cling to it in a way that we are comfortable, it will slip out of our hands. I don't think, it may not end

quickly and it may not end at all, but that is one of our duties because the kind of world that is emerging is simply not going to be capable of being dominated by the Soviet Union or the United States or any other single country. I have written a bit about this in *Foreign Affairs* and I won't pursue it.

My last point, the seventh, is maybe the most important and it is one of the reasons I came today. I was asked a question by the Tower Commission at the end, how would you do things differently in the NSC? And I said "In only one respect and that would be to make much closer links then between domestic and foreign policy". I think that the fate of our foreign policy is going to depend much less on what happens in this building than what happens in this building plus what we do in the domestic economy. It is time I think for Washington to understand that while things may move slowly here, there is a revolution out in the United States now. The states have taken their destinies in their hands. You may have seen the *New York Times* with the Edison Plan in Ohio, the Scientific Engineering Plan in New Jersey, the Ben Franklin Plan in Pennsylvania. This country has shifted over in its state politics from confrontation to partnership and collaboration and that is what we have to see in Washington as the basis for effective foreign policy in the age of the fourth industrial revolution.

MR. SOLOMON: Mr. Secretary, I noticed you scribbling a few notes. Do you want to jump in on this?

MR. SHULTZ: I don't want to be the interrogator here although I have lots of questions for Walt. I think some other people should say—I want to listen to you people.

SPEAKER: I wonder if you could elaborate on two points that you touched on. One, your feeling that reimplication in neither India nor China will be viable entities. I don't want to put words in your mouth, but something to the effect, seemed to be pessimistic about their future. Is that what you were suggesting?

MR. ROSTOW: No, I went too fast. I am optimistic about both in different ways. We all know their problems. In India it is the major national sport to discuss them and identify them. Both are extraordinarily vital but the reason I take these developing countries so seriously is that with great scholarship I have discovered that this is a revolution that no one seems to have noticed and the scholarship consists of looking in the back of the book we all know, "The World Development Report" which comes out of the World Bank.

Between 1960 and the present, the proportions of those aged 20–24 in the more advanced developing countries have gone from 2 to 12, 14%. China, of course, is not caught up with that yet. South Korea is 22 or 24%. In India you went from 190,000 engineers and scientists to probably about 2.4 million now, the third biggest concentration in the

world. They may not all be good but neither are all of ours all that good. This is happening in Brazil and in Mexico. If Mexico gets itself straightened out with all the problems in the short run we know it has, you will see an astonishing capacity to handle new technology and diversify its economy. And I think that China and India are going to make it as advanced industrial countries. That is what I thought I was saying. Sorry I wasn't clearer.

SPEAKER: Well you sort, about that passage in your remark that you saw the U.S. European connection contrary to conventional wisdom now being—as I thought you said, the only viable entity and I wasn't quite sure what you were getting at.

MR. ROSTOW: No, I said in the face of the competition we shall face, it will take a unit as big as that to be a viable entity. And so I would, without making a fetish out of something that may be twenty years down the line, I would not let my mind get cast with the expectation that the Atlantic Connection should be gradually attenuated and dissolved. I suspect that my grandchild may well live to see Atlantic union.

MR. SOLOMON: You also put forward a very interesting notion that we are going to have to find new rules of the game in international commerce. Would that be something you would to elaborate on a bit?

MR. ROSTOW: If you would like me to, yes, I will. In the 19th Century the system worked despite the great decline, relative decline of Britain, and the rise of Germany and the United States. Britain remained the major capital market but not unique. It worked because for one thing everyone accepted the same domestic rules of the game. The United States and Japan are obviously in a very tight bind in their domestic politics, in getting our budget balanced and they doing what the Neasawa Report says they should do quite correctly. But the way it worked in the 19th Century was that everyone accepted the business cycle. When they over did it, you accepted a recession. Now politicians, people didn't actually regard a depression or recession as an Act of God. Politicians took their lumps in the bad year. But basically the system was held together, not so because there was a big capital market, London and others ancillary, and despite a lot of protectionism, the system moved together. So no one was in the—now we have taken, governments have taken responsibility for full employment and so at a moment like this we are very naturally trying to get Japan and Germany to expand. That was done by the acceptance of the business cycle in the 19th Century. Now rules of the game now I think should involve 1) the duties of a sustained deficit country; 2) the rules of a sustained surplus country. Now we have violated those rules in the inter-war period and in one of the really best periods in American foreign policy. We accepted the duties after the Second World War of a surplus country. But they have got to

be generally accepted. 3) modification on this question of deficits and surpluses. If a surplus country is paying off its debts, it has to run a surplus so you want to take modification for that. 4) here you need something in which it will be a lot more automatic and acceptable in the political life of countries for Germany and Japan to expand now. 5) I think we have got to accept that out of a complex history Japan is not simply a very good competitor. It is that, but it is—after all it is only 100 years or so when the British laid on the Japanese that they could not put a tariff on and they began life as a modern nation on how to evade that British rule, how to get around the GATT rule. So that this business of blocking the foreigners imports is not covered by the GATT concept. You are dealing with a piece of history in Japan and the Japanese know it and how are we going to get them around it. My own feeling is we could get them around that corner a lot easier if it was a Pacific Basin rule rather than sort of forced by the United States bilaterally. So we are dealing here with much more than what GATT regarded as non-tariff barriers. I think all five of those elements have to be in the rules of the game, not simply tariffs and so on.

MR. SOLOMON: Thank you.

SPEAKER: Walt, where do you see or don't you see the factor of over population entering in with regard to a great many of the Third World countries, particularly Africa and Latin America?

MR. ROSTOW: Well it is a disaster and we are going to go through a period of great strain. Most of the inequities, not all, but most of the inequities one sees in Latin America, and we saw them even when we had high rates of real growth in the 50s and 60s, stem from over population. That is to say, vast unemployment and underemployment. Two, inability to provide adequate infrastructure. Now these are all compounded by the pathology of their policy toward agriculture in which they cheated on agriculture and subsidized their cities. That, you know, drew people to the cities in an even more pathological flow. That is being corrected to some extent, as India and China show the way that agriculture is necessary for industrialization, not in conflict. But we just got to live with it, George, it is going to be ugly and it is going to produce the limited crisis but it need not produce world crisis. And it may be mitigated because at last the word is getting out among the developing countries that agriculture is not a neo-colonial activity, it is fundamental for industrialization and the examples of India and China are very helpful in that respect and others are coming along. But it took a long time to come to that.

SPEAKER: Mr. Rostow, what do you think the United States will have to do to compete more effectively with the so-called Gang of Four? What is going to happen to make us deal with this increase in engineers and scientists that is taking place in the Third World in general

and in those four countries in particular so we can be more competitive internationally?

MR. ROSTOW: Well I think that what happened is that we got hit by a surge in their productivity and exports at a time when our domestic unbalanced budget through a complex process pushed up the exchange rate. So at just the time that we should have been becoming more competitive, our domestic policy led us to become less competitive with the phony high rate. Now that has been corrected but it takes—it will in time have some effect on our exports. The art, of course, is to get this effect on our exports and our balance of trade without as it were blaming it all on Japan, making sure the domestic things happen. I think that a good many of them are beginning to happen. That is to say you are getting much better business labor collaboration on the whole than we used to have. There are some bad spots but there are a number of good spots. We are getting re-equipment of many of our factories. The element that I think may be missing or should be strengthened is that we do not pay enough attention to what markets are like abroad. We are not a country whose mind is automatically set on exporting and it is a very small proportion of our manufacturers that do the exports. But what I am saying though is that I am saying is that I think that a lowered U.S. dollar rate is a necessary but not sufficient condition, that the sufficient condition requires a surge in productivity in the United States which means that diffusion to the old export sectors of the new technologies. And one of the things we are going to have to do is what we urged the Latin Americans to do. When you soften an exchange rate it has an inflationary effect, your import prices rise. That is happening. If you let wages rise fully, you take away the benefits of that devaluation. We are going to have wage discipline in this country. It doesn't mean wage controls necessarily, but it may mean in the years ahead the development of an incomes policy like the Japanese or Austrian or German or Swiss, each of which is different institutionally incidentally. But in any case, the only way you make it in a competitive world is by not kidding yourself, by having your real wages accommodated to your productivity and you can do that through inflation—we are not facing up to it now because we are just borrowing money and living off borrowed money which is like [how] Mayor Lindsay ran New York City.

MR. SOLOMON: I think we have reached just the point to go on to our next former director, Henry Owen, who is going to look at economics summitry, past and present, and maybe give us some ideas of how to deal with these trends.

MR. OWEN: I should say I am talking about economic summits as a means, not as an end. The end is greater concert among the economic policies of the industrial countries. So much for only one means to this

end, but it happens to be the means I know most about so I will talk about it.

If you look at the duration, the long period over which there have been summits, in the Ford administration, the Carter administration, the present administration, they have generally been of two kinds and each of these kinds has been present in each of the administrations. One is an exchange of views by the economic policy among the heads of government and their immediate advisors. And that is a very useful process and its usefulness is sometimes underestimated because it doesn't produce much in the way of headlines or immediate accomplishments. The second is a bargain is struck in which specific actions are pledged by each of the heads of government and each of them is enabled by that bargain to do things which need doing but which are politically difficult to do in isolation and easier to do if each of the other heads of government is making comparable pledges. I guess the best example of that is the Bonn Summit in 1978 when the U.S. pledged action which was clearly overdue to decontrol oil prices which our partners wanted. The Germans and the Japanese pledged stimulus to accelerate growth in their economies and the French, the British and the Italians who had been dragging their feet in the trade negotiations agreed to abandon some of their objections to deeper cuts in tariffs. That was a useful outcome, not a sensational one but useful. The opportunity for bargain summits in my view occur very rarely when the circumstances are conducive to wider change in the countries policies. I think these circumstances exist now and will exist for the next of several annual summits.

I remember when I started on the Policy Planning Staff I read a book which was called "The Role of the Secretary and the Making of Foreign Policy" which I commend to you, Mr. Secretary, and it was written by a number of authors. One article by Paul Nitze particularly struck my mind in which Paul said that the big change that was occurring was the U.S. was succeeding to the role that Britain had held in the 19th Century in its dominant military power, its export surpluses, its financial surpluses. I think change, perhaps not of comparable importance, but close to it, is occurring now in that the U.S. role is clearly changing and more and more of the functions which we previously discharged unilaterally will have to be discharged multi-laterally either by multi-lateral institutions or by concert among the main economic powers which I take to be the U.S., Germany and Japan. And secondly, we have arisen very large surplus and deficits which I believe are due to structural causes that will not quickly go away, which mark the U.S. as a very large borrower and Germany and Japan as countries which will run, particularly Japan, continuing export surpluses, continuing capital export surplus as well, of very large size. And these changes I think make it possible now to strike bargains not at one summit but at

the next several summits. And the bargains would involve changes in policy by each of the three major industrial countries. The U.S. has to adopt the policies which are generally expected of a debtor and there is no reason why we should escape the discipline that the IMF imposes on other debtors. And that means things which are difficult because our object is to increase savings, we have the lowest rate of any major industrial country. We want to reduce the government deficit which diverts those savings to least productive purposes and we want to effect the trade changes that Walt has referred to.

I think there is no way of avoiding the fact that this means higher interest rates. Higher interest rates are needed to mobilize savings and until we can mobilize them to attract capital from abroad, I think it means tax changes. I think I am alone in believing that the recent tax reform bill was not a good bill. It encouraged consumption and it discouraged investment. We need tax changes of exactly the opposite kind. And finally, we need increased taxes because without increased taxes there is no way in God's green earth we are going to reduce the government deficit. I happen to believe that a value added tax is the best kind of increased tax but I am sure there are other people with differing views.

Those are the kinds of changes you need from the U.S., Japan and Germany, as president of the Bundesbank, Pöhl, said in a recent speech, have to change their policies in the direction that you would expect of creditor countries and surplus countries. This is most evident in the case of Japan. Japan needs to increase its domestic growth, it needs to increase its consumption and it needs to assure that its savings, which remain very high, go to the most productive purposes. About a year ago, Mr. Secretary, you gave a speech at Princeton which I think attracted much less attention than it deserved,³ in which you emphasized that the—perhaps I am interpreting it wrongly—that the main cause of our problem with Japan lay not in the trade field but in the respect of Japanese investment policy and the regulations which hinder Japanese investment both domestic and abroad. The changes that Japan has to make are several.

One, it has to strike down the regulations which make it difficult to channel the investment into suitable domestic purposes. They have to reduce interest rates for exactly the same reason that we need to increase interest rates. You have to give the domestic economy further stimulus. I myself am skeptical of how much good the budgetary

³ Apparent reference to Shultz's April 11, 1985, address on "National Policies and Global Prosperity" before the Woodrow Wilson School of Public and International Affairs at Princeton University. (Department of State *Bulletin*, June 1985, pp. 26-31)

measures that the Prime Minister proposed will do, but in any event they are necessary as part of a package. And through these and other measures including I might add, changes in the Japanese tax system which would be the mirror image of the changes we need to make, namely changes that will encourage consumption at the expense of savings. Through these changes Japan will produce an economy which has more domestic growth, has higher consumption, lower saving and those savings are used in the way that is most effective both at home and abroad, particularly abroad in the developing countries.

Germany has to make changes which are somewhat similar to those of Japan though I myself believe, perhaps because I know a little more about Germany than Japan, that the scope for the changes is less than is commonly supposed in press discussion. Germany already has taken a good many measures to increase domestic growth. Germany has reduced its interest rates significantly. But anyway, further measures along those lines to reduce taxes, stimulate the economy, reduce interest rates, and above all, press forward with deregulation which is I believe the major obstacle to growth in both Germany and Japan, excessive regulation.

If you get this kind of a package, it is useful to consider what it will do and what it won't do in the industrial world. Hopefully it will produce more growth which means less unemployment but I don't think we should exaggerate the immediate effect because I think unemployment in the industrial countries has profound structural causes which can't be dealt with by international measures. In part this calls for the government to do things, namely more training and more assistance to workers in relocation and in part it calls for governments not to do things which is to get out of the business of fixing the wage structure which prices, in Germany particularly, but also I gather in this country, a good many workers out of the labor market.

Secondly, it will reduce the large surplus in deficits but it won't eliminate them and we need to educate our people to the fact that surpluses, deficits are a normal and a healthy part of international economic life. The fact that Japan saves a hell of a lot and produces that capital for us and for developing countries at lower interest rates than any place else in the world, I agree with Martin Feldstein, that is a good thing, that is not a bad thing. Therefore, looking for the total elimination of surplus and deficits is not only infeasible, it is stupid, which is a bad combination. (laughter)

Third, it will hopefully produce better balance in trade but because surpluses and deficits will remain protectionist, pressures will remain and again, there is the job of education that this will always occur. That you will not always have, despite Congressman Gephardt, exact balances in trade either bilaterally or multilaterally between countries.

I am told there was a British infantry manual in World War II that said the best way to escape mortar fire is going forward. Happily I never experienced mortar fire but I can imagine it is true. And I think in the trade field one needs to go forward in the trade negotiations. Not toward what are called modest and feasible changes, but toward drastic changes such as the elimination of tariffs on industrial goods among the industrial countries.

Finally, I hope that the measures I have described will reduce currency fluctuations but they won't eliminate them. And there is no reason that they should. If we can't go back to fixed rates, and we can't, you are going to have money whose value changes in the marketplace. There is no way of getting around that. And no amount of intervention by central banks is going to change it. There isn't that much money in the central banks. Over time we will learn to live with it through options and futures and various devices which banks are very good at inventing, but it is something we do have to learn to live with. We can't expect a world in which currencies do not change value.

Now the most important thing I have left to the end which is the effect of all this on the developing countries. I have often thought the most useful thing we can do for the developing countries is to create an economic climate in the industrial world in which they could export to the industrial world and profit from growth in the industrial world. But there is a problem in the developing countries which warrants special attention, the international debt problem. I don't see myself how this can be cured without four things. One is a write down in the debts in the industrial countries. The German banks have taken such a write down and eventually if the controller of the currency will allow some change in the reserve regulations, our banks will have to take it too. In return, we can expect an exact better performance from the industrial countries. The World Bank must give, and the IMF, must give these countries reason to believe that there is light at the end of the tunnel, that good performance will be rewarded with large infusions of capital, and for this particularly the countries which have surpluses of capital, like Japan, must find some way of contributing to the World Bank without expecting everybody else to contribute in the same degree. And finally, of course, there is private investment, the change from loans into equities, which is now beginning to be inaugurated in the developing world and I think will go further.

Now none of these things are going to happen in one summit or two summits. It is a continuing process. I think the summit process is a good one. Perhaps it could be improved by linking the meetings of the finance ministers more directly to the summits as meetings to be held between summits. But in any event, if we have these goals in mind, if we have it clearly in mind that there is one economy, not several national

economies, that has to be dealt with as such, I think over time, with this approach to summits we could make some progress in dealing with the problems we now confront. Thank you.

MR. SOLOMON: Thank you, very comprehensive. Anyone like to jump in and raise a question?

MR. SHULTZ: You didn't say anything about the non-economic aspects of summits.

MR. OWEN: Because I didn't know much about it. Brzezinski took great care that I wasn't involved. (laughter) He said you worry about the economic, I'll worry about the rest. So I never learned much about that, Mr. Secretary.

MR. SHULTZ: That underlines Walt's point that these two subjects ought to be considered in parallel together.

MR. OWEN: I gather that is more the trend in summits now than it was in my time.

The risk that I saw was that sometime when the heads of government couldn't think of anything useful to say or do in the economic field, they would go on to other subjects, so I wouldn't want to relieve them of the pressure for dealing first with what they are hired to do which is deal with the pressing economic problems they face.

MR. CARGO: Henry, this question may provoke the necessity of a long answer but I am going to risk asking it anyway.

MR. OWEN: It won't.

MR. CARGO: What from your perspective is there in view that will motivate the Japanese to take steps such as you outlined?

MR. OWEN: Well I suppose it is of two kinds. One, no more than anyone else do they like being isolated in the world and the object of criticism, pressure from other countries. And secondly, they are a very intelligent people and they have an interest in the health of the world economy. And over time I believe that you will see them perceive, and they are already beginning to perceive, that their economic health depends on taking measures which are consistent with the health of the world economy. They are after all opening their markets increasingly to imports. I would judge Japan as now less protectionist than the European community. They are beginning the process of deregulation and in my current profession as an investment banker, they are certainly reducing the regulations on foreign investment banks in Japan at a very rapid rate, not as rapid as we like. So they are reducing interest rates. The Prime Minister has pledged a \$35 billion stimulus package, fiscal stimulus package. So I think they are moving in these directions. I think there is a danger of getting ourselves fixed into a belief that the Japanese are wrong, the Japanese are to blame, and I don't think that any of those things is necessarily true. I think they are moving, they are

smart and if we encourage them—and above all, if we are willing to move them. You can't expect Germany and Japan to make politically difficult changes in their policy unless we do the same. And there is all the difference in the world when the U.S. which says I am going to take difficult measures to reduce our government deficit which is one of the main things that worry them, even if it means increased taxes, and here is what we expect you to do. And the U.S. says well I am doing great and here is a catalog of things you fellows have to do.

MR. CARGO: Which reinforces your opening point about the importance of collective action on this through summitry or other mechanisms.

MR. OWEN: I am hesitant to speak this in front of the Secretary, because you invented summitry with Ushiba and Barré, wasn't it?

MR. SHULTZ: Let me suggest another reason why I think Japan is likely to make some changes and that is that they are tremendously vulnerable right now. They have a huge excess of savings over investment and so they need the big export surplus to keep their economy going at a high rate. So that makes them very vulnerable to things that other people do that will make that surplus hard to come by and being prudent, it seems to me they will take some steps to get their house in order from their own standpoint, not to do the world a favor, but to protect themselves against being caught off base.

MR. OWEN: That seems to me the virtue of the kind of bargain we are talking of, the measures each country is called on to do are really in its own interests but it is a little easier to perceive that if other countries are taking difficult measures at the same time. I remember at the '77 summit the Japanese Prime Minister who had been at the 1931 London Economic Conference said that if one could have had that approach then perhaps the duration and the rigors of the Depression might have been mitigated.

MR. SOLOMON: As moderator I have to impose a little of this time discipline, if not financial, and let us now turn to some issues related to our dealings or developments in the Third World and George McGhee we would like to ask you to pick up your topic about relations with key world areas and groupings as you see them emerging.

MR. MCGHEE: Thank you for inviting us old time policy planners back to the Department to meet with more recent policy planners. It is hard late in a meeting to say anything new and it is very presumptuous in ten minutes to try to tell policy planners how to solve the problems of the world. I will confine myself to identifying what I consider the gravest problems we face. To characterize them in general and to set priorities for them.

These are problems which are serious because they are comparable to a cancer in the human body. The cancer is a sore that doesn't get any

better if it is not attended, it would get worse. It can only be corrected by some type of drastic treatment including surgery. Otherwise, you lose the limb or you die. These problems are so serious because they are not improving and there is nothing that is going to make them improve. And our problem is to find out what can do that.

The problems are, as has been stated, present distrust and conflict with the Soviet Union which includes the western group generally as well as ourselves. The position economic deterioration and increased population in the developing world, particularly in Africa and the resulting East/West, North/South conflict. Increasing tension between the U.S., and to a lesser extend, our western allies with what I call the middle world. A loosely organized grouping of Islamic states embracing some eight hundred million people in the world which results in large part, I believe, from the failure to improve or solve the Palestine problem. And last, the inability of the U.S. and other western OECD countries, as has already been pointed out, to face the intense economic competition posed by the Japanese, the Koreans, the overseas Chinese and perhaps in the near future, the mainland Chinese.

Now of all these, the overriding problem is obviously that with the Soviet Union. It is a matter of 1,000 percent more important, not 10 percent more important. It is only because of the distrust that exists between us that we have to bear this crushing burden of defense expenditure. If we didn't have this conflict with the Soviet Union we would go back [to] a 50,000 man army that we had between the wars. The only real way that this can come about is a removal of this distrust by some process involving both of us wherein we attempt to remove our distrust which is the only way of ever proving that this can be removed, while they, following our example, attempt to remove their distrust. And we must recognize which of their actions which cause our distrust are a result of our action. Part of the necessity of the Soviet Union finding how the second greatest power of the world assumes the proper position for such a power. We have to have enough confidence in ourselves not to be so highly concerned about actions which they take pursuant to both of these impulses. We must avoid the implications of the domino theory that they are out to conquer the world or that they are going to invade us through Nicaragua.

Now this continuing economic deterioration in the world is sad mainly because this is a problem we understand very well. One time we assumed the leadership in the world in helping these countries improve their economic lives. Walt himself was a leader in propounding the philosophy under which we approached this problem. Today we have given up. Nobody is making a serious effort to do anything about Africa. It just seems an impossible situation. We are giving less on any basis you wish to allies than we did many decades ago. The international institutions set up for this purpose found no effective way

of dealing with this. Even despite their tremendous effort in population limitation, population is just as rampant as it was before. The seriousness of this we have always understood but the real point is nothing is in training which is going to help it. It is going to get worse. It is not just a question of the human suffering involved but the threat that democracy will never be possible for countries under such conditions. The loss of our markets. Maybe eventually even the loss of important industrial raw materials which we need.

We have talked of the invasion of our country by Mexicans and Central Americans. We live to see the invasion of Indians and boats organized and steered for this purpose of India landing on our unattended coast. When they get to 1, 2 billion or 3 they can't be contained in that poor country. Then we all know the (inaudible) but nothing has been framed to solve it.

Now the barrier between us and the Islamic world which is increasingly severe and one doesn't just perhaps use the extreme example of Iran, there are other Islamic states, Pakistan. And the fact of being Islamic has a deep effect on both their government and their economy and their international relations. I still believe, since this is where I started, in the Middle East, that the fuel to this separation is still the Palestine problem. There were originally 800,000 refugees from Palestine when I was assigned by Dean Rusk to solve the problem. It was a great failure. Today there are three million in a comparable position. And this is in addition to 1.3 million who are prisoners of war without states in the West Bank and in the Gaza Strip and the 600,000 in Israel itself. This is up to 5 million people. They are scattered all around the Middle East for some (inaudible). They sit and brood about the injustices, they are not getting better in their attitude toward the problem, they are getting worse. They will never forgive and they will never forget. And it is no coincidence that the actual individuals involved in most of the terrorism in the world are recruited from the refugee camps.

It is hard to advise you what to do about this problem but my best guess is that we should start again with the Reagan Initiative of 1983 [1982]. We should try to fit that into the format of the conference which is very similar to the Geneva Conference idea which I myself was supporting. We have to resume the leadership in this problem because it just can't be done any other way even though the actual negotiations may ultimately be done best between the states concerned.

Now something has been said already about the, what do you call them, the six—why can't we compete with these new countries. And yet increasingly we have seen our country invaded by the progress of the overseas Chinese and by the Japanese and in Korea. The origins of this are very deep. As someone said, we are in a different stage of our cycle from theirs. They are just beginning and they haven't had

much, now they've got something. It wets their appetite and they want more. Traditionally they have had to work hard and they are willing to work long hours and make great effort. We have at least leveled off if not gone down in our living standards. We are sated with prosperity. It is the English disease you might say. But either we have to change our habits and increase our productivity again or we have to be content with a reduction in our standard of living and giving up the leadership we once held and I think can hold again in international economic affairs. Thank you.

MR. SOLOMON: Thank you. Let's go to Ambassador Lord. Would you like to tell us where we are going to be going with the Chinese.

MR. LORD: George Kennan, the first Director of the Policy Planning Staff once observed "If we are to regard ourselves as a grown up nation then we must as the Biblical phrase goes, put away childish things and the first to go should be self-idealization and the search for absolutes in world affairs. Absolute security, absolute amity, absolute harmony." Forty years later that injunction captures the primary challenge in our China policy as we look toward the 21st Century. We and the Chinese will continue to share security concerns but we will not be allies and we will differ on important international issues. We will continue to strengthen ties of amity but we will face inevitable tensions as we mesh two continental giants with vastly contrasting histories, cultures and ideologies. We will cultivate cooperation but we can hardly hope for harmony.

This may seem a rather obvious precept for relations with any country. It has not, however, been applied for most of our past history with China. American attitude towards that nation have swung between romance and hostility. We have held wildly fluctuating images. The evil Fu Man Chu, the noble peasant of Pearl Buck. To ingest the past half century the Chinese have been successively beleaguered allies and implacable foes. Yellow Hoards, Red Guards, and Blue Ants. The angelic muscled man and the diabolical Gang of Four. Budding capitalists adorning magazine covers and beastly Communists abusing intellectuals. We need a steadier vision. I believe that in recent years we have begun to be more clear eyed with most Americans discarding both the Red Herrings of Senator McCarthy and the rose colored glasses of Shirley MacLaine.

Nevertheless, in the future, maintaining balance toward China will be a difficult pursuit. Much, of course, will depend on the Chinese. History complicates their task for they have rarely dealt with the outside world as equals. During most of China's past it was the Middle Kingdom, self-reliant and self-absorbed. The Chinese dominated their neighbors and exacted tribute. About the 17th Century they began

slipping behind Europe. From the mid-19th Century for one hundred years they were humiliated and occupied by foreigners. During the past forty years, especially the past decade, China has reasserted itself. It is not set forth in a long march to regain preeminence however long it takes. Internally this sprawling country has been marked by cycles of central control and local satrapies. Strong emperors and seditious war lords. Harmony and chaos. Divisions have encouraged barbarian invasions. But during the past century foreign encroachments have also brought home to the Chinese their relative backwardness. They have struggled to modernized while preserving Chinese identity.

As China looks toward the next century these historical dilemmas persist. The Chinese drive to become a great power faces two familiar challenges. The first one is to develop their economy without losing political control. The Chinese Confucian fear of chaos is woven together with a modern Leninist imperative of party dominance.

The second challenge is to obtain foreign science without forfeiting Chinese culture. In current (inaudible) this translates as follows: Pursue economic reform but uphold the four cardinal principles. Pursue the opening to the outside world but oppose bourgeois liberalization. But today these traditional challenges have unprecedented dimensions. The age of technology and information requires much greater decentralization at home and linkages abroad. And the age of television, telecommunications, travel and return students has opened doors wider, indeed permanently. (end of tape one)

[Omitted here is a title page for tape two.]

MR. LORD: (continued) . . . Thus, while China may aspire to be once again the Middle Kingdom of preeminence, it can never return to the Middle Kingdom of secluded self-reliance.

Against this background one can easily predict ambivalence in future American attitudes toward China. Indeed in recent months levels of skepticism and annoyance have risen in our society. Skepticism about the durability of China's pragmatic policies of reform, annoyance that our values are castigated while our technology is courted. Thus, potential investors hesitate. Journalists are disturbed about expulsions and loss of contacts. And scholars, many for the first time, are expressing to Chinese leaders their concern about the treatment of intellectuals and the prospects for students.

For an Ambassador, it is awkward to discuss publicly domestic issues in the country to which he is accredited, whatever he may convey privately. You will not misread my own complex attitude if I confine myself to a few positive observations. China has come a long way in a short time. It faces an enormous challenge and we should try to discern the historical thrust when rough edges appear. The present

phase contains progressive elements as well as harshness, retrogression and uncertainty. There are apparent limits to current campaigns. Other pauses during the past decade have been followed with fresh momentum. Things are never as good or as bad as they seem in China. Meanwhile, our Chinese friends should understand that we are neither so naive nor arrogant as to suggest they adopt total westernization. And we must wonder why any harm should be so insecure as to feel loss of cultural identity.

I mention today's scene even though we have been asked to look ahead as policy planners because we can expect more of the same in coming decades. It is hazardous for anyone, especially a foreigner, to predict China's future. But the least risky forecast is that we will see cycles of control and relaxation, consolidation and movement, openness and weariness. Throughout we will need to strike a careful balance and consistency in our own approach. This will mean projecting our values while respecting differences in history and culture and stage of development. We will need to perceive what is real and what is rhetorical. How much is going through the motions. While insisting on reciprocity we should recognize its various definitions between asymmetrical societies. We will cooperate not as a favor to China, we will cooperate because it serves our interests.

If forecasting the near term is difficult, projecting the long term is impossible. When I steered the Policy Planning Staff I was constantly guarded by Tennyson's maxim, "Far away beyond her myriad coming changes earth will be something other than the wildest modern guess of you and me." If we are to be brutally positive toward the process of China's modernization what should be our attitude toward its ultimate goal? How do we view the prospect of China as a truly major power in the 21st Century? Should we help it get from here to there? The questions themselves are presumptuous. China will, of course, determine its own fate. But we will have some impact on the pace, if not the direction. We should think through the implications of a strong China. I believe hard headed cooperation with the developing China serves our interests both in terms of tangible benefits and future orientation. I have neither the time, nor with this audience, the need to elaborate on the gains we derive from improving relations with Ba Ging. Our ties help to serve global stability and Asian peace. While promoted for their own sake, these ties greatly abet our dealings with Moscow, both freeing our resources for containment and fostering incentives for improvement. We work closely together with China on some Asian issues, share overlapping objectives on others. Trade and investment offers concrete dividends. Scientific programs are two way streets. Gradual military cooperation projects useful symbolism. Cultural and academic exchanges enrich our own society. It would be foolish to jeopardize

these real assets because of the hypothetical problems of a strong China. A more stable and sturdy China will be less subject to outside pressures or accommodation. If we don't help it modernize, others will and take away our benefits. Through abstention or hostility we might lengthen China's march, we will not halt it. When China becomes more powerful, it will more likely be cooperative if we have been supportive. Our long term influence will be greater if we have created Chinese constituencies, spun webs of commerce investment technology and spare parts, trained managers and students.

Furthermore, for as far ahead as we can see, the Pacific Ocean and our military and technological strength should guarantee that China poses no direct threat to us. Certainly a stronger China will present some international and economic challenges. We will have to contend with greater Chinese influence in some issues where we differ. But we will also cooperate on others where our geopolitical interests overlap. We will face growing commercial competition but we will also face a growing Chinese market. It is up to us to cope with these challenges through a skillful diplomacy and competitive economy even as we must with other friendly countries. To be sure, some of our Asian friends are more ambivalent about an emerging China. Geography, ancient history of paying tribute and recent history of fighting insurgency. Future rivalry for markets and money. The bonds of overseas Chinese. All these factors give pause to smaller nations in the region. We should maintain close consultations and be sensitive to their concerns as we develop military, economic, technological and political exchanges with Ba Ging.

If over time China should take a less friendly posture toward us or Asian partners, we can always adjust our policies. Meanwhile, we should work with Ba Ging on the international plane to expand cooperation and narrow differences. On the bilateral plane to thicken the sinews of collaboration. In so doing we should seek to integrate China more fully in global economic systems and arms control regimes. This approach best holds out hope that China will be strategically guided toward the west and responsibility involved in the world. De Tocqueville once lamented "The propensity that induces democracy to obey impulse rather than prudence and to abandon the mature design for the gratification of a momentary passion". I believe our fundamental task in our China policy will be to shed the impulses of our traditional attitudes. As China strives to fulfill its aspirations we will need to abandon passion and follow a mature design. How well we do will profoundly shape the international landscape of the next century. Thank you.

MR. SOLOMON: Thank you, Win. Of course you did a lot to help contribute to that design as it was put together. We are just about on schedule. What I would like to do is immediately go to Steve Bosworth and then we will hopefully have a little bit of time to talk about our

dealings with the Third World on a broader basis having heard three presentations. Steve.

MR. BOSWORTH: Thank you very much, Dick. I would like to echo the others who commended you for bringing this group together. For me it is a particular treat to have this opportunity, to hear a somewhat broader range of issues discussed than has been my privilege for the last three years when I have been pretty much focused on one country. So a lot of the discussion today has been for me very stimulating. Over the last couple of weeks I have narrowed my focus even more and I have concentrated largely on the feeding habits of the Michigan large mouth bass. So this is quite an intellectual shock for me to come into this group and hear all of this discussion.

Let me say I think I may be somewhat less optimistic, if that is the right term, on some aspects of the global economy over the next decade or so than some of the comments that I have heard here this afternoon. Maybe it is a question of others being, my being less optimistic, or others being more pessimistic, I am not sure. But I am struck, Dr. Rostow, by many of the aspects of your description of the fourth industrial revolution and its implications for the world of U.S. foreign policy. Many of which I find I agree with. The only thing that bothers me is that it is, as you describe them, there are two to four decades out for the most part before they sort of blossom forth to their fullest degree. What bothers me and what used to bother me continually when I was in Policy Planning is how we get from here to there. The policy process, of course, doesn't really stretch out too much further than the next five years. I think that is lamentable. The same, Henry, with some of your descriptions of the cures for the ills of the industrialized economies. His prescriptions for economic engineering, I think they are fine, but the political difficulty of engineering that sort of highly integrated sort of political trade offs, as you know far better than anyone else, is extremely difficult.

So let me start by describing some of what I would consider at least likely or possible characteristics of the international economic climate over the next five to ten years and then to discuss very briefly how some of those may hold certain implications for U.S. relationships with the Third World or the developing world.

First of all, I would think from the current perspective, and of course this always has the great disadvantage of possibly being wrong, but I would think there is little reason to expect on the basis of current evidence that the world economy is going to grow any more rapidly over the next ten years than it has over the last five years. I am being somewhat of a devil's advocate on this point but I don't see as one looks out at the world economy where those locomotives of growth are going to come from. Indeed the last ten years may be quite an ambitious

target since during much of that time United States constituted the primary locomotive of growth in the world economy. We paid a high price for that in terms of our own budget deficit and now our trade deficit and the structural impact that has had and continues to have on the American economy. I see no sign that Europe and Japan are willing to take on a substantially greater share of that responsibility for driving the world economy forward. Largely because I think, and what one could perhaps call the post industrial, post third industrial revolution, governments in democratic countries in the west and increasingly in Japan find it hard more acceptable to deal with the consequences of economic slow down and recession than they do to deal with the consequences of over expansion and inflation. And it is not so much that Western Europe and Japan don't know how to grow more rapidly, it is simply that in their political perspective the political price for guessing a little bit wrong and incurring a rather more rapid rate of inflation is far more painful politically than a higher rate of unemployment and that is the trade off they continue to make.

So if that is correct, and it may not be, that in an optimistic world we are looking at rates of economic growth out into the mid or late 90s, no higher than they have been on the average over the last ten years, I would then point to the problem again that you raised, Henry, the problem of the Third World debt. Here too I think it would be desirable if we would begin to write down some of these debts. However, I am not at all confident that either that method or actions by the developing countries to turn debt into equity are going to have in combination sufficient impact on the magnitude of that overhanging debt to reduce significantly the problems that these countries have which are basically how can they grow domestically at rates high enough to meet the rising economic and social needs of rapidly expanding, in most cases, populations and still service even on a rescheduled and stretched out basis that large overhang of debt that they have.

The sort of structural solution to the debt problem that you point to strikes me as very desirable. However, I am not confident that for the most part these countries that have this debt have the degree of political coherence or discipline to impose over time that sort of a debt solution. And here I think one of the leading cases in point may be Mexico where certainly over the last few years lack of additional liquidity has not been one of the constraints on the Mexican economy. Their problem has been they have been unable to get their act together politically sufficiently to begin the restructuring process that they need in order to eventually grow their way out of that difficulty.

A corollary of that is that since developing countries, even in the fourth industrial evolution are going to have to continue to be capital importers in order to continue to grow and are not going to be able to

find the new capital that they need by borrowing from abroad as they did through much of the 70s. There is, it seems to be, going to be a much more intense competition among developing countries for direct investment, largely from the industrialized countries as a source of the net capital inflows that they need. That could have a very favorable effect because it should stimulate some rather healthy changes in their domestic policy as it relates to direct investment from abroad as they try to compete for it.

Also, I think, Mr. Secretary, as you mentioned, there is little reason to expect that primary commodity prices are for the most part ever going to recover to the levels that we saw in the early 1970s, both as a function of lower global demand and also as a function of the tremendous inroads of artificial substitutes for most of these products, corn sweeteners for sugar and silicone wire for copper, just to name two. The implications of this for the developing countries, it seems to me, one of them is that they are going to fight very strongly to find new areas in which they can gain a comparative advantage. And here, Dr. Rostow, I think your description of the implications for members of the fourth industrial revolution is probably right on. They are going to be trying to leap frog themselves and one another up the technological ladder to try to find some niche in which they can establish a degree of comparative advantage which will permit them to expand their exports at the sort of rate that they will have to continue to grow domestically. But one of the implications of that for us, of course, is that, it seems to me at least, that protectionist problems are going to continue and in fact are probably going to take on more of an aspect of us versus the Third World than us versus the Japanese, at least over the next five to ten years.

That is very briefly how I would—I think I probably in one of my more pessimistic moments see the general framework of the international economy within which the developing countries will exist over the next few years. The implications of that for our policy are—in a world in which our own budgetary resources are going to be increasingly constrained, our own foreign aid potential and possibilities are going to be, I think, increasingly reduced. I lament that, I think it is a bad development, but that may well be the real world. I think that it is going to make it imperative for us to establish even more rigorously than we have had to try to do in the past some hierarchy of interest within the developing world. We are going to even more than in the recent past have to stop trying to be all things to all developing countries and we are going to have to concentrate on a relatively few number of developing countries where our influence and our resources can make a difference.

I think one of the other implications of this is that all developing countries are going to be seeking their own special deals, not only with

the United States but also with Western Europe and with Japan. And one could see perhaps this kind of evolving into an old spears of influence alignment as that process of striking special bilateral deals begins to firm up over time.

I don't want to try to give this kind of catastrophic air, I don't think it is necessarily catastrophic. I tend to think that it is probably not going to be to much worse than it has been in recent years. But neither do I think it is going to be remarkably better. I don't see, unless there is some combination of human fortune and technological advance which is going to kind of propel us and the Third World in particular into a new age, I don't see the essential ingredients now present for a substantial improvement in the standard of living in most of the Third World over the next decade. Both because I think the world economy is going to be growing at a rate which would not support that and also because in many of these countries their own population growth is going to be such that it is going to be very difficult for them even to stay even with where they are now, much less improve themselves substantially.

MR. SOLOMON: Thank you, Steve. Please . . .

MR. BOSWORTH [ROSTOW]: I just thought that Steve Bosworth's statement was superb and responsive and I would certainly not wish to appear as a cheap optimist, which I am not. I would just like to make a few points.

Point one, we all ought to be aware that the fifties and sixties were absolutely unique in the history of the world economy. There never was a rate of growth averaged which was what—it was about 3.4 per capita in the advanced industrial countries. Whereas the highest previous average was just a little bit less than 1/3 of that, a little bit more than 1/3. And that was about 1870–1914. And I don't for a moment see a return to that which was the result of a unique combination of forces. Incidentally, all on the supply side. None of them (inaudible) none of them monetarist. Now I do think that we—a sort of pessimistic prognosis for the United States, Western Europe, Japan or a sluggish one, can be written for exactly the reasons that Steve Bosworth suggested. I am much less interested in projections than in the direction of which action is possible. I don't for a moment think that it is inevitable that Western Europe run more than 10% unemployment chronically. I think it is building up just as serious social problems as having 40% black unemployment in the United States among teenagers. I think very powerful disintegrating forces operate when you do that and I don't think it is necessary.

I have been a little disturbed at the number of times that the phrase post-industrial society has emerged here. I have news for you, if we don't use the new technologies and manufacturers, a lot of them, they are not, going to be used at all. And in fact, the proportion of the U.S.

work force and manufacturers has not declined. Also, the new technologies are highly generative of jobs. Go to Massachusetts. Go to Silicon Valley. Or open a telephone book and see in a hundred computers, wherever you want to look, how many manufacturing firms you have and how many perfectly pedestrian service and other jobs go with computers. I did this in Austin. We have four producers of hardware and nineteen pages in the telephone book. And that is almost exactly the proportion in the Silicon Valley. I think part of the problem in Europe is that it has been slower in diffusing the new technologies. Only a few years ago Europessimism focused around that. There is reason not to be pessimistic about Europe. And I think the employment possibilities are better, in other words, for U.S., Western Europe, Japan than they now look, although they may not be taken advantage of.

As for the Third World, historically the more advanced countries of the Third World are at a stage where they should be really the locomotive. That is the normal stage for the highest rate of growth, is what I call a drive to technological maturity beyond takeoff, when you are absorbing diversified, sophisticated manufacturers. And that is what most of the population of the developing world lives in, the Brazils, the Mexicos, Argentinas, Indias and China. Despite their low level of real income per capita, are industrially quite sophisticated. I think that could be unleashed as a growth factor in the world if we could get a rational solution to the debt problem. And I think Henry Owen was wise in that in suggesting it is not a problem you solve all at once or with one device. You get it from as many directions as you can and reduce it.

There is I, I think, the acceptance that agriculture is fundamental for industrialization, is going to be good in human terms, bad for the American and European farmer, but good for industrialization.

And third, to the astonishment of a great many people, but it justifies a faith that my old friend Max Milligan and I had at MIT, the governments of the Third World are learning that these state bourgeois that they have built up are not very efficient and privatization is being talked about from Jakarta to the furthest reaches of Latin America. Now you don't privatize by saying so but if the recognition that you've got to use the market more and the state less is very wide. In India for example there is no shortage of capital. The place is still throttled by bureaucrats. But in any case, I think that there are some structural things here which might unleash more energy in the more advanced developing countries but we had better face up to it that there are a number of developing countries that have not gotten into takeoff, that represent very searching problems. Not only Africa south of the Sahara, Burma, and strategically very important, some of the Pacific islands where the New Zealanders are the only ones who are completely sensitized to the critical importance of this.

So we have really a bifurcation in the Third World between the poor kids who haven't made it to takeoff and then those struggling with structural problems post-takeoff. I think if we worked at it and worked at our own society with a bit more vigor and imagination, we could do maybe a little better than you suggested. But I think your dose of pessimism is justified and well laid on the table.

MR. SOLOMON: Thank you. Henry.

MR. OWEN: Steve, it seems to me that the sober view you present (inaudible) leads to one other conclusion which is the need and the feasibility of an increased role for the World Bank and the IMF. You spoke of the U.S. budgetary restrictions which will remain severe. But of course when the World Bank borrows it doesn't borrow except through IDA, which I will come to in a minute, appropriated money, it borrows on the mark up with the government guarantee. This would be true when you come to the general capital increase which will almost certainly be needed in the next year or so. When IDA seeks money, the place where it ought to be seeking more money is not only from budgetary restrictive U.S. but from Japan and Germany, particularly Japan which now have large capital surpluses and high savings rate. So it seems to me it is feasible for them to do more. They can do more not only in providing the investments, public investments which are a reward for sensible policies for the developing countries, but in insisting on these policies perhaps more effectively than donor countries can do bilaterally. And as far as the IMF is concerned, of course, it doesn't use appropriated money at all. It doesn't figure in the U.S. budget.

Now you are certainly right in saying the private investment is in the end and long before the end the best resource. It will convey the most capital and it will convey capital with skills and business management which is needed. But you are not going to get private investment without some infrastructure, ports, roads, railroads. And that is where the World Bank can play a large role. So agreeing with everything you say, I would add one conclusion to yours which is more a more vigorous effort by all the industrial countries to use the World Bank and the IMF more vigorously than has been possible to do recently.

MR. BOSWORTH: Well I certainly wouldn't take any exception to that at all, Henry. I think that is good, that is right. I do note though there is kind of a curious development going on now in which the World Bank and the IMF in the case of some countries, particularly in Africa, are becoming now major debtors or major holders of debt for these countries. To the point of which that debt is by tradition not rescheduled, the inability to reschedule IMF and Bank debt is becoming something of an obstacle in trying to do some rationalized planning.

MR. OWEN: . . . shift more from the IMF toward IDA which makes longer term loans than the IMF. I should explain, IDA is the

International Development Association which is a soft loan window of the World Bank.

MR. SOLOMON: We are just about on schedule. This is kind of a Chinese banquet. We've got in a twelve course meal, three more to go and we are going to switch ground a little bit now to look first at the institutional structure by which we deal with foreign policy and then conclude with some look at a broader strategy for the United States. Let me turn to Peter Rodman who wants to talk about Presidential, Congressional relations and the making and management of foreign policy. Peter.

MR. RODMAN: Obviously our ability to master any of these international challenges depends a great deal on the coherence of our policy as we formulate it at home. And I am thinking particularly of what a constitutional scholar once called the Constitution's invitation to Congress and the President to struggle over the making of American foreign policy.

There are important trends here too. And I am not an expert on this field but I will try to pick out what I think are some good signs of things to come and some things that cause me concern about the future.

The trends here, unfortunately, tend to be driven more by domestic political dynamics and not so much by the merits of whether these trends help us or hinder us in mastering all these challenges which all of the other speakers have so eloquently pointed out. I will venture the boldest estimate that the trends are mixed. As I said, there are some good signs and some bad signs. We all know where we have been in the last fifteen years, fifteen or twenty years. On the one hand, in the 1970s, we went through a very difficult period of institutional gridlock and Presidential weakness, but then in the 1980s we saw a President elected and reelected who represented reassertion of Presidential authority and a reassertion of a vigorous American role in the world.

On the one hand, we have a legacy left over from the 1970s of an enormous amount of restrictive legislation that is permanently, for the most part, imbedded in our law, even though the mood of the American public seemed to change over the period. So when we go through a period of disillusionment with Presidential authority we are often left with a legacy that lasts long beyond the tenure of that administration or the personalities or the issues. At the same time, even in the Reagan administration and the first part of its term has shown that a strong President with some political strength can stretch or he can carve out a sphere of freedom of action and mobilize allies and pass bills in the Congress and push controversial things and succeed. So a President still has room to succeed.

But it may well be—one of the things that bothers me is that we may now be heading into another period when the Congress will be

trying to reassert its power and to impose new restraints on Presidential action and foreign policy. And again, whatever restraints may end up being imposed will remain with us probably long after the administrations change and the personalities change and the issues change and the challenges we face in the world change. So many very important things about our future are going to be decided over the next couple of years and the implications may last far beyond that.

But again, let me offer a few thoughts. Now it goes without saying that the Executive Branch also has its own responsibility to keep its own house in order. And this is not a new requirement but there may be some new kinds of problems. In the traditional national security field all administrations, I think, have the same kinds of rankles between the State Department and the Defense Department and so forth. Every administration has this similar problem one way or another. But we also have in this area some traditional and established mechanisms for dealing with these problems and I don't see this is a trend problem because I think it is something that we have had a lot of experience with and probably will be able to deal with.

International economic policy, on the other hand, which so many of my predecessors here have been discussing, does pose some new challenges that I think we are only beginning to get a grip on. Domestic economic agencies with big domestic constituencies are now key players in our foreign policy making. Issues like trade are once again very potent in our domestic politics. The problems are greater for us because the United States is not as dominant in the economic realm as it used to be. And don't forget we are talking about economic activity which in our system is basically a private activity and our system is not something that is strictly speaking under government control in the first place. But precisely because the U.S. is no longer dominant economically there should be a premium on policy coherence as never before.

A good example is Japan. We have had Prime Minister Nakasone in town in the last few weeks. Here is a crucial political and security relationship that is also at the core of or part of a big economic problem. So our government has to find the right balance between the domestic and the foreign policy concerns. Between the security and the economic considerations. Between the short term problem and the long term problem. To sort all of these incommensurate things out is the essence of leadership and that is what Presidents are for. But that is why it is so disturbing to me that one of the aims of some of the trade legislation in the Congress is precisely to further reduce the President's authority over the Executive Branch. The aim is to make retaliation, for example, more automatic. In other words, to deny the President the power to apply the kind of political judgment to this mix of economic

and security and domestic and foreign concerns. So it would be tragic indeed if in this era of more serious economic challenges, if that coincided with the further hobbling of our policy making institutions. So this is one thing worth worrying about.

This brings me back to the Congress and the President which I think is the main issue that we are going to have to face. To give one example of the kind of micro-management of our foreign policy that I think most of our predecessors here would find astounding—there is a very useful Congressional publication called “Legislation on Foreign Relations”, published by the Congressional Foreign Relations committees. In 1964 there was one volume of about 650 pages. Twenty years later it had grown into three volumes of more than 1,000 pages each. So I think this tells you something about the institutional changes over the past years and one can project into the future that we are going to be living in this kind of an environment for the long term.

Now another phenomenon of the 1970s was the breakdown, to some extent, of the leadership structure within the Congress itself. In the name of reform, power was taken away from committees and from the leadership and from committee chairmen, subcommittees and staffs proliferated. And Presidents who wanted to negotiate with the Congress found it very difficult. They found that the leadership they were dealing with couldn’t always deliver the troops. President Ford once complained that the Congress often just couldn’t reach a decision at all.

Now I think, therefore, that it is no accident that the device of Presidential commissions has been resorted to in recent years to forge bipartisan consents, compromises and consensus on some key issues. We remember the Greenspan Commission on Social Security and the Kissinger Commission on Central America and the Scowcroft Commission on Strategic Forces. These bipartisan commissions did a tremendous job in finding the trade offs and the compromises but that is doing the kind of work that the Congress is supposed to be doing. Now on the plus side, as I’ve said, some of the experience of this administration has shown that the obituaries for Presidential leadership are premature. Even in the war powers area, we have seen in Grenada and in Libya that if the President acts decisively and is seen to succeed he gets popular support and Congressional support. The Congress’ willingness to give support to a lot of the President’s program for helping anti-Communist insurgencies around the world shows that a President who can mobilize his political strength can win Congressional support even for very controversial things. So again, we shouldn’t underestimate the power of a President to succeed. And in the foreign affairs area, the President does retain the initiative in so many of the areas. And if he is effective he can set the agenda and he can win his political battles.

Now the problem is, of course, the Congress may try to limit his remaining room for initiative and his remaining room to succeed. But there may even be some positive trends in the Congress. I don't know how much to make of this but I found something very striking in last year's tax reform bill. How did Congress get the job done? Well they gave the power back to two key committees. They gave considerable power back to the two committee chairmen and they let the committees deliberate in secret. How reactionary can you get. But it seemed to show that when the Congress—when there is political impetus behind something and the country wants something to be done, the Congress found that it could restore some of the conditions that allow the job to get done. And perhaps there is a trend there. But clearly we have a long way to go. Even in arms control which is traditionally the area where the President has had freedom of action to negotiate, we see some possible looming problems. Efforts by the Congress right now to tie the President's hands by legislation. Now I am sure around the table there are many different views here about the merits and the substance of these positions, but I think all of us who feel a stake in arms control and who believe in solving problems by negotiation ought to be very careful about the whole concept of the Congress tying the President's hands and dictating his positions. Because weakening of the President in the long run, I think, is going to do harm.

Again, there is a debate over the interpretation of the ABM Treaty. I happen to think we have a very good case on the negotiating record but I think this debate as it continues may well leave the Senate and future cases to want a lot of intrusive scrutiny into the negotiating history and even in the negotiation itself. So I think this is something that we may find we are going to live with over a long period.

The budget process is also a discouraging example. We see the Foreign Affairs budget held hostage in a very bitter conflict between the two branches. Not only is there going to be a big price to pay in the conduct of foreign affairs but obviously, as many of you have pointed out, our budget deficit itself is at the heart of a very big economic problem which is becoming more and more serious. So naturally I have a bias in favor of a strong Presidency. I think our history shows that there is no inconsistency between a strong Presidency and a healthy democracy. The issue is how far the institutional balance is shifting at any given point in time. Secretary Shultz has pointed out that surely there can be accountability without paralysis. So I think there is a way to do this but it isn't self-evident that we are going to be able to do it. At this point in our history, given the challenges that we face, there is a premium as never before on coherence and discipline and consistency in our policy making.

Let me leave you with another perhaps even more frightening thought. Something that the Vice President mentioned in a speech a

few months ago which takes us into some totally uncharted territory, namely the Judicial Branch of the government getting into the foreign policy game. We have had plenty of experience struggling with the Congressional Presidential contest but as the Vice President mentioned policy makers in the future, when anything out of the ordinary is being considered, may have to ask themselves how it is going to look to a grand jury. And this is not a joke. I mean you remember these three thick volumes of 1,000 pages each of legislation on foreign relations. I think we should not delude ourselves that the present situation is just an idiosyncratic problem of a particularly susceptible administration. I think it is a lot more than that and it could become very complicated and our future policy makers may find life much more exciting than they bargained for.

Winston quoted de Tocqueville, I might as well do the same thing. It was Tocqueville, of course, who did point out that Americans tend to reduce political issues to legal issues. I don't think even he anticipated that. But he did point out the democracies, at least he worried that democracies might not be particularly successful at foreign policy. I think the experience and the accomplishments of some of the gentlemen around this table show that he may well be wrong. This country has had some enormous accomplishments in the last forty years. I think the American people want to see an effective foreign policy. They want to see strong leadership. So I think we have it in our power to do it right and to show that in the end Tocqueville was wrong. Thank you.

MR. SOLOMON: Peter, thank you. With that somewhat pessimistic look at the institutional structure where we will be dealing with this world, we turn to our last two speakers, Bob Bowie and Paul Nitze who will hopefully give us a sense of whether intellectually we can approach the world with some sense of broader strategy and then, of course, we will have all the problems of seeing whether we can implement it. Bob Bowie.

MR. BOWIE: I don't think I can give you a grand strategy within ten minutes. However, I will make some comments which I thought would be more modest by calling it "Reshaping U.S. Foreign Policy". Let me say simply, of course, that the policies which were initiated by Truman and Marshall forty years ago have served us well for most of the period. But changing conditions opposes new problems and the consensus on foreign policy which was destructed by Vietnam has not really yet been rebuilt. Indeed Watergate and the oil shocks and the disillusionment, with detente, and the Iran and the hostages and Lebanon and the Marines, trade deficit, have all added to a sense of confusion and divergence and frustration. To my mind, the necessity to develop a coherent structure, and here I agree with Rodman, based on the realities of our situation is extremely urgent. In the years ahead the world will be facing a number of grave challenges which will demand a constructive

contribution from the United States in the interest of stability, security and economic well being. The discussion around this table has certainly aired a number of these but just to enumerate them—first it seems to me is the global strategy, the global economy, which is going to be undergoing very severe strains for some years ahead. Just consider the inevitable changes in the pattern of trade. U.S. exports will have to grow by about \$200 billion or more to correct the deficit and to provide for the debt service. Now just imagine what the impact of that is going to be on Japan and Western Europe in terms not merely of trade, but of their internal domestic social and economic adjustment. And that will be also felt in many other ways around the world. Second to that is the problems of debt, trade, growth and potential stability which will break the key LDCs which have already been discussed. Third, if Gorbachev does keep power, the USSR will be undergoing unpredictable changes. They may offer opportunities for modifying relations with the west. Fourth, technology, public attitude toward nuclear weapons and SDI will require rethinking in the fields of military strategy and arms control and the mix of nuclear and conventional weapons and the relation of defense and offensive forces. Here again there just might be a chance that the Soviet Union may be prepared to reexamine these issues as common problems rather than simply negotiations as has been really true in the past. We don't know and we won't know without probing but it would be tragic if we failed to do so. (end of side A of tape two)

MR. BOWIE: (continued) . . . just a listing but if you think about them every one of them is really something which is an enduring problem which is going to be more complex than in the past. And it seems to me that for any effective policy the United States will have to reflect certain characteristics which haven't been all too obviously in evidence in the recent years.

First, we will have to achieve much more consistency and predictability for the rest of the century because it seems to me these are problems which will lend themselves to influence only if we really can carry out a consistent policy. And we have seen in the not too distant past not merely changes, abrupt changes from one administration to the next but changes within administrations. The Carter administration or this administration. That means that it must enjoy, the policy must enjoy support both by the Congress and the public and, therefore, will have to be middle of the road and bipartisan. That may sound utopian but in my view the recent report by the Chicago Council on Foreign Relations on the attitudes of opinion leaders and of the public indicates to me that the foundation for a consensus does exist, especially if very good leadership really seeks to find the middle ground or the ground on which there is apparently a very considerable amount of common thinking.

Second, such a policy must be based on extensive cooperation with other nations both for security and prosperity. Now that is a truism but getting it done, as Henry suggested, and others suggested, is not going to be easy and it is going to require strenuous and continuous efforts to understand the interests and perspective of other states in order to find mutual accommodations. Now that it seems to me is something that does not come easy to the United States or to many of the people who represent us. We tend to think that other people shouldn't react as we do and do indeed react as we do which is not always the case. And similarly, the problem of cooperation is going to be enormously more difficult because the domestic impact again, as has been brought out, of many of these foreign policy issues is going to be profound and it is really going to tax the courage and the strength of leaders to be able to face up to the internal costs in order to cooperate. But nevertheless, unilateralism just won't work. And despite its economic size and military preeminence the U.S. will not be able to dominate but it can and it must lead.

Third, such a policy will require the strengthening and use of international agencies for economic and security cooperation and the acceptance and compliance with international norms and constraints. I certainly don't want to get into the ABM Treaty here but I simply profoundly differ on what the significance is of this re-writing of the Treaty. I agree entirely with Gerry Smith that this goes way beyond the question of the ABM Treaty itself into the whole question of relations between the President and Congress, which after all has a Constitutional authority with respect to treaties. And second, the whole question of good faith in the United States in international affairs and in treaties.

Fourth, such a policy will require a policy making process that ensures that the President and his advisors make full use of the knowledge and expertise of the career officials and have the benefit of debate and competing views and analyses in making decisions. I think this is especially important when we consider that so much of what we are doing is trying to work with countries having quite different perspectives, as I indicated, and where most of the people who come to the top in political life in this country simply do not have the experience or background which makes it possible even to understand the perspective of others. And the only way they will get that benefit is through the eyes and the ears of the people in the career service who can make it available for them.

Achieving a consensus and carrying out a consistent U.S. policy will depend gravely on Presidential leadership. The *Economist* this week asks whether the U.S. political system is capable of nominating and electing political leaders with the essential qualifications. It is a fair

and a disturbing question. Let us hope that Mr. Dooley was right when he said many years ago that "The Lord takes care of children, drunks and the United States". (laughter) Years ahead may well test that fate.

MR. SOLOMON: Thank you. Before we open it up for a final round of exchanges I would like to call on Paul Nitze who is going to try to give us a feel for grand strategy and where we are headed in the future.

MR. NITZE: Oh no, I am trying to give my feelings to what I think the task of SP is. When I was working as George's deputy and later when I took over as Director, it was my view that what Secretary Marshall and Dean Acheson had wanted from the staff was that we focus on the potential long range consequences of important current decision options, particularly in the field of U.S. Soviet relations. This focus was distinctive from that given to the work of other parts of the Department. In one sense it was broader. It included military, economic, cultural and doctrinal matters beyond the day to day responsibilities of the Department. It was narrower in that they intended that SP not get into operations. My conception of this task was that the Planning Staff should assist the Secretary and through him the President, in dealing with issues that bear on the nation's grand strategy. I continue to believe that should [be] its principal role.

Looking forward from today rather than from 1947, what are identifiable parts of the problem? The starting point, as it was then, is to achieve as accurate, as coldbloodedly objective, a view of the evolving world situation as is possible. In a sense we suffer from an excess of information. The task is to sort the information out for relevancy to decision options bearing on U.S. grand strategy. As one sorts out for all relevancy a number of factors need to be considered. One is a sense of geography (inaudible) as to a land strategy. The geographic foundations of strategy are changing with increasing ease and speed of travel and communications and the range of speed and power of weapons. The demography of the problem is changing both between countries and within countries including the USSR. Economic trends have shifted dramatically, particularly for the United States the last twenty three years. Important and dramatic changes must take place in the next ten or twenty years. The details and timing cannot be foreseen but it should be possible to have the sense of the patterns to be expected and what important initiatives State should foster favorably to influence the trends.

It is my guess that the rate of scientific and technological change is slowing down, particularly in the weapons field. But this judgment should be more thoroughly assessed. Walt gave us a much more complete review of related issues and the change in the nature of the technological revolution. I believe the strategic nuclear balance is already

adverse and that there is little prospect of reversing it, at least within this century. The question of conducting policy from the position of military inadequacy is not a unique problem in history. Every great power has learned how to live through such periods. Does the country have difficulty living with that fact if true, and therefore give it little organized thought. We should face the problem more directly. The focus of world policy has always been heavily influenced by basic patterns of strategic belief. For a number of centuries the focus of grand strategies has been on and from Europe who was dominated by the struggle for national consolidation in France, England, and then Germany and Italy. Then the decline of European empires except for Russia and the Soviet Union. During those centuries maintenance of a balance of power in Europe, with England playing the key balance role, was crucial. During this century the United States has gradually taken over England's place.

George McGhee has reviewed an array of world issues needing to be dealt with. And so have all of you dealt with or raised an array of issues that have to be dealt with. The Soviet Union wishes to replace us in the balancing role. Should we continue to resist that drive? Can we and how? Isn't the role of ideas as now dominated by the media the crucial battleground. So far, we in the other democracies have done reasonably well in that battle. Can we do better? Has the time come for somewhat greater coordination in that field? How is that to be reconciled with the First Amendment of the raw power the masters of the media have now attained? Should we deal with the proliferation of Congressional staffs, each cultivating portions of the media? The Congressional process has never been orderly. But once aligned in the correct direction it has worked admirably. How can we in State and in the Presidency find a handle to move it back in the right direction? How should we deal with negotiations? We are already deeply engrossed in that today. Is there some more general approach to this aspect that could lead to a better understood debate?

I have left the military component of grand strategy to the last. To my mind it remains the dark underlying reality which cannot be ignored. The Soviets have never ignored it and they are not likely to do so in the future. There is a wide spread temptation to perceive the threat of nuclear weapons as being a threat far greater than the threat incommensurate with the threat of Soviet defacto dominance in further areas of the world, most importantly the Middle East, South Asia and Africa and indeed, of Europe. Should we side with the French and many of the Germans and Mrs. Thatcher who are opposing this temptation? Can we win this contest in the long run? If we must continue to make this attempt how should we best go about it? If we find it unwise to continue this attempt or to try and are unsuccessful, how should we best

go about preserving our values and our security in the world in which the Soviets superior military organization and force is not obscured by the presence of offsetting U.S. nuclear capabilities?

The most basic long term problem for the United States is that of a partial erosion of the basic values that have held this country, and the west generally, together. I was shocked the other day to find the view widely held on the Hill that lawyers can be hired to support any view. That there is no such thing as a better than a worse legal opinion. That the whole matter is relative to the interest of the litigates. This is a mere symptom of a wide growth of cynicism. Is there anything in State we can and should do about this?

To conclude, I believe that the central question is what are the levers of significant current action which can increase the widths of the band of possible useful and effective U.S. action in the future. To search out those levers in the context of the real world would seem to me to be SP's central task.

MR. SOLOMON: Thank you, Paul. Let me open up the floor for at least a brief exchange before the Secretary has to go.

SPEAKER: (inaudible) His belief that it should be concerned with what I used to in my day call futuristic (inaudible) action. One (inaudible) of this I believe is to say out of the day to day aspects of similar actions, if you were caught in the quicksand you've got to get out first. You don't think about anything else. But if you have time you should think about what is going to happen ahead. And one of the most useful areas I have always thought for policy planning is to find a problem which you can spot ahead, the collision course between two vessels, and get one or the other or both to change their courses. The best example is not world shattering—we foresaw a collision course between Suriname and the Dutch over (inaudible). And the essential element was that (inaudible) was already landing forces and that the Dutch didn't want to fight, they wanted us to. We had time, months, so we developed the plan of the Dutch removal. (inaudible) But the fact is that the Dutch avoided the last colonial war.

I was interested in Mr. Rodman, it is always best in view of an official of the government to have freedom of action, of course. Every Assistant Secretary of State, Under Secretary, which I was, likes to have this freedom from his Congressional committee or what be it. There are, however, necessarily in a democracy built in restraints and there should be. And quite often we are better off if there are a few restraints. We are having debates, questions up on the Hill which could have been avoided if the President had been a little more restrained by his Secretary of State which he was not permitted to exert. I think we might have had a more balanced view of SDI, corresponding a little more closely with what Gerry thinks, if there had been some attention

given to the experts in the field as exhibited, for example, in the recent report of the Society of Physicists. This is a democracy. For five years we have pursued a policy in Central America which the vast majority of American people oppose. The majority of Congress, except on peripheral issues occasionally when they are pressed. Perhaps in a democracy the administration should give more credence to such a clear expression over such an extended period.

MR. SOLOMON: Before giving the Secretary the last word, Gerry Smith, did you have . . .

MR. SMITH: Paul, did I understand you correctly to say you just recently discovered that a lawyer could be hired . . . (laughter) I haven't discovered yet that there is no substance to law. (inaudible) taught me that there is an inherent validity of the law and I think that is your point basically with respect to the ABM Treaty. You say that there is no choice between one side of the legal issue or the other. Certainly that isn't true your view.

SPEAKER: Of course it isn't his view but he was surprised that you would bring out this point because fundamentally we feel that is indeed what is the situation with respect to legal advisor of the State Department.

SPEAKER: It is not.

MR. SHULTZ: I found the discussion interesting, enlightening. I have even heard some things I agree with. (laughter) Although not in the most recent comments. Let me use them to pose a problem that has troubled me. I agree with Mr. Bowie that we need to have a foreign policy that has continuity. And we have perhaps more continuity than meets the eye. That is, we are now in the process of trying to understand that the dual track decision that was arrived at in the Carter administration and followed through on in the Reagan administration with our allies has yielded a positive result. We are trying to consolidate on that. But that is a bipartisan type of thing and I could give a lot of other examples. But your comment, Mr. McGhee, about Central America which I think is dead wrong, gives something to play off of on that because the administration's Central America policy has certainly been controversial, but most of it now has wide support. Not all of it. When I arrived as Secretary of State the big issue was whether we should give any support to El Salvador. You weren't allowed even to spell Guatemala let alone say the word in public. Costa Rica was a traditional jewel that people supported because it was a democracy and it didn't have any army, although not having an army is not necessarily a recommendation for how to get along in the world. And Honduras had just kind of emerged as a country that had an elected president. It was controversial but the President asserted the importance of on the one hand democracy and the rule of law in our hemisphere and in

Central America, and on the other hand the potential problems for the United States if we found the clients of the Soviet Union, as was widely predicted, becoming the main presence in Central America. It isn't that Nicaragua is going to attack the United States as you put it. But rather the implications of a Soviet presence in Nicaragua with access to air fields and harbors and so forth and the potential domino. And there is a domino effect, we have seen that in Southeast Asia—the effect of that, if you didn't push against it, so we exercised some leadership. At the various steps of the way it was controversial. However, by now we have elected democratic presidents, civilian presidents, in four of the five countries of Central America. And if the Congress is a measure at all, support for the four countries is now broadly supported. But it wasn't as we went along. And by now the fifth country, Nicaragua, is a country that nobody around town has a good word to say for. Even the people who oppose what the President supports, and remember both houses of Congress voted in favor of military and humanitarian support for the freedom fighters. Both houses of Congress voted for that, so it is the U.S. policy. But even the people who oppose, when you go and talk to them, will say "Now don't misunderstand me, I don't have a good word to say for that bunch in Nicaragua". Well I think the dilemma then that we don't have time to discuss, but as I see here is if that we say to ourselves the only policies we can follow are the ones that already have broad support and are sort of middle of the road, mainstream consensus policies, then how can we ever change anything? How can we ever say we don't like the idea of what seemed to be happening in Central America? And even though there isn't any consensus sitting there, we've got to try to do something about it and that means fighting against the tide in trying to persuade people. That isn't going to have broad support at first perhaps, instantaneous support. But nevertheless, if that is the direction you think we should go, just as the President believes and I agree with him totally, that it would be criminal of us not to try to learn how to defend ourselves against ballistic missiles, particularly since the Soviet Union has been doing it, is doing it and certainly is going to continue to do it. It would be insane not to have a program like this.

So I think there is a deep problem that grows out of the necessity for a policy that has continuity. And the meaning of that must be that it has broad support but you can't confine yourself just to policies that have broad support or you will never do anything worth doing. I don't mean it quite that way but you will spend so much time conditioning everybody that you never will take the kind of actions that are called for.

Well, again, I appreciate the fact that you all have taken part in this. Some of you I have known, all of you I have heard about. I appreciate

the fact that I have had four SP directors. I don't know what that says about me. (laughter) Paul Wolfowitz who isn't here, Steve and Peter and now Dick. And I have the extraordinary privilege of having working alongside me Paul Nitze. He is just an invaluable colleague, particularly in arms control, but as he knows, I tend to ask him all kinds of questions beyond his particular brief.

Well I think we have a little reception coming up. There even will be some dinner for the former directors.

MR. SOLOMON: If you all could remain for a minute as the Secretary departs, I have one or two brief things I want to say. I know we could keep on talking for some length of time but as with a good twelve course Chinese meal, you somehow have to back off and digest it a little bit and we will do that. I think we can proceed with a little bit of order. There are across the reception area two elevators that are being held for this. If the former directors can first go up so they can have a change to relax for two minutes. Every one else is invited to go up to the Treaty Room on the seventh floor on those two elevators. Refreshments will be served and just at about six o'clock or a little after there will be a presentation and a few more remarks by the Secretary of State and then an opportunity for you all to talk to the directors and raise some of the questions with them directly that you may not have had a chance to do this afternoon. So with that invitation let me thank you all for coming and a particular thanks to the former directors who are here. I think it has been something that has put a lot of grist in our mill. I know members of the present staff are here and we will be thinking about many of the issues that have been raised. So if the former directors can head across the reception area.

SPEAKER: I think it would be ungracious to disband without thanking you again and Mr. Wilson for the Secretary's Open Forum, for this extraordinary occasion. Frankly I never knew it was the fortieth anniversary. (laughter) But you seized a wonderful occasion and as you sit through the speeches you have created a great ceremony. (laughter) I am very much in your debt. We all want to thank you.

MR. SOLOMON: Believe me, it is my pleasure. (applause)

300. Memorandum From the President's Assistant for National Security Affairs (Carlucci) to President Reagan¹

Washington, undated

SUBJECT

Memorandum to Cabinet Officials on Your Focus for the European Trip

Issue

To sign the attached memorandum circulating a concept paper indicating your focus for your European trip on the Venice Economic Summit (Tab A).²

Facts

We had originally recommended that you introduce the theme for the European trip at a meeting of the EPC-DPC, which has been subsequently cancelled. As an alternative, it is recommended that you sign the attached memorandum circulating the theme as a concept paper to members of your Cabinet.

Discussion

In order to facilitate substantive preparation and the public diplomacy program associated with your trip, an expression of your personal interest in the central focus of the trip will be most useful.

¹ Source: Reagan Library, Sally Grooms Files, Interagency Public Diplomacy Working Group, Concept Paper & Responses: 1987. Confidential. Sent for action. Printed from an uninitialed copy. Prepared by Alexander Platt. Danzansky sent the memorandum to Carlucci under an April 23 memorandum, indicating that due to the cancellation of the EPC-DPC meeting scheduled for April 24, the President would not be able "to orally introduce the themes for the European trip and Venice Economic Summit." Danzansky recommended that "in order to get the public diplomacy project underway," Carlucci sign the memorandum to the President. (Ibid.) There is no indication that Carlucci approved or disapproved the recommendation.

² The G-7 Economic Summit meeting was scheduled to take place in Venice, June 8-10; see footnote 14, Document 289. The President was scheduled to meet with Cossiga and Fanfani in Rome and with Pope John Paul II at the Vatican on June 6. Following the summit meeting, the President was scheduled to attend the 750th anniversary celebrations in Berlin and meet with Kohl, June 11-12; see footnote 4, Document 294. Documentation on these meetings is scheduled for publication in *Foreign Relations, 1981-1988*, vol. VIII, Western Europe, 1985-1988, and *Foreign Relations, 1981-1988*, vol. XXXVII, Trade; Monetary Policy; Industrialized Country Cooperation, 1985-1988.

Recommendation

OK No

___ ___ That you sign the memorandum at Tab A.³

Tab A

Memorandum From President Reagan to Members of the Cabinet⁴

Washington, undated

SUBJECT

Concept Paper for My Trip to Europe and the Venice Economic Summit (C)

On June 3, 1987 I will leave on an important trip to Europe where I will meet with our friends in Italy, the Federal Republic of Germany and at the Economic Summit in Venice. This trip presents an important opportunity for the United States and its partners in the Alliance. The trip will not only celebrate the anniversary of a number of historic events such as the Marshall Plan, the GATT negotiations,⁵ the Treaty of Rome⁶ and the founding of Berlin,⁷ but also gives us an occasion to mobilize our collective resources to plan for the challenges of the 21st century. (C)

I have approved the enclosed concept paper as a guide to substantive preparation for my June journey. In the weeks ahead, I will be focusing on these themes and their corresponding messages; focusing upon the cohesion of the Alliance and its limitless capacity for peace and prosperity; focusing upon what we should be doing now and during the remainder of my Administration to chart a sound course toward the interdependent world of the new century. I would ask you and your departments to do the same. (C)

³ There is no indication that the President approved or disapproved the recommendation.

⁴ Confidential. No drafting information appears on the memorandum.

⁵ On October 30, 1947, 23 nations signed the GATT in Geneva. It took effect on January 1, 1948.

⁶ The Treaty of Rome, signed by Belgium, the Federal Republic of Germany, France, Italy, Luxembourg, and the Netherlands in 1957, established the European Economic Community.

⁷ The city of Berlin was founded in 1237. The 750th anniversary celebrations were scheduled to take place in June; see footnote 4, Document 294.

Attachment

Paper Prepared in the National Security Council⁸

Washington, undated

LOOKING AHEAD: THE ALLIANCE AND THE CHALLENGE OF A NEW CENTURY

Basic Concepts:

—*Looking Back: Forming the Alliance and its supporting institutions demonstrated a commitment to commonly held ideals of political, economic and individual freedom.*

Out of the rubble of World War II, building on the surviving symbols of Western civilization, religious values and commercial enterprise, there arose an alliance of democratic nations, dedicated to free political expression, economic prosperity and mutual security. Forty years ago the institutional foundation for those ideals was secured by the Marshall Plan. The GATT, the World Bank and IMF and the North Atlantic Treaty Organization were built upon the dedication and unity of the allied nations.

—*Looking Within: Today, four decades of dynamic cooperation have brought to the Summit nations and to the free world unprecedented prosperity and security, but at the price of steady watchfulness.*

This compact has produced a Western Europe united by a common market, by mutual security commitments and by the establishment of democratic governments in every national capital. In Japan, it has meant the establishment of the strongest democracy in East Asia, the world's second largest economy, and a firm political alliance with its partners in Western Europe and the United States. These common interests have been the vessel and engine of our reconstruction, growth and security for ourselves as well as for the international system. Our cohesion and our institutions, however, continue to be tested by external threats to security, by internal complacency and by new challenges—and opportunities—in East-West relations and in economic interdependence.

—*Looking Ahead: The Summit nations, by their rededication to vigilance and unity, will preserve for themselves and the free world the principles and institutions of liberty, peace and prosperity into the 21st century.*

The strength and longevity of the current economic expansion underscores the promise which the future holds. Today, after forty years, the economic, political and defensive strength of the Alliance has

⁸Confidential. No drafting information appears on the paper.

significantly increased. No force can stay its influence; no wall can exclude its ideals. Thus, we need not fear to negotiate, for we negotiate from strength. We need not fear the future for the future brings new promise. However, to turn the promise of peace and expanding prosperity into reality, it is essential that the Summit democracies maintain the vigilance, unity, and strength that have brought us to this moment of opportunity.

The Summit Seven nations must stand together, as we chart a course toward the interdependent new world of the new century.

301. Minutes of a National Security Council Meeting¹

Washington, May 21, 1987, 2:07–2:53 p.m.

SUBJECT

Political Issues for the President's Trip to Europe

PARTICIPANTS

The Vice President's Office:

Donald Gregg

State:

Secretary George Shultz

Under Secretary Allen Wallis

Asst Secretary Rozanne Ridgway

Defense:

Secretary Caspar Weinberger

Under Secretary Fred Ikle

AG:

Attorney General Edwin Meese

OMB:

Director James Miller

Associate Director Wayne Arny

CIA:

Acting Director Robert Gates

George Kolt, European Affairs

JCS:

General Robert Herres

ACDA:

Director, Kenneth Adelman

USIA

Director, Charles Wick

Director, Office of European Affairs,

John Kordek

NSC:

Howard Baker

Frank Carlucci

Tom Griscorn

Marlin Fitzwater

William Ball

Colin Powell

Sally Grooms

Marybel Batjer

Peter Sommer

Ty Cobb

Steve Danzansky

Robert Linhard

¹ Source: Reagan Library, Executive Secretariat, NSC Meeting Files, NSC 00147 05/21/1987 [Venice Economic Summit, Trip to Europe]. Secret. The meeting took place in the Cabinet Room at the White House. No drafting information appears on the minutes.

In opening the meeting, *the President* said today's session would focus on his upcoming trip to Europe. The European trip would include stops in Venice, Rome, Berlin and Bonn.² The President said he wanted today's discussions to focus on the political agenda at the Venice Economic Summit. With Gorbachev seeming to be taking the initiative domestically, and in arms control, it was necessary for the West to demonstrate cohesion and movement in Venice. (C)

The President continued that he was particularly concerned that our political statements do not fall back from where we were last year. The keys, he said, will be a strong statement on terrorism and a clear agreement on how the West will want to move East-West dialogue forward.³ He asked Secretary Shultz to start the meeting with an assessment on how the political agenda was coming along. (C)

Secretary Shultz observed that the President found himself again in his usual Summit role: the President is the leader of the Western Alliance and that responsibility is underlined particularly at Summits. The President's colleagues, the Secretary said, are facing difficult situations. Mrs. Thatcher has decided to cut short her participation and will be in Venice only for the Monday⁴ evening dinner discussions. She will depart Tuesday following the lunch. This will leave a gap since she always provides strength and dynamism to the discussions. She has been an especially effective collaborator with the President, and we will want to rely on her to help secure our key objectives. We are disappointed that she will be leaving early but, of course, she has a particular problem—her reelection campaign.⁵ (S)

In addition, said *Shultz*, Mitterrand and Chirac will be there, but not always at the same time. They are split on many issues and will be bringing that division to Venice. Both will be looking over their shoulders in the jockeying for position leading up to next year's Presidential elections. Fanfani will be representing Italy, but in essence they have

² See footnote 2, Document 300.

³ On June 9 the G-7 leaders released a "Statement on East-West Relations," a "Statement on Terrorism," and a "Statement on Iraq-Iran War and Freedom of Navigation in the Gulf." On June 10 the leaders released a "Statement on Political Issues," a "Statement on AIDS," a "Statement on Drugs," and the "Economic Declaration." For the text of the statements, see Department of State *Bulletin*, August 1987, pp. 3-4, 10-14.

⁴ June 8.

⁵ On May 11, Thatcher called for a general election to take place on June 11. (Howell Raines, "Thatcher Calls June 11 Elections, Buoyed by a Big Lead in the Polls," *New York Times*, May 12, 1987, pp. A1, A14)

no government.⁶ Given his caretaker role, there is not much strength to come from him. The President's good friend, Nakasone, is nearing the end of his term. Still the Japanese have always insisted on a strong security statement and the President will want to rely on Yasu's support at the Summit.⁷ (S)

Continuing, *the Secretary* said, Prime Minister Mulroney has generally been supportive of our efforts, but he comes with a very much weakened base at home. In addition, Mulroney's key objective will be to secure support for his initiative on South Africa, which we are not very enthusiastic about.⁸ Chancellor Kohl will be preoccupied with his key concern, finalizing the German position on INF.⁹ It is important that this be sorted out before the Summit so that it does not dominate the discussions and the news coverage. In sum, as we look around, the leadership role at the Summit will fall on the President's shoulders more than ever. In the past, we have been able usually to count on the host country for support and some leadership, but this will not be the case in Venice. (S)

Secretary Shultz said that a second reason why the President's role was so critical was that Europe was facing a period of internal doubt. The 40th Anniversary of the Marshall Plan is an occasion for reflecting on past accomplishments, but also for speculation on what the next era will be like. The Europeans have expressed anxiety, for example, over growing U.S. Congressional protectionist sympathy and about

⁶ Craxi resigned on April 9, and Fanfani was sworn in as Prime Minister on April 18. (John Tagliabue, "Fanfani Is Sworn In as Head of Italy's 46th Postwar Cabinet," *New York Times*, April 19, 1987, p. 14) On April 28, Cossiga dissolved Parliament, after Fanfani lost a vote of no confidence, and called for elections to be held on June 14. (Loren Jenkins, "Italy Sets Elections For June 14: Christian Democrats' Maneuver Succeeds," *Washington Post*, April 29, 1987, p. A25)

⁷ See footnote 4, Document 258.

⁸ Possible reference to the announcement carried in the Canadian press on April 13 that Mulroney planned to propose, at the Venice G-7 Economic Summit meeting, the creation of a high-level group on apartheid. In telegram 3226 from Ottawa, April 14, the Embassy reported: "According to the Canadian Broadcasting Company (CBC) and as reported by the Canadian press, Mulroney will suggest that Canada, the FRG, France, Italy, Japan, the UK, and the U.S. despatch to South Africa a group of high-level envoys modelled on the ill-fated Eminent Persons Group (EPG) decided on by the Commonwealth in October, 1985." It further noted that the CBC had reported that Mulroney wanted the G-7 to "adopt the Commonwealth's Five Point Program of Action" designed to compel the South African Government to end apartheid and the state of emergency, release Nelson Mandela and other political prisoners, lift the ban on ANC activities, and agree to talks establishing a non-racial South African Government. (Department of State, Central Foreign Policy File, Electronic Telegrams, D870290-0152)

⁹ On April 27, the West German Government delayed its decision regarding a Soviet proposal to withdraw short-range INF missiles from Europe. (Robert J. McCartney, "Bonn Delays Decision on Missiles: Government Divided on Soviet Offer to Scrap Short-Range Arms," *Washington Post*, April 28, 1987, pp. A1, A14)

the agriculture issue in the Uruguay Round. Defense spending has leveled off both here and in Europe and the national commitments to NATO's three percent spending increase has waned. Some Europeans are worried about the increasing calls in the U.S. for withdrawals of our forces in Europe. Others voice the concern that the INF process could lead to a "denuclearization" of Europe. The Secretary continued that the Europeans were now making tentative moves toward improving defense cooperation, but they are not certain exactly where they want to go. These European doubts were emanating at a time of increasing effectiveness by Soviet public diplomacy campaigns, particularly in portraying Gorbachev as a leader who is working hard for disarmament and an improvement in East-West relations. (S)

While the Europeans appear to be "wringing their hands", *the Secretary* added that this is not to suggest that things are falling apart in Europe. In fact, much of what we see is the result of the successes of our common policies. Together we have produced a democratic tradition that has brought freedom and prosperity to a continent that was reeling from the impact of a devastating war 40 years ago. The market-oriented, capitalist economic systems have clearly shown their superiority over the centralized, dictatorial systems. We are developing technology for the future at an impressive rate. On the arms control front, the Soviets have come to adopt many of our viewpoints—indeed, the movement the Kremlin has shown is directly attributable to the President's policies. In sum, things are working well, but we will have to "rally the troops" in Venice. (S)

On the political agenda, *Secretary Shultz* said we will focus on East-West relations, terrorism and South Africa. Also, we know that the events of the day will often drive the discussions, much as Chernobyl did last year.¹⁰ We handled that quite well, and turned it into a positive issue for the West. This year we might anticipate that developments in the Gulf, in the Iran-Iraq war or elsewhere in the Mid-East, might intrude on our program. (S)

On East-West relations, *the Secretary* continued, we will want to share our assessments of Gorbachev's domestic and foreign policies. The FRG currently has the most enthusiastic interpretation of the General Secretary, while the UK takes the most skeptical approach. However, even Mrs. Thatcher has described him as a person with whom we can do business. We all know that change is taking place in the USSR, but we will want to maintain a realistic appraisal of events there. (S)

¹⁰ See footnote 2, Document 272.

Secretary Shultz noted that he had lunch at the Singapore Embassy earlier today and had discussed Soviet activities in Southeast Asia with ASEAN representatives. It is clear that the Soviet Union is expanding its presence and improving its base structure there. Thus, while there is some improvement in the Kremlin's performance on human rights, they are continuing their forward movement in international affairs. (S)

It would be unthinkable not to have a political statement come out of the Venice discussions. Some—notably France—will oppose or drag their feet. The Japanese have tabled a good draft statement on East-West relations. Others may recall, *Shultz* pointed out, that when Mitterrand threatened to stonewall on a political statement in Bonn over his pique with the GATT dispute, that it was Nakasone who kept the statement on track. He declared that it was fine for the Europeans, with their long democratic tradition, to take this blessing for granted. Nakasone said these statements were important to Japan. Years ago it, too, had made the commitment to move toward democracy, but its hold there was still fragile. Continuing, *Shultz* observed that France again appears to be the stumbling block, but it may be the Summit Sherpa Attali personally maneuvering here.¹¹ The UK is also reserving. We are not sure why. Maybe it has to do with elections. But perhaps Mrs. Thatcher will descend on the meeting in her usual manner and simply demand a tough statement, commented *Shultz*. (S)

On terrorism, France and Attali are again the problem, *Shultz* noted. Chirac, however, appears willing to turn the GOF around and we may now get a strong statement. We need to get a strong statement and somehow institutionalize the concept of multilateral cooperation among the Seven. We understand from polls the USIA has taken in Europe that there exists strong popular support for concerted action against terrorism and we might want to capitalize on that. (S)

On South Africa, *Shultz* continued, Mulroney will push for some sort of follow-on, mediating effort. We are very opposed to this idea, and Margaret Thatcher is not keen on it, either. We believe she does not want to support anything so bold at election time. In accord with the President's instructions, *Shultz* said, we are laying back on this issue, letting the others fight it out. What we do not want is to see an initiative floated that is eventually knocked down, thus giving the critics ammunition to portray the Summit as "having failed." Related to this is the narcotics issue, where we have fairly solid agreement. (S)

Shultz continued that finally there are a couple other issues we need to resolve. The first is the increasingly difficult dispute we have with

¹¹ Senior Presidential Counselor Jacques Attali.

the French over the conventional arms negotiations format. We have got to resolve this one. Shultz said he and Cap need to get together with the President to discuss it. Lord Carrington is pushing hard to get past these procedural differences. *Secretary Weinberger* added that we might just want to leave the French out of the negotiations. *Secretary Shultz* countered that the Europeans very much want the French involved given the "Atlantic to the Urals" nature of the talks. We should want to have the French involved, also, he stressed. (S)

Secretary Shultz said that with respect to the President's bilaterals we have a full agenda. The President would find Italy's Amintore Fanfani, whom we meet first in Venice, to be a very nice man. However, he is essentially a caretaker Prime Minister and probably will not be in office for more than a few weeks after Venice. The bilateral with Kohl will very likely be dominated by the INF process. The meeting with Mulrone will not likely address any new issues, and the bilateral with Nakasone should also address familiar topics. On the FRG meeting, if Jim Baker were here he would recommend that we bear down quite hard on the Germans. Kohl and Bangemann¹² are talking about stimulating their economy, but they speak of a tax cut in 1990 or later. This is unacceptable—let's push them, declared Shultz. (S)

For the meeting with the Pope, *the Secretary* continued, the President will want to share his impressions of Gorbachev and where we might go on East-West relations. The Pope will be going to Poland just after the meeting with the President and he certainly will want to discuss that trip. We also believe that Vatican interest in establishing relations with Israel will be a major topic of discussion. The Pope has just returned from Latin America, so we believe that he will, as well, want to review that very important trip. That trip has apparently made a big impact on the Pope, particularly his "showdown" with Pinochet.¹³ (S)

That same day, *Shultz* noted, the President will meet with President Cossiga and Prime Minister Fanfani for a private lunch, which the

¹² Minister of Economics Martin Bangemann.

¹³ Pope John Paul II visited Uruguay, Chile, and Argentina, March 31–April 12. (Shirley Christian, "3 Latin Countries Awaiting the Pope: John Paul Will Find Churches Marked by Political Strife," *New York Times*, March 29, 1987, pp. 1, 12) En route to South America on March 31, the Pope, before reporters, "bluntly labeled the Chilean Government of President Augusto Pinochet 'dictatorial' today and insisted that the Roman Catholic Church must struggle to bring democracy to Chile." (Roberto Suro, "Pope, on Latin Trip, Attacks Pinochet Regime," *New York Times*, April 1, 1987, pp. A1, A10) On April 1 and 2, the Pope met with Pinochet. Following the April 2 meeting, the Pope "called for Chile to move toward democracy in the 'not distant future.'" (Bradley Graham, "Gen. Pinochet, Welcoming Pope, Denounces Communist 'Lies'," *Washington Post*, April 2, 1987, pp. A27, A32, and Roberto Suro, "John Paul Calls for Chileans To Move Toward Democracy," *New York Times*, April 3, 1987, p. A3)

First Lady and Mrs. Fanfani will join. We have excellent relations with both the President and the Prime Minister and the lunch will likely not address any substantive problems. We believe that they will be interested in hearing from Mrs. Reagan regarding her work in combatting drugs and narcotics. As you know, we have worked very effectively with the Italians in this area. Following the Venice Summit the President will make a one-day trip to Berlin and Bonn, including a meeting with President von Weizsacker. The President's major speech there will provide an opportunity to draw comparisons with Mikhail Gorbachev; in fact, we may want to include some responses to what he himself may have said in Berlin on May 28.¹⁴ (C)

Frank Carlucci asked the Attorney General to say a few words regarding where we stood on cooperation against terrorism. *Mr. Meese* noted that there were encouraging signs. The FRG has become the sparkplug for promoting cooperation, particularly between Ministers of the Interior and Justice. Some of these efforts were designed, frankly, to circumvent the French, who were often obstructionist. We will try to place them in a situation where they (the French) would be faced with the "decidedly impolitic" requirement to oppose a constructive statement on terrorism. (S)

Meese noted that with respect to narcotics, the first-ever conference on this subject will be held in June.¹⁵ This was be an important chance to assess changes that have occurred in worldwide drug abuse, which is becoming more of a problem for all nations. In the past, the United States was the primary "addict country," but the problem has spread and other nations are experiencing serious problems with drug abuse. Given the impetus that the First Lady has given to combatting this problem, we should be able to focus attention on drug abuse in Venice, both in the bilaterals and during the Summit itself. In particular, *Meese* added, the President might want to express to the Italian Government our appreciation for the excellent cooperation we have from Interior Minister Scalfaro¹⁶ and other officials in Rome in combatting narcotics and drug trafficking. (S)

Secretary Weinberger pointed out that we may be close to a major European arms agreement. He said that the Soviet movement toward our position was a direct result of the Alliance's firmness in staying

¹⁴ Reference is to an upcoming meeting of Warsaw Pact leaders in East Berlin, May 28–29. (Gary Lee, "Soviet Bloc Leaders Gather in Berlin: East, West Compete in City's 750th Anniversary Celebrations," *Washington Post*, May 29, 1987, p. A32)

¹⁵ The International Conference on Drug Abuse and Illicit Trafficking (ICDAIT) was scheduled to take place in Vienna, June 17–26.

¹⁶ Oscar Luigi Scalfaro.

together and deploying the INF missiles. This decision demonstrated the strength and resolve of the Alliance—nothing else will bring the Soviets to the table so quickly. The Secretary added that he would be very interested in looking at the draft statement on South Africa that was mentioned.¹⁷ We had very real security concerns associated with South Africa. *Mr. Carlucci* promised to provide the Secretary a copy of the draft statement, but added that it is very sensitive. We do not want to create the impression publicly that the Summit Heads have a statement prepared, and then if one is not agreed upon, the Summit is regarded as “a failure.” (S)

Acting CIA Director Bob Gates said the Agency did not expect any surprises from General Secretary Gorbachev. The Soviet leader feels he “has the ball rolling” and will want to keep that momentum going. Gates said he agreed with Secretary Shultz’ comments that the General Secretary has internal problems, particularly within the government bureaucracy and the Party apparatus. But the fractiousness within Allied governments is also apparent. Germany is sensitive to demands that it expand its economy, but this is not a popular consideration at home. This is also true of Japan. This is why, Gates added, that it will be important for the President to take the lead in Venice. (S)

USIA Director Charlie Wick pointed out that there is considerable concern in Europe regarding the President’s political standing here. They follow the Iran-Contra hearings with interest, but primarily with an ear as to how it may impact on the President himself.¹⁸ The Europeans are concerned that the President “could be wounded” by these hearings. Wick continued that the polls bring us somewhat disturbing results. Many Europeans feel that Mikhail Gorbachev is more committed to an arms control agreement than Ronald Reagan, by a surprising 8-1 margin in the FRG. As Secretary Shultz has pointed out we do have a concerted effort underway to counter these impressions, but the Europeans are subjected to a steady, and effective, Soviet “disinformation” campaign. We need, especially, to get more senior speakers over to talk with key European audiences. Wick added that he felt “we got beat” by the Soviets in Reykjavik in the public diplomacy battle. They got there early with a strong contingent of propagandists and beat us to the punch. On a related note, Wick pointed out that he had received

¹⁷ Presumable reference to a U.S.-proposed statement on Western principles concerning South Africa.

¹⁸ The joint Senate and House Select Committee hearings, chaired by Inouye and Hamilton, respectively, began May 5. (Dan Morgan and Walter Pincus, “\$3.5 Million From Iran Used as Contra Aid, Secord Testifies,” *Washington Post*, May 6, 1987, pp. A1, A23-A24)

a courteous reply from (Central Committee) Secretary Yakovlev¹⁹ who may want to move forward on insuring mutual access to each other's radio waves. The Soviets may also want to get into exchanges of books, and radio and TV programs. In conclusion, the Director said, we have a plan for a very aggressive public diplomacy concept that we have provided to Frank Carlucci. We cannot allow Gorbachev to get the credit anymore for the progress we have made in reducing tensions. (S)

Ken Adelman expressed concerns that the Alliance continued to fiddle around and has not reached an INF decision. He agreed with Secretary Weinberger's comments that it was strength and resolve that was the key to bringing the Soviets to the table. He also said that he agreed that we needed to move toward a global 0–0 INF agreement, not one that left 100 in Asia. On START, the Soviets are simply not doing anything and this intransigence should "be exposed." On conventional arms, we should not pursue any arms agreement that does not consider the fundamental problem—Soviet superiority in conventional forces in Europe. On the INF, the key date will be May 29 when the German coalition must decide its position. Right now it is being torn apart. We may want to consider a Saturday radio address on this in order to give Kohl some support. (S)

Allen Wallis jokingly noted that, while today's discussion would not suggest, it, these Summits were designed to focus on major global economic problems. Nonetheless, the political component often dominated the proceedings. In this case, it appeared that we had the political agenda well in hand. *Mr. Carlucci* summarized that when the President goes to the Summit he would bring strength to the group at a time when the other leaders were being buffeted by internal difficulties. There has been a lot of work done in preparation for this Summit. Venice presents us with a number of challenges, but lots of opportunities as well. (S)

The meeting concluded at 2:53 p.m.

¹⁹ Aleksandr Yakovlev. Documentation on this exchange is scheduled for publication in *Foreign Relations, 1981–1988*, vol. XXXIX, Public Diplomacy.

302. Remarks by President Reagan¹

Washington, May 29, 1987

Remarks on United States Policy in the Persian Gulf

I want to speak directly this afternoon on the vital interests of the American people, vital interests that are at stake in the Persian Gulf area. It may be easy for some, after a near record 54-month economic recovery, to forget just how critical the Persian Gulf is to our national security. But I think everyone in this room and everyone hearing my voice now can remember the woeful impact of the Middle East oil crisis of a few years ago: the endless, demoralizing gas lines; the shortages; the rationing; the escalating energy prices; the double digit inflation; and the enormous dislocation that shook our economy to its foundations.

This same economic dislocation invaded every part of the world, contracting foreign economies, heightening international tensions, and dangerously escalating the chances of regional conflicts and wider war. The principal forces for peace in the world, the United States and other democratic nations, were perceived as gravely weakened. Our economies and our people were viewed as the captives of oil-producing regimes in the Middle East. This could happen again if Iran and the Soviet Union were able to impose their will upon the friendly Arab States of the Persian Gulf, and Iran was allowed to block the free passage of neutral shipping.

But this will not happen again, not while this President serves. I'm determined our national economy will never again be held captive, that we will not return to the days of gas lines, shortages, inflation, economic dislocation, and international humiliation. Mark this point well: The use of the vital sealanes of the Persian Gulf will not be dictated by the Iranians. These lanes will not be allowed to come under the control of the Soviet Union. The Persian Gulf will remain open to navigation by the nations of the world.

Now, I will not permit the Middle East to become a chokepoint for freedom or a tinderbox of international conflict. Freedom of navigation is not an empty cliché of international law. It is essential to the health and safety of America and the strength of our alliance. Our presence in the Persian Gulf is also essential to preventing wider conflict in the

¹ Source: *Public Papers: Reagan, 1987*, Book I, pp. 581–582. The President spoke to reporters at 1:46 p.m. in the Briefing Room at the White House.

Middle East, and it's a prerequisite to helping end the brutal and violent 6½-year war between Iran and Iraq. Diplomatically, we're doing everything we can to obtain an end to this war, and this effort will continue.

In summary then, the United States and its allies maintain a presence in the Gulf to assist in the free movement of petroleum, to reassure those of our friends and allies in the region of our commitment to their peace and welfare, to ensure that freedom of navigation and other principles of international accord are respected and observed—in short, to promote the cause of peace. Until peace is restored and there's no longer a risk to shipping in the region, particularly shipping under American protection, we must maintain an adequate presence to deter and, if necessary, to defend ourselves against any accidental attack or against any intentional attack. As Commander in Chief, it's my responsibility to make sure that we place forces in the area that are adequate to that purpose.

Our goal is to seek peace rather than provocation, but our interests and those of our friends must be preserved. We're in the gulf to protect our national interests and, together with our allies, the interests of the entire Western World. Peace is at stake; our national interest is at stake. And we will not repeat the mistakes of the past. Weakness, a lack of resolve and strength, will only encourage those who seek to use the flow of oil as a tool, a weapon, to cause the American people hardship at home, incapacitate us abroad, and promote conflict and violence throughout the Middle East and the world.

303. Remarks by President Reagan¹

West Berlin, June 12, 1987

Remarks on East-West Relations
at the Brandenburg Gate in West Berlin

Thank you very much. Chancellor Kohl, Governing Mayor Diepgen,² ladies and gentlemen: Twenty four year ago. President John F. Kennedy visited Berlin, speaking to the people of this city and the world at the city hall.³ Well, since then two other presidents have come, each in his turn, to Berlin.⁴ And today I, myself, make my second visit to your city.⁵

We come to Berlin, we American Presidents, because it's our duty to speak, in this place, of freedom. But I must confess, we're drawn here by other things as well: by the feeling of history in this city, more than 500 years older than our own nation; by the beauty of the Grunewald and the Tiergarten; most of all, by your courage and determination.

¹ Source: *Public Papers: Reagan, 1987*, Book I, pp. 634–637. All brackets are in the original. The President spoke at 2:20 p.m. at the Brandenburg Gate. Documentation regarding the drafting of the address, including NSC revisions, is in the Reagan Library, Peter Rodman Files, NSC Chron File, Chron 05/21/1987–05/31/1987. In his personal diary entry for June 12, the President recalled: "Then it was on to the Brandenburg gate where I addressed tens & tens of thousands of people—stretching as far as I could see. I got a tremendous reception—interrupted 28 times by cheers." (Brinkley, ed., *The Reagan Diaries*, vol. II, November 1985–January 1989, p. 735) Telegram 2132 from the Mission in Berlin, June 15, provided an overview of the President's visit, noting that the "official police count of the crowd for the President's speech was a noisy and flag-waving 20,000, not including several hundred people in East Berlin who tried to catch a glimpse of the proceedings. Governing Mayor Diepgen and Chancellor Kohl spoke first, thanking the U.S. for its commitment to Berlin and, in Kohl's words, emphasizing that the Wall could not be history's final answer to the German Question." (Department of State, Central Foreign Policy File, Electronic Telegrams, D870469–0420)

² Governing Mayor of West Berlin Eberhard Diepgen.

³ See footnote 7, Document 235.

⁴ Nixon visited Berlin on February 27, 1969. He visited the Charlottenburg Palace and the Siemens factory before departing Berlin for Rome. For the text of Nixon's remarks at Charlottenburg Palace and the Siemens factory, see *Public Papers: Nixon, 1969*, pp. 155–158. See also *Foreign Relations, 1969–1976*, vol. XL, Germany and Berlin, 1969–1972, Document 17. Carter visited Berlin on July 15, 1978. He took part in a wreath-laying ceremony at the Berlin Airlift Memorial at Tempelhof Field and then traveled to Potsdamer Platz before attending a town meeting at the Kongresshalle, where he took part in a question and answer session. For the text of Carter's remarks at the ceremony and the town meeting, see *Public Papers: Carter, 1978*, pp. 1293–1306.

⁵ The President met with Schmidt in Berlin on June 11, 1982; see footnote 3, Document 104.

Perhaps the composer, Paul Lincke, understood something about American Presidents. You see, like so many Presidents before me, I come here today because wherever I go, whatever I do: "*Ich hab noch einen koffer in Berlin.*" [I still have a suitcase in Berlin.]

Our gathering today is being broadcast throughout Western Europe and North America. I understand that it is being seen and heard as well in the East. To those listening throughout Eastern Europe, I extend my warmest greetings and the good will of the American people. To those listening in East Berlin, a special word: Although I cannot be with you, I address my remarks to you just as surely as to those standing here before me. For I join you, as I join your fellow countrymen in the West, in this firm, this unalterable belief: *Es gibt nur ein Berlin.* [There is only one Berlin.]

Behind me stands a wall that encircles the free sectors of this city, part of a vast system of barriers that divides the entire continent of Europe. From the Baltic, south, those barriers cut across Germany in a gash of barbed wire, concrete, dog runs, and guardtowers. Farther south, there may be no visible, no obvious wall. But there remain armed guards and checkpoints all the same—still a restriction on the right to travel, still an instrument to impose upon ordinary men and women the will of a totalitarian state. Yet it is here in Berlin where the wall emerges most clearly; here, cutting across your city, where the news photo and the television screen have imprinted this brutal division of a continent upon the mind of the world. Standing before the Brandenburg Gate, every man is a German, separated from his fellow men. Every man is a Berliner, forced to look upon a scar.

President von Weizsäcker has said: "The German question is open as long as the Brandenburg Gate is closed." Today I say: As long as this gate is closed, as long as this scar of a wall is permitted to stand, it is not the German question, alone that remains open, but the question of freedom for all mankind. Yet I do not come here to lament. For I find in Berlin a message of hope, even in the shadow of this wall, a message of triumph.

In this season of spring in 1945, the people of Berlin emerged from their air-raid shelters to find devastation. Thousands of miles away, the people of the United States reached out to help. And in 1947 Secretary of State—as you've been told—George Marshall announced the creation of what would become known as the Marshall plan. Speaking precisely 40 years ago this month, he said: "Our policy is directed not against any country or doctrine, but against hunger, poverty, desperation, and chaos."

In the Reichstag a few moments ago, I saw a display commemorating this 40th anniversary of the Marshall plan. I was struck by the sign on a burnt-out, gutted structure that was being rebuilt. I understand that Berliners of my own generation can remember seeing signs like it dotted throughout the Western sectors of the city. The sign read simply: "The Marshall plan is helping here to strengthen the free world." A strong, free world in the West, that dream became real. Japan rose from ruin to become an economic giant. Italy, France, Belgium—virtually every nation in Western Europe saw political and economic rebirth; the European Community was founded.

In West Germany and here in Berlin, there took place an economic miracle, the *Wirtschaftswunder*. Adenauer, Erhard, Reuter,⁶ and other leaders understood the practical importance of liberty—that just as truth can flourish only when the journalist is given freedom of speech, so prosperity can come about only when the farmer and businessman enjoy economic freedom. The German leaders reduced tariffs, expanded free trade, lowered taxes. From 1950 to 1960 alone, the standard of living in West Germany and Berlin doubled.

Where four decades ago there was rubble, today in West Berlin there is the greatest industrial output of any city in Germany—busy office blocks, fine homes and apartments, proud avenues, and the spreading lawns of park land. Where a city's culture seemed to have been destroyed, today there are two great universities, orchestras and an opera, countless theaters, and museums. Where there was want, today there's abundance—food, clothing, automobiles—the wonderful goods of the Ku'damm.⁷ From devastation, from utter ruin, you Berliners have, in freedom, rebuilt a city that once again ranks as one of the greatest on Earth. The Soviets may have had other plans. But, my friends, there were a few things the Soviets didn't count on—*Berliner herz*, *Berliner humor*, *ja*, and *Berliner schnauze*. [Berliner heart, Berliner humor, yes, and a Berliner *schnauze*.] [*Laughter*]

In the 1950's, Khrushchev predicted: "We will bury you." But in the West today, we see a free world that has achieved a level of prosperity and well-being unprecedented in all human history. In the Communist world, we see failure, technological backwardness, declining standards of health, even want of the most basic kind—too little food. Even today, the Soviet Union still cannot feed itself. After these four decades, then, there stands before the entire world one great and

⁶ Ludwig Erhard was Chancellor of the Federal Republic of Germany from October 17, 1963, until November 30, 1966. Ernst Reuter was the Governing Mayor of West Berlin from June 24, 1947, until September 29, 1953.

⁷ Reference is to the Kurfurstendamm, a retail and residential boulevard.

inescapable conclusion: Freedom leads to prosperity. Freedom replaces the ancient hatreds among the nations with comity and peace. Freedom is the victor.

And now the Soviets themselves may, in a limited way, be coming to understand the importance of freedom. We hear much from Moscow about a new policy of reform and openness.⁸ Some political prisoners have been released. Certain foreign news broadcasts are no longer being jammed. Some economic enterprises have been permitted to operate with greater freedom from state control. Are these the beginnings of profound changes in the Soviet state? Or are they token gestures, intended to raise false hopes in the West, or to strengthen the Soviet system without changing it? We welcome change and openness; for we believe that freedom and security go together, that the advance of human liberty can only strengthen the cause of world peace.

There is one sign the Soviets can make that would be unmistakable, that would advance dramatically the cause of freedom and peace. General Secretary Gorbachev, if you seek peace, if you seek prosperity for the Soviet Union and Eastern Europe, if you seek liberalization: Come here to this gate! Mr. Gorbachev, open this gate! Mr. Gorbachev, tear down this wall!

I understand the fear of war and the pain of division that afflict this continent—and I pledge to you my country's efforts to help overcome these burdens. To be sure, we in the West must resist Soviet expansion. So we must maintain defenses of unassailable strength. Yet we seek peace; so we must strive to reduce arms on both sides. Beginning 10 years ago, the Soviets challenged the Western alliance with a grave new threat, hundreds of new and more deadly SS-20 nuclear missiles, capable of striking every capital in Europe. The Western alliance responded by committing itself to a counterdeployment unless the Soviets agreed to negotiate a better solution; namely, the elimination of such weapons on both sides. For many months, the Soviets refused to bargain in earnestness. As the alliance, in turn, prepared to go forward with its counterdeployment, there were difficult days—days of protests like those during my 1982 visit to this city—and the Soviets later walked away from the table.

But through it all, the alliance held firm. And I invite those who protested then—I invite those who protest today—to mark this fact: Because we remained strong, the Soviets came back to the table. And because we remained strong, today we have within reach the possibility, not merely of limiting the growth of arms, but of eliminating, for

⁸Reference is to Gorbachev's movement for reform within the Communist Party of the Soviet Union (*perestroika*), characterized by openness (*glasnost*).

the first time, an entire class of nuclear weapons from the face of the Earth. As I speak, NATO ministers are meeting in Iceland to review the progress of our proposals for eliminating these weapons.⁹ At the talks in Geneva, we have also proposed deep cuts in strategic offensive weapons. And the Western allies have likewise made far-reaching proposals to reduce the danger of conventional war and to place a total ban on chemical weapons.

While we pursue these arms reductions, I pledge to you that we will maintain the capacity to deter Soviet aggression at any level at which it might occur. And in cooperation with many of our allies, the United States is pursuing the Strategic Defense Initiative—research to base deterrence not on the threat of offensive retaliation, but on defenses that truly defend; on systems, in short, that will not target populations, but shield them. By these means we seek to increase the safety of Europe and all the world. But we must remember a crucial fact: East and West do not mistrust each other because we are armed; we are armed because we mistrust each other. And our differences are not about weapons but about liberty. When President Kennedy spoke at the City Hall those 24 years ago, freedom was encircled, Berlin was under siege. And today, despite all the pressures upon this city, Berlin stands secure in its liberty. And freedom itself is transforming the globe.

In the Philippines, in South and Central America, democracy has been given a rebirth. Throughout the Pacific, free markets are working miracle after miracle of economic growth. In the industrialized nations, a technological revolution is taking place—a revolution marked by rapid, dramatic advances in computers and telecommunications.

In Europe, only one nation and those it controls refuse to join the community of freedom. Yet in this age of redoubled economic growth, of information and innovation, the Soviet Union faces a choice: It must make fundamental changes, or it will become obsolete. Today thus represents a moment of hope. We in the West stand ready to cooperate with the East to promote true openness, to break down barriers that separate people, to create a safer, freer world.

And surely there is no better place than Berlin, the meeting place of East and West, to make a start. Free people of Berlin: Today, as in the past, the United States stands for the strict observance and full

⁹On June 12, the NATO foreign ministers' meeting in Reykjavik issued a statement calling for the elimination of two classes of medium-range missiles. (Michael R. Gordon, "NATO Backs a Ban on Some Missiles: Foreign Ministers, in Iceland, Support U.S.-Soviet Move on Short-Range Arms," *New York Times*, p. 3, and Don Oberdorfer, "NATO Backs Proposed Cuts In Nuclear Missiles in Europe," *Washington Post*, pp. A16, A18; both June 13, 1987) The statement is printed in *American Foreign Policy: Current Documents, 1987*, pp. 262–264.

implementation of all parts of the Four Power Agreement of 1971.¹⁰ Let us use this occasion, the 750th anniversary of this city, to usher in a new era, to seek a still fuller, richer life for the Berlin of the future. Together, let us maintain and develop the ties between the Federal Republic and the Western sectors of Berlin, which is permitted by the 1971 agreement.

And I invite Mr. Gorbachev: Let us work to bring the Eastern and Western parts of the city closer together, so that all the inhabitants of all Berlin can enjoy the benefits that come with life in one of the great cities of the world. To open Berlin still further to all Europe, East and West, let us expand the vital air access to this city, finding ways of making commercial air service to Berlin more convenient, more comfortable, and more economical. We look to the day when West Berlin can become one of the chief aviation hubs in all central Europe.

With our French and British partners, the United States is prepared to help bring international meetings to Berlin. It would be only fitting for Berlin to serve as the site of United Nations meetings, or world conferences on human rights and arms control or other issues that call for international cooperation. There is no better way to establish hope for the future than to enlighten young minds, and we would be honored to sponsor summer youth exchanges, cultural events, and other programs for young Berliners from the East. Our French and British friends, I'm certain, will do the same. And it's my hope that an authority can be found in East Berlin to sponsor visits from young people of the Western sectors.

One final proposal, one close to my heart: Sport represents a source of enjoyment and ennoblement, and you many have noted that the Republic of Korea—South Korea—has offered to permit certain events of the 1988 Olympics to take place in the North. International sports competitions of all kinds could take place in both parts of this city. And what better way to demonstrate to the world the openness of this city than to offer in some future year to hold the Olympic games here in Berlin, East and West?

In these four decades, as I have said, you Berliners have built a great city. You've done so in spite of threats—the Soviet attempts to impose the East-mark, the blockade. Today the city thrives in spite of the challenges implicit in the very presence of this wall. What keeps you here? Certainly there's a great deal to be said for your fortitude, for your defiant courage. But I believe there's something deeper, something that involves Berlin's whole look and feel and way of life—not mere sentiment. No one could live long in Berlin without being completely disabused of illusions. Something instead, that has seen the difficulties

¹⁰ See footnote 3, Document 211.

of life in Berlin but chose to accept them, that continues to build this good and proud city in contrast to a surrounding totalitarian presence that refuses to release human energies or aspirations. Something that speaks with a powerful voice of affirmation, that says yes to this city, yes to the future, yes to freedom. In a word, I would submit that what keeps you in Berlin is love—love both profound and abiding.

Perhaps this gets to the root of the matter, to the most fundamental distinction of all between East and West. The totalitarian world produces backwardness because it does such violence to the spirit, thwarting the human impulse to create, to enjoy, to worship. The totalitarian world finds even symbols of love and of worship an affront. Years ago, before the East Germans began rebuilding their churches, they erected a secular structure: the television tower at Alexander Platz. Virtually ever since, the authorities have been working to correct what they view as the tower's one major flaw, treating the glass sphere at the top with paints and chemicals of every kind. Yet even today when the Sun strikes that sphere—that sphere that towers over all Berlin—the light makes the sign of the cross. There in Berlin, like the city itself, symbols of love, symbols of worship, cannot be suppressed.

As I looked out a moment ago from the Reichstag, that embodiment of German unity, I noticed words crudely spray-painted upon the wall, perhaps by a young Berliner, "This wall will fall. Beliefs become reality." Yes, across Europe, this wall will fall. For it cannot withstand faith; it cannot withstand truth. The wall cannot withstand freedom.

And I would like, before I close, to say one word. I have read, and I have been questioned since I've been here about certain demonstrations against my coming. And I would like to say just one thing, and to those who demonstrate so. I wonder if they have ever asked themselves that if they should have the kind of government they apparently seek, no one would ever be able to do what they're doing again.

Thank you and God bless you all.

304. Memorandum of Conversation¹

Washington, August 10, 1987, 4:30–4:45 p.m.

MEETING WITH CITIZENS NETWORK FOR FOREIGN AFFAIRS

SUBJECT

Foreign Affairs Funding

PARTICIPANTS

The President

White House

State

Howard Baker

Secretary Shultz

Secretary Whitehead

Michael Deegan

OMB

Director Miller

Citizens Network for Foreign Affairs

John Costello

Andrew Goodpaster

Leonard Marks

Henry H. Fowler

Randall Teague

Melvin Laird

Alexander Trowbridge

Wallace J. Campbell

Lucy Wilson Benson

Saul Linowitz

NSC

Frank Carlucci

Robert Dean

Donald Tice

MINUTES

Frank Carlucci introduced the Citizens Network members as a group of distinguished Americans, all of whom have held positions of high responsibility in foreign affairs, who have undertaken a labor of love to help the President in the difficult task of obtaining adequate funding for the conduct of foreign affairs.

The *President* welcomed the opportunity to share his concerns about Congressional cuts in the foreign affairs budget. Congress has slashed foreign affairs programs by one third since 1985—far more than

¹ Source: Reagan Library, Donald Tice Files, Function 150—Citizens Network (08/06/1987–09/10/1987). No classification marking. The meeting took place in the Roosevelt Room. No drafting information appears on the memorandum. Also scheduled for publication in *Foreign Relations, 1981–1988*, vol. XXXVIII, International Economic Development; International Debt; Foreign Assistance. In his personal diary entry for that day, the President noted: "At 4:30 I met with the Citizens Network. This is a high powered group who involve other groups in a network to support our programs of foreign aid. This is a budget target for Cong. & they've slashed the h--l out of the new budget for our world wide program." (Brinkley, ed., *The Reagan Diaries*, vol. II, November 1985–January 1989, p. 763)

other parts of the budget. In fact, our foreign affairs programs cost less than two cents out of each budget dollar.

Nearly all of our foreign grant and loan money is spent right back in the United States, creating jobs and bolstering our economy. And, our economic development aid goes to countries in the developing world which provide 40 percent of the market for our exports. Our money spent on military assistance means our allies and friends join us in defending our—and their—security. This certainly costs a lot less than having to send American boys over there.

At the present levels set by Congress, down 15 percent from my request, we will not be able to keep our commitments, to countries whose support is vital to our own national security.² But I am preaching to the choir when I talk with this distinguished group. What I want to hear is more about your efforts and plans to carry the importance of funding our foreign affairs programs to the American people. You know that in doing this you have both my gratitude and my support.

Melvin Laird said his delegation today is a group of citizens trying to alert the public to the problems of obtaining proper foreign affairs funding. Congress seems to think that because they don't hear much from their constituents about this that it is not very important. The Citizens Network has a large number of organizations throughout the nation associated with it, and the objective is to activate these groups to provide active support to funding foreign affairs. The President referred to the 15 percent cuts below his request; in fact these cuts had been made even deeper by Congressional actions over the past few days.³ These are reductions which cannot be allowed to stand if the United States is to fulfill the world leadership role thrust upon it. *Secretary Shultz* has given selflessly of his time in support of proper funding, and the job of the Citizens Network is to bring in the broad support which will

²For the President's message to the Speaker of the House of Representatives and the President of the Senate transmitting the FY 1988 budget, see *Public Papers: Reagan, 1987*, Book I, pp. 3–11.

³In testimony before the Subcommittee on Foreign Operations of the Senate Appropriations Committee on August 7, Shultz indicated that he would discuss the administration's FY 1988 foreign assistance request, adding "I want to convey to you my deep concern about the major foreign policy crisis we are creating for ourselves. There is a serious mismatch between our foreign policy goals, interests, and commitments on one hand, and, on the other, the resources at our command with which to pursue those goals and interests and honor our commitments." Shultz criticized the FY 1988 budget resolution, asserting: "With the passage of the FY 1988 budget resolution, it is clear that resource constraints are by no means a thing of the past. I understand that this committee has been allocated approximately \$13 billion for foreign assistance. That is about \$900 million less than the inadequate amount appropriated in FY 1987 and \$2.25 billion (or 15%) less than the President requested. The implications of cuts of this magnitude—coming as they do on top of sharp cuts in FY 1986 and 1987—could be devastating." (*Department of State Bulletin*, October 1987, pp. 6 and 10)

assure the kind of funding which will allow us to play our proper role. Foreign affairs should be a part of the overall national security budget, because the proper conduct of foreign affairs is just as important to our national security as a strong military.

Henry Fowler said there is a very serious immediate problem in obtaining proper funding, but there is also a longer range problem as well. The people who have grown to maturity after the 1950s, which is a large part of our population and includes the people who are making many of the decisions in our society, have no personal experience with or knowledge of the immediate post World War II period when we funded the reconstruction of a war-torn Europe and Japan, when we formed the great organizations—like NATO and the OECD—and the international banks which contributed to making our world what it is today. Thus, they do not appreciate the responsibility which was thrust upon the United States after World War II. If they are properly informed of the vital importance to our security and economic well-being of the proper conduct of foreign affairs, they will demand that this part of our government be adequately financed so we can engage in those things which we must do in our own interest.

Henry Fowler then added, “We need your leadership, Mr. President,” to help us bring these issues before the American people. So, we ask that you highlight to the workers, to the farmers, and to business, the importance of providing this support. Second, we ask that you highlight the importance to all Americans of adequate foreign affairs funding by making this the subject of one of your Saturday morning broadcasts. And third, we ask that you meet with the full leadership of the Citizens Network in the fall when we formally inaugurate our nation-wide drive to enlist the support of the American people in pressing for a level of foreign affairs funding which will protect our national security.”

Carlucci said that Deputy Secretary Whitehead was playing a vital role in this effort as the spearhead, under Secretary Shultz, for obtaining proper funding. *Secretary Whitehead* said that the Citizens Network was doing a wonderful job, playing an active role in directing the attention of the American people to the importance of foreign affairs funding. The problem is a lack of natural constituency for foreign affairs, and the program the Citizens Network is developing will get across to the American people just how important it is that foreign affairs be properly supported.

Andrew Goodpaster said the same problem existed when he worked under President Eisenhower, and what the Citizens Network is doing now is very similar to what they did then. The term “network” is important, because what is needed is the stimulation of a wide network [of] people placed in positions where they can gain the support of the

American public. The American people must be convinced that foreign affairs programs provide the best return on investment in the budget dollar.

Lucy Benson said she wished to underline what Goodpaster had said about the importance of the term network, because it was only through tying together various segments of our society in united support that we would be able to obtain the kind of funding needed for our security.

The *President* spoke of the importance of educating people about foreign affairs, saying he was horrified about a year ago to find out that a large number of juniors at a major university did not even know which side Hitler was on in World War II.

Leonard Marks related having been told by President Eisenhower, after he left office, that one of his regrets was not having been able to do more in the area of public diplomacy. In this regard, statistics are revealing: in 1983 the Soviet Union distributed world-wide some 83 million books, 23 million of them in English; in the same period the United States distributed 571,000. In Spanish language alone, the Soviets printed 11.6 million books. Now, VOA broadcasts 800 hours a month; under the present budget levels 130 hours will have to be cut, meaning the complete elimination of broadcasts to Latin America. It is the hope of the Citizens Network that the President can use his communications ability to help make the case for foreign affairs funding.

Fowler said he recalled a statement by Orwell that Hitler burned books, but Stalin rewrote them.

The *President* thanked the Citizens Network representatives for their efforts and the meeting adjourned at 4:50 p.m.

305. Information Memorandum From the Director of the Policy Planning Staff (Solomon) to Secretary of State Shultz¹

Washington, August 13, 1987

SUBJECT

Diplomatic Strategy for the Next Twelve Months

We face a year of major challenges in our foreign relations. Not only are the issues intractable on their own terms, but our room for maneuver will be increasingly constrained by two interrelated factors—time, and the American domestic political situation. Whatever the outcome of the 1988 election, a new Administration will take office in 1989. We have seventeen months remaining to complete the President's agenda. In fact, the timeframe for active policy engagement is probably not much more than 12 months in duration i.e. until the candidates are chosen and the campaign begins in September 1988.

As the Presidential political race heats up. Domestic politics will increasingly impact on the Administration dealings with foreign governments and Congress. Inevitably the focus will shift over the next year from this Administration and its policies to speculation and anticipation of the policies of the Presidential candidates. Simply put by the spring of next year the Administration will find it increasingly difficult to generate the required public/Congressional support for major foreign policy initiatives, no matter how imaginative, if they are not grounded in current policy or so non-controversial as to command wide public/Congressional support, (or at least not to generate strong opposition).

This does not mean that we should feel paralyzed or that this is already a lame duck Administration. It does mean that we must adopt a sharply focused, concrete foreign policy agenda—one that has some realistic prospect for progress over the next year. This can be done. Major elements of the President's agenda are still on the table and hold the prospect of significant progress. Further, several difficult issues have been in play for some time and they must be addressed vigorously if they are not to worsen.

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons AUGUST 1987. Secret. Drafted by Daniel O'Donohue, who initialed for Solomon.

Following is a summary outline of the major foreign policy issues which we believe hold the greatest potential for progress in the next year, as well as those issues and crisis situations which will demand close foreign policy management by you and the President:

1. *Arms Control—The US-Soviet Relationship*: There is a reasonable prospect of progress on the arms control negotiations with the Soviets and a subsequent summit. If we succeed in the INF negotiations, make progress on START and pull off a successful summit this will be a central accomplishment of this Administration. If we fail, the management of the US-Soviet relationship as well as the international political fallout will demand careful handling.

2. *Managing the Alliance*: Whatever the outcome of our dealings with the Soviets, management of our NATO Alliance relationship will be of central concern. Policy decisions on significant Alliance issues—particularly conventional arms control—and new directions for the Alliance will not wait on a new administration. Prospects for greater intra-European security cooperation will necessitate careful management on our part. Our bilateral relationship with the FRG—from arms control to German interest in launching a “second stage” of detente—will require special attention.

3. *Persian Gulf*: We are in a crisis situation in the Persian Gulf with no likely relief in the near term. There are no simple or easy solutions to our confrontation with Iran or the Iran-Iraq war, but it remains in our interest to find ways to ease the confrontation in the Gulf. We must continue to marshal allied support for our own actions and look for transition arrangements that would reduce the threat to Gulf shipping and lower our own military profile in the region—in part by internationalizing a regime of security for shipping in the Gulf.

4. *Central America*: We will face major decisions in the near term on how to deal with the Central America. These will demand early policy decisions, and over the next year we foresee a period of major political tests requiring greater diplomatic flexibility on our part as well as a game plan giving more prominence to the diplomatic track while keeping the Contras in being and securing needed Congressional support.

5. *Afghanistan*: The Soviets are hurting in Afghanistan. We see a possibility that the continued military success of the resistance, coupled with more diplomatic pressure and, hopefully, greater pragmatism in the Gorbachev Kremlin may finally lead the Soviets to consider realistically ways of disengaging.

6. *Dealing With the New Japanese Leadership*: Nakasone steps down this fall; and our relationship with Japan is too important to allow a chill to set in or adrift in the relationship. Consequently, we will need close

constructive relations with Nakasone's successor on the entire spectrum of problems in the relationship.

7. *Middle East Peace Process*: Given Israel's contemporary political scene, it is unlikely that support can be mustered for an international conference in the coming 18 months. However, we must continue to associate ourselves visibly with active efforts to further the peace process and not lose the momentum that has been created in recent years.

8. *Southern Africa*: There is little prospect for dramatic change in the Southern Africa situation over the next year. At the same time we must remain actively engaged in bringing change in South Africa, as well as counter Soviet influence where it is already entrenched.

9. *International Economic Issues*: There are a surfeit of continuing economic problems demanding high level attention including the continuing effort against protectionism, improving the international economic climate, and debt repayment.

10. *Foreign Affairs Resource Shortfalls*: Threatening our ability to handle any of these major policy issues, and indeed the Department's ability to function effectively, is the foreign affairs resource crisis. Unless we are blessed in the next month with a Congressional miracle, we will face major shortfalls in funding both for the Department and the foreign affairs budget. These budget reductions will threaten our foreign policy objectives across the board—Central America, Africa, the UN, base negotiations and key bilateral relationships. A major priority must be to restore sufficient funds to continue our foreign affairs programs. If we do not succeed we will not have the tools to do our job.

In summary, the verdict is still out on the Administration's foreign policy record. If we can show success or significant progress in such areas as Central America, Afghanistan or in the management of the Soviet relationship, the balance sheet will be strongly positive. And by successfully managing the range of issues outlined above, the Administration will leave to its successors a strong record of foreign policy achievements.

306. Remarks by President Reagan¹

Los Angeles, August 26, 1987

Remarks on Soviet-United States Relations at the
Town Hall of California Meeting in Los Angeles

Before we begin, I hope you'll forgive me for saying that it's good to be back in California. Actually, I didn't realize how completely I made the transition from Washington until I got on a helicopter yesterday and told the pilot, Giddyup! [*Laughter*] But here I am—delighted to be here. And I'm grateful for this opportunity to address the Town Hall of California meeting and for the chance to be heard at the Chautauqua conference in New York, where citizens of the United States and the Soviet Union are meeting together. East coast or west coast, our purpose is the same: to promote freer and more open communications between the peoples of all nations and to advance together the cause of peace and world freedom.

In February of 1945, as he first began meeting with Roosevelt and Stalin at Yalta, much the same purpose preoccupied Winston Churchill. He felt a great sense of urgency and said to his daughter, "I do not suppose that at any moment in history has the agony of the world been so great or widespread. Tonight the Sun goes down on more suffering than ever before in the world." It was not just the misery of World War II that appalled him. Churchill said he also harbored a great fear that "new struggles may arise out of those that we are successfully ending." About the great powers meeting in Yalta, he added: "If we quarrel, our children are undone."

But we know now the great powers did agree at Yalta. Difficult issues were raised and resolved; agreements were reached. In a narrow sense, the summit conference was successful; the meeting produced tangible diplomatic results. And among these was an endorsement of the rights upheld in the Atlantic Charter, rights that would "afford assurance that all men in all the lands may live out their lives in freedom from fear and want." And so, too, the right of self-determination of Eastern European nations like Poland were—at least on paper—guaranteed. But in a matter of months, Churchill's worst fears were realized: The Yalta guarantees of freedom and human rights in Eastern

¹ Source: *Public Papers: Reagan, 1987*, Book II, pp. 977–982. All brackets are in the original. The President spoke at 1:02 p.m. at a luncheon in the Los Angeles Ballroom at the Century Plaza Hotel. His remarks were broadcast live via satellite to a conference on U.S.-Soviet relations held in Chautauqua, New York.

Europe became undone. And as democracy died in Poland, the era of allied cooperation ended. What followed is known to us now as the postwar era, a time of tense exchanges and often dangerous confrontations between East and West, our “long twilight struggle,” as President Kennedy called it. And so, 40 years ago, far from ending the world strife and human suffering that so haunted Churchill, the great powers embarked on an era of cold war conflict.

Perceiving a grave threat to our own security and the freedom of our allies in Western Europe, the people of the United States put in place the major elements of America’s bipartisan foreign policy for the next four decades. In 1947 the Marshall plan began the reconstruction of Europe. In 1947 the Truman doctrine supported the independence of Greece and Turkey and established the principle of assistance to nations struggling for democracy and against the imposition of totalitarian rule.

In the 40 years since—for 8 American administrations and 20 Congresses—the basis of America’s foreign policy principles held firm: opposition to totalitarianism, the advocacy of democratic reform and human rights, and the promotion of worldwide prosperity and freedom, all on the foundation of a strong defense and resolute commitment to allies and friends. When this administration took office, our own sense of these longstanding goals was keen, but we were also aware that much needed to be done to restore their vigor and vibrancy. The structure and purpose of American foreign policy had decayed in the 1970’s. But as we worked to restore the traditionally upright and forceful posture of the United States in the world and reinvigorate a foreign policy that had maintained allied security for 40 years, we also sought to break out of the stalemate of the cold war, to push forward with new initiatives that might help the world evolve beyond the postwar era.

We sought more than a shaky world peace atop the volcano of potential nuclear destruction; we sought something beyond accepted spheres of influence and tense standoffs between the totalitarian and the democratic worlds. In short, we sought ways to dispel rather than to live with the two great darkening clouds of the postwar era: the danger of nuclear holocaust and the expansion of totalitarian rule. In dealing with the nuclear threat, the United States said it would no longer pursue merely arms control—the management, limitation, or controlled growth of existing arsenals. The United States, together with our NATO allies, would seek instead deep verifiable reductions in these arsenals—arms reduction, not just arms control. We sought to do it by moving beyond the status quo, a mere *modus vivendi*, in the arms race.

In addition to opening negotiations to reduce arms in several categories, we did something even more revolutionary in order to end nuclear fear. We launched a new program of research into defensive means of preventing ballistic missile attack. And by doing so, we attempted to maintain deterrence while seeking to move away from the concept of mutual assured destruction—to render it obsolete, to take the advantage out of building more and more offensive missiles and more and more warheads, at last to remove from the world the specter of military powers holding each other hostage to nuclear retaliation. In short, we sought to establish the feasibility of a defensive shield that would render the use of ballistic missiles fruitless.

This was the meaning of our decision to move forward with SDI, and I believe it was the right decision at the right time. But while we sought arms reduction and defensive deterrence, we never lost sight of the fact that nations do not disagree because they are armed; they are armed because they disagree on very important matters of human life and liberty. The fundamental differences between totalitarian and democratic rule remained. We could not gloss over them, nor could we be content anymore with accepted spheres of influence, a world only half free. And that is why we sought to advance the cause of personal freedom wherever opportunities existed to do so. Sometimes this meant support for liberalization; sometimes, support for liberation.

In regional conflicts, for example, we elaborated a new policy of helping democratic insurgents in their battle to bring self-determination and human rights to their own countries. This doctrine was first spelled out in our decision to assist the people of Afghanistan in their fight against Soviet invasion and occupation. It was also part of our decision to assist the people of Nicaragua in their battle to restore the integrity of their 1979 revolution and make that government keep its promise of democratic rule. Our current efforts in Angola in support of freedom fighters constitute the most recent extension of this policy.

In the area of human rights, our challenges to the Soviet Union became direct. We observed with Andrei Sakharov that true peace in the world could come only when governments observed and recognized the human rights of their citizens. Similarly, in our bilateral relationships—cultural and political exchanges, for example—we sought from the Soviets a new willingness to open this process up to larger and more diverse groups.

And finally, undergirding all of this was our commitment to public candor about the nature of totalitarian rule and about the ultimate objective of United States foreign policy: peace, yes; but world freedom, as well. We refused to believe that it was somehow an act of belligerence to proclaim publicly the crucial moral distinctions between democracy and totalitarianism.

And in my address to the British Parliament in 1982, when I noted the peaceful extension of human liberty was the ultimate goal of American foreign policy, I also pointed out that history's momentum resided instead with the cause of democracy and world freedom. And I offered hope that the increasing failure of statist economies would lead to demands for political change. I asked, in short, for a "crusade for freedom" that would spread democracy and promote democratic institutions throughout the world.

As I've said before, we believe that such public affirmations were not only necessary for the protection and extension of freedom but, far from adding to world tensions, crucial to reducing them and helping the pursuit of peace. Public candor and realism about and with the Soviets have helped the peace process. They were a signal to our Soviet counterparts that any compulsion to exploit Western illusions must be resisted, because such illusions no longer exist.

Our foreign policy, then, has been an attempt both to reassert the traditional elements of America's postwar strategy while at the same time moving beyond the doctrines of mutual assured destruction or containment. Our goal has been to break the deadlock of the past, to seek a forward strategy—a forward strategy for world peace, a forward strategy for world freedom. We have not forsaken deterrence or containment, but working with our allies, we've sought something even beyond these doctrines. We have sought the elimination of the threat of nuclear weapons and an end to the threat of totalitarianism. Today we see this strategy—a strategy of hope—at work. We're moving toward reductions in nuclear arms. SDI is now underway. Our offer to share the benefits of strategic defense remains open to all, including the Soviet Union.

In regional conflicts like Afghanistan and Central America, the Soviet Union and its clients have, thus far, shown all too little real willingness to move toward peace with real self-determination for the people. But the forces of freedom grow steadily in strength, and they put ever greater pressure on the forces of totalitarianism. The paths to peace with freedom are open if Moscow decides to stop imposing its self-styled revolutions. In another area, we found a parallel interest with the Soviet Union in a political end to the Iran-Iraq war. We hope we can build together on this despite our differences. And finally, in the Soviet Union itself, we see movement toward more openness, possibly even progress towards respect for human rights and economic reform.

And all of these developments weigh on our minds. We ponder their meaning; we ask ourselves: Are we entering a truly new phase in East-West relations? Is far-reaching, enduring change in the postwar standoff now possible? Do we have at last the chance envisioned by Churchill to end the agony of the 20th century?

Surely, these are our hopes, but let honesty compel us to acknowledge we have fears and deep concerns, as well. And while we acknowledge the interesting changes in the Soviet Union, we know, too, that any Western standard for democracy is still a very distant one for the Soviets.

We know what real democracy constitutes; we understand its implications. It means the rule of law for the leaders as well as the people. It involves limitations on the power of the state over the people. It means orderly debate and meaningful votes. It means liberation of the captive people from the thralls of a ruling elite that presumes to know the people's good better than the people. So, while there's hope today, there's also uncertainty. And that's why we know we must deal with the Soviet Union as it has been and as it is, and not as we would hope it to be. And yet we cannot rest with this. The opportunity before us is too great to let pass by. And that's why in the past year we've challenged the Soviets with our own expectations—ways of showing us and the world their seriousness about fundamental improvements. It's why we have set down guideposts and pointers towards a better relationship with the Soviet Union.

For 2 years we've been asking the Soviets to join in discussing a cooperative approach toward a transition to defensive deterrence that threatens no one. In April of 1987, we asked that a date be set this year for rapid and complete withdrawal from Afghanistan;² in June, that the Soviets join us in alleviating the divisions of Berlin and begin with the dismantling of the Berlin wall;³ in July, that the Soviets move toward self-determination in East Europe and rescind the Brezhnev doctrine.⁴ Of course, these are significant democratic steps, but steps such as these are required for a fundamental improvement in relations between East and West.

Well, today, I want to propose another step that Soviet leaders could take, a realistic step that would greatly help our efforts to reduce arms. We're near an historic agreement that could eliminate a whole class of missiles. If it is signed, we shall rely not on trust but on the evidence of our own eyes that it is being implemented. As the Russians themselves say, *dovorey no provorey*—trust but verify. And that we shall do.

² During remarks made at a Los Angeles World Affairs Council luncheon on April 10, the President stated: "I challenge the U.S.S.R. to set a date this calendar year when it will begin the withdrawal of Soviet troops on a speedy schedule." (*Public Papers: Reagan, 1987, Book I, p. 367*)

³ See Document 303.

⁴ In July 24 remarks made at the Ukrainian Catholic National Shrine to participants in a Captive Nations conference the President said: "If the leadership of the Soviet Union desires a new relationship with the West, it can start by establishing a new relationship with its neighbors and allies. Let us hear that the so-called Brezhnev doctrine is no longer policy; it is null and void." (*Public Papers: Reagan, 1987, Book II, p. 868*)

But effective verification requires more than unilateral technical means. Even onsite inspection is not a panacea, especially as we address the ambitious agenda of arms reduction ahead. We need to seek compliance with existing agreements, all too often violated by the U.S.S.R. We also need to see more openness, a departure from the habits of secrecy that have so long applied to Soviet military affairs.

I say to the Soviet leadership: It's time to show some *glasnost* in your military affairs. First, publish a valid budget of your military expenditures, just as we do. Second, reveal to the Soviet people and the world the size and composition of the Soviet Armed Forces. Third, open for debate in your Supreme Soviet the big issues of military policy and weapons, just as we do. These steps would contribute to greater understanding between us and also to the good sense of your own decisions on the grave matter of armaments and military posture.

The immediate agenda of arms reduction is clear. We can wrap up an agreement on intermediate-range nuclear missiles promptly. There are still issues to be worked out. Our delegation in Geneva has already pointed the way to simplifying verification requirements now that we've agreed to the total elimination of U.S. and Soviet INF missiles.⁵ We have also repeatedly pointed out that the last-minute demand by the Soviets concerning West German Pershing 1–A missiles was without foundation. Well, earlier today Chancellor Kohl removed even this artificial obstacle from consideration.⁶ We are therefore hopeful that the Soviet Union will demonstrate that there is substance behind the

⁵ In a June 15 address to the nation on the G–7 Venice Economic Summit meeting, arms control, and the deficit, the President remarked that the United States would formally propose “the global elimination of all U.S. and Soviet land-based, shorter range INF missiles, along with the deep reductions in—and we hope the ultimate elimination of—longer range INF missiles.” He indicated that the new proposal would constitute “an integral element of the INF treaty” already put forward by U.S. negotiators in Geneva. (*Public Papers: Reagan, 1987*, Book I, p. 653) On July 22, Fitzwater read a statement indicating that Gorbachev, according to an interview published that day, was “prepared to agree to eliminate all longer range INF missiles” and was also “prepared to agree to the elimination of shorter range INF missiles,” which U.S. negotiators had proposed in Geneva on June 16. (*Public Papers: Reagan, 1987*, Book II, pp. 859–860) In remarks made at the Federal Conference on Commercial Applications of Superconductivity on July 28, the President indicated that U.S. negotiators in Geneva were putting forward a formal proposal that contained both the November 1981 U.S. proposal to eliminate all long-range missiles and its June proposal to eliminate shorter range missiles. He conceded, “There’s still much to do in Geneva, but I’m heartened that the climate is now receptive to an historical proposal of this type.” (*Ibid.*, p. 883)

⁶ On August 26, Kohl announced that the West German Government would eliminate its Pershing I–A missiles if the United States and Soviet Union agreed to eliminate all medium-range and short-range missiles. (Serge Schmemmann, “A Spur for Geneva: Kohl Indicates He Wants to Help Remove Snag Over the Pershings,” *New York Times*, August 27, 1987, pp. A1, A7) In telegram 26346 from Bonn, August 26, the Embassy provided an informal translation of Kohl’s statement on INF and the Pershing I–A made at his August 26 press conference. (Department of State, Central Foreign Policy File, Electronic Telegrams, D870697–0730)

rhetoric they have repeated so often of late: that they genuinely want a stabilizing INF agreement. And if so, they'll move to meet our proposals constructively rather than erect [erect] additional barriers to agreement. We also need to move ahead rapidly on the goal Mr. Gorbachev and I agreed to at Reykjavik last fall, a 50-percent reduction in strategic nuclear forces. These would be great achievements.

Let me pause and make note of something that will advance the cause of all these negotiations. I think it is vital that Western reporters and editors keep the real record of these negotiations in mind. I note, for example, that the other day the *Economist* ran a kind of believe-it-or-not type item in which it reminded its readership that it had been the United States that first proposed the zero option in the INF negotiations and first proposed the 50-percent reductions in strategic weapons. I would simply say that as soon as the Soviets realize that attempts to manipulate the media of [on] these negotiations will not work, the better the chances are of treaty documents eventually getting signed.

So, too, as most of you know, we have pursued our four-part agenda with the Soviets of human rights, arms reductions, resolution of regional conflicts, and bilateral issues. All parts must advance if the relationship as a whole is to advance. Let me stress the serious concern about Soviet actions in one of these areas: regional conflicts. The fact remains that in Afghanistan Soviet occupation forces are still waging a war of indiscriminate bombing and civilian massacre against a Moslem people whose only crime is to love their country and their faith. In Central America, Soviet-bloc arms deliveries have been speeding up during the past year, increasing by more than 100 percent. So, while talking about reforms at home, the Soviet Union has stepped up its efforts to impose a failed system on others. I stress that speaking up about such actions is a matter of conscience to the West and that Soviet actions in these areas are being viewed with the utmost concern. And I cannot overemphasize this point.

But let me again note that the progress we've seen in East-West relations flows from the new strength and resolution that we have brought to American foreign policy and from the boldness of our initiatives for peace. We are also seeing a Soviet leadership that appears more willing to address the problems that have divided East and West so long and to seek agreements based on mutual benefit.

Perhaps the final measure of this new resolve can be found in the growth of democracy throughout the world. Only a decade ago, democracy was under attack throughout Latin America. Today more than 90 percent of Latin Americans live in nations that are now democratic or headed decisively in that direction. A recent U.N. General Assembly session on Africa called for more personal freedom and a reduction of

government power in order to spur economic progress.⁷ We have also seen dramatic democratic gains in the past few years in nations like the Philippines and South Korea. Even places like China have shown an openness toward economic reform. And above all, the old solutions of the 20th century for the world's woes—solutions calling for more and more state power concentrated in the hands of smaller and smaller elites—have come under fire everywhere, especially among the intellectuals. The new idea of a nexus between economic and political freedom as the principal vehicle of social progress is catching on.

In looking back over these 6½ years, then, I cannot help but reflect on the most dramatic change to my own eyes: the exciting new prospects for the democratic cause. A feeling of energy and hope prevails. Statism has lost the intellectuals, and everywhere one turns, nations and people are seeking the fulfillment of their age-old aspirations for self-government and self-determination. Perhaps, then, we may finally progress beyond the postwar standoff and fulfill the promises made at Yalta but never acted upon. Perhaps it's not too much to ask for initial steps toward democratic rule and free elections. And I hope to address this matter more fully before the United Nations General Assembly.⁸

Yes, we may, then, live at the moment Churchill once anticipated: a moment when the world would have a chance to redeem the opportunity it missed four decades ago—a chance for the “broad sunlit uplands” of freedom, a chance to end the terrible agony of the 20th century and the twin threats of nuclear war and totalitarian ideology, a chance, above all, to see humanity live and prosper under that form of government that Churchill called the worst form of government except, as he said, for all the others: democracy. This is the opportunity before us. It's one we must seize now for ourselves and future generations.

I've been greatly honored to be invited to be here today and to address you. I have been a member of Town Hall for 20 years—started when I was just a kid. [*Laughter*] But I'm also aware that this is the 50th anniversary of Town Hall. So, happy birthday to Town Hall! And thank all of you, and God bless you all.

⁷ See footnote 7, Document 275.

⁸ Printed as Document 310.

307. Notes of a Meeting¹

Los Angeles, August 27, 1987

MEETING PARTICIPANTS

The President, Secretary Shultz, Senator Baker

Personnel—Amb. & ACDA. My views should have special weight.

Next year ahead. Three areas of possible achievement. Others are areas of guarding (?-sp).

- 1) USSR & Arms Control
- 2) Central America
- 3) Middle East

Immediate attention.

Soviet & Arms Control. Preparing for Shevardnadze meeting.² We vulnerable in absence of movement on START. Without START, INF is naked. Soviets can proliferate strategic weapons. Can hit INF targets with strategic.

Through your discussions in R.³ you have:

Agreement to warheads of 6,000

Probably 4,800 ballistic missiles

Good bomber counting rule

Agreement cut by 1/2 ground based ballistic missiles

Have problem of mobiles to resolve.

Should have additional sublimit, but Crowe opposes SLBM. He would choose 4,800.

¹ Source: Reagan Library, Frank Carlucci Files, Secretary Shultz (08/14/1987–11/03/1987) [Meetings with President—Notes]. Secret. Drafted by Carlucci. In his personal diary entry for August 27, the President indicated that he met with several “Nicaraguan Resistance leaders” at the Century Plaza Hotel, adding: “After meeting went up to the Suite with George S., Howard B. & Frank C. A good discussion of arms negotiations, Central America—agreed that Elliot A.’s man Busby should go there as a regional Ambas. Also some planning about Middle East.” (Brinkley, ed., *The Reagan Diaries*, vol. II, November 1985–January 1989, pp. 767–768)

² Reference is to the President’s September 15 meeting with Shevardnadze. The memorandum of conversation is printed in *Foreign Relations*, 1981–1988, vol. VI, Soviet Union, October 1986–January 1989, Document 67.

³ Reykjavik.

Need find way to address SDI problem if going to get START agreement.

P.—I am in favor of working START, but if we get INF. We immediately go to work on strategic. Having achieved the other—me & Gorbachev get together.

G.S.—That is right. Real breakthroughs come in Summit meetings.

F.C. insists on mandate to change G.S. Moscow positions. P. agrees.

Central America—sense of vacuum. Wright taking over.⁴ We don't have strong diplomatic effort. Can't just be in favor of aid to Contras.

Doing it through ambassadors (three empty posts). I proposed we take a man (Busby).⁵ Give him rank of ambassador. You have duty of being regional man. Will supplement you with higher level effort (G.S. or F.C.). Busby has stripes of our support. Nobody new. More thrust to negotiation. Early in September by higher level visit.

P.—OK.

G.S.—Middle East. Things we have to do. I want to describe Middle East to you in D.C.

⁴ Presumable reference to Speaker of the House Wright's role in the Central American peace process. On August 5, the President read a brief statement to reporters indicating that his administration and the joint congressional leadership had agreed to "go forward with a renewed diplomatic initiative in Central America along the lines of the peace plan prepared in cooperation with the Speaker and the joint congressional leadership." Continuing, the President indicated that he had directed Shultz to transmit the Bipartisan Plan for Peace and Democracy in Nicaragua, also known as the Wright-Reagan Peace Plan, to the five Central American Presidents meeting in Guatemala City beginning August 6. (*Public Papers: Reagan, 1987*, Book II, p. 916) See also *Congress and the Nation*, vol. VII, 1985–1988, pp. 210–211. The Wright-Reagan Peace Plan is printed in *American Foreign Policy: Current Documents, 1987*, pp. 748–749.

⁵ Busby, the Special Negotiator for Central America, was accorded the personal rank of Ambassador on November 6. (*Public Papers: Reagan, 1987*, Book II, p. 1297–1298)

308. Information Memorandum From the Director of the Policy Planning Staff (Solomon) to Secretary of State Shultz¹

Washington, September 11, 1987

SUBJECT

Testing Gorbachev's Reform Program: A Major U.S. Proposal to Gain the Initiative in US-Soviet Relations

Summary. You should consider a major diplomatic initiative designed to capture the political high-ground in US-Soviet relations. Your proposal would lay out the basis for a fundamental restructuring of the difficult US-Soviet competition. It would, first, test whether Gorbachev's reforms can provide the basis for a new relationship, and, second, position the US as the innovator in responding to the potential of the Soviet reform program.

The question remains whether Gorbachev's relaxation of the Stalinist system will be carried far enough to change Soviet reliance on militarism, secrecy and control in ways which will make the Russians easier to live with. By putting on the table a comprehensive agenda for threat reduction, greater openness in Soviet society, and the establishment of a more normal economic relationship, we will be better able to test Soviet willingness to move in directions favorable to our interests. At a minimum, *we* will be setting the standards against which Soviet performance is to be measured. *End Summary.*

You asked for our thoughts on what is happening in the Soviet Union and how we should respond to Gorbachev's reform program. As you know, there are deep disagreements in this country about the nature and significance of developments in the Soviet Union. It is too soon to be certain that Gorbachev has, in fact, opened the possibility of a new basis for our relations. However, there are real advantages in taking an initiative to test him, given the positive reception which perestroika and glasnost are receiving in other countries. The impression abroad is that there are significant changes occurring both within Soviet society and in Soviet foreign policy. This perception, and Soviet exploitation of it, has allowed Gorbachev to present himself as the innovator, the creative force in current international diplomacy—a paradox,

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons SEPTEMBER 1987. Confidential. Drafted by R. Smith (S/P) and cleared by McCall.

since the impetus for Gorbachev's reforms is a recognition of his country's intellectual, economic and technological stagnation. We can and should take steps to regain the initiative.

Gorbachev's reforms potentially strike at some of the most fundamental aspects of the Stalinist system inherited by his generation of leaders. Stalinism had its roots in Russian authoritarianism, fear of risk-taking and fixation on foreign threats. Under the Tsars, these traits produced reaction, economic stagnation and technological backwardness. Stalin's innovation was a belief that he could achieve progress, avoid risk and secure the country by asserting absolute control—control by the Party over the population, control of the country's borders, its economy, the content and flow of information—essentially, control over all forms of organized social activity. But Stalinist control is now recognized as having put the country into a developmental straight-jacket that is isolating the Soviet Union from progress occurring on a broad front abroad.

Gorbachev's impulse for openness and reform arises from the realization that a closed, tightly controlled society cannot compete in a world in which economic development, and the power generated by it, is occurring as a result of rapid technological advances stimulated by an information explosion which knows no national boundaries. The present Soviet leadership is experimenting with relaxing some controls, accepting what in Soviet society appears to be greater risk of social instability in the hope of stimulating progress.

Our crystal ball does not see the outcome of this process. The forces of reaction in Soviet society are strong, and, despite Gorbachev's rhetorical insistence on the need for major change, it is not clear whether he intends to relax Party controls enough to attain lasting and significant reform. But this situation does present opportunities we should seize.

The bottom line for us is how these developments potentially affect the Soviet Union as a country that persists in threatening our interests. A technologically more advanced and economically more dynamic Soviet Union could well be (indeed, is quite likely to be) a more formidable opponent. But if it achieves its reforms at the "price" of opening its society to outside influences, ending its obsession with secrecy, and limiting the controls on what its people know about the world, it could also be a qualitatively different kind of nation. Our concern about the Soviet threat arises from its enormous standing military forces, its demonstrated readiness to use them to impose its will on its neighbors, its militaristic and zero-sum approach to Third World conflicts, and its pervasive secrecy—an aspect of the Stalinist system of control which leads us to fear its capabilities and make worst case assumptions about its intentions.

Premises of a US Initiative

We have every reason to be confident about our own position in the US-Soviet competition and about the essential dynamism of our society. And, as you have urged, we should be bold enough to view the Soviet reform effort as a potentially ameliorating factor on the international scene. We should be on the offensive, using our strengths and diplomatic skills to:

- counter the impression of Soviet dynamism;
- force Soviet behavior to change in deeds, not just words (and, if it does not, demonstrate the emptiness of Gorbachev’s “new thinking”);
- seek a more open Soviet society, one which would carry with it greater access to information about Soviet intentions;
- press a far-sighted agenda for bilateral US-Soviet relations which, if the Soviets accept it, could ultimately transform their society and their international conduct by forcing them to find alternatives to militarism, secrecy and control as their primary instruments of rule and international influence.

Content of the Initiative

The elements of such a diplomatic initiative, which you might discuss privately with Shevardnadze and then incorporate into a major speech, could include the following kinds of proposals—each of which would encourage change in directions favorable to our interests:

- a major joint project in space, perhaps a joint Mars exploration, to galvanize opinion and develop attitudes and expectations of cooperation;
- repeal of Jackson/Vanik² if the Soviets publicly establish and then practice emigration procedures which the American public can understand and accept;
- reductions of 90 percent by each country in the number of closed cities and in the number of square miles of closed territory;

²During the spring of 1973, the House Ways and Means Committee initiated hearings and markups on the Nixon administration’s trade legislation. The House version of the legislation (H.R. 10710) contained an amendment introduced by Chairman of the House Ways and Means Subcommittee on Trade (D-Ohio) Charles Vanik, which prohibited the granting of MFN status to Communist nations unless the President certified to Congress that the recipient nation had not imposed restrictive emigration policies. Jackson introduced similar legislation in the Senate. On October 18, 1974, the Ford administration and the Senate reached a compromise. Jackson offered an amendment to the bill that allowed the President to waive the ban on MFN and export credits for 18 months if the President could report to Congress that the Soviet Union had made progress in relaxing emigration curbs. Both houses of Congress approved the Trade Act of 1974 (H.R. 10710; P.L. 93-618; 88 Stat. 178) on December 20, 1974. Ford signed the bill into law on January 3, 1975. (*Congress and the Nation*, vol. IV, 1973-1976, pp. 129, 131, and 133)

—assurance of Soviet access to U.S. television, if necessary by USG purchase of air time, in exchange for uncensored U.S. access to Soviet television;

—setting aside a channel for direct satellite television broadcasts by the Soviet Union to the United States and vice-versa, perhaps using as vehicles existing institutions such as VOA and Radio Moscow;

—undertaking consultations with our GATT partners to establish agreement on the standards of economic performance and currency convertibility which would have to be met for Soviet involvement in the international economic system;

—relaxation of COCOM restrictions *if* significant Soviet actions—completing INF and START agreements, substantial conventional reductions and redeployments in Eastern Europe, an end to the Afghanistan invasion—reduce the USSR's offensive military threat to us and to our allies.

Many of these proposals may be more than the Soviets are prepared to accept at this time and to be packaged as a formal position they will require much work within our own government. But our objective should be to lay out a bold framework that would define the basis for a major improvement in US-Soviet relations, and then initiate a *process* of improvement that would encompass the major areas of Soviet behavior of concern to us: their militarism, human rights abuses, secretiveness, international adventurism, etc. All of the steps we would propose should challenge the Soviets to actions which demonstrate that they are willing to translate *glasnost* and *perestroika* into commonly accepted standards of non-threatening international behavior.

We have presented these ideas in very preliminary, bare bones form for your consideration so you can mull them over prior to your meeting with Shevardnadze.³ If you find that the concept has merit, we can further flesh it out in the light of where you find our relationship going in the next few months, perhaps developing it in a major speech.

³ For Shultz's September 15–17 meetings with Shevardnadze, see *Foreign Relations*, 1981–1988, vol. VI, Soviet Union, October 1986–January 1989, Documents 66–72 and 74–76.

309. Notes Prepared by the President's Assistant for National Security Affairs (Carlucci)¹

Washington, September 18, 1987

PRESIDENT'S MEETING WITH SECRETARY SHULTZ,
SENATOR BAKER, KEN DUBERSTEIN AND FRANK
CARLUCCI IN THE OVAL OFFICE ON SEPTEMBER 18, 1987

Matlock describes atmosphere in USSR. Access to media significantly different from one year ago. People coming to think the world not as hostile as was. This could be a problem when time for sacrifice comes. Even allow demonstrators. Newspapers now carry news; are worth reading.

GPS S & Afghanistan. We will leave Afghanistan—maybe 5 months, maybe a year. The political decision has been made. Will be done while this Administration in office.

Want to engage in process of withdrawal; foresee a lot of bloodshed.

GPS The China of your Administration could be USSR. Different than detente. Detente was making existing systems interact. Gorb. changing theirs; we interact w/changed system. An aspect of the Reagan doctrine.

P Gorb. has been only leader who has not advocated Soviet global expansion.

M.E. We have been reluctant to get involved w/USSR. Why reluctant on Intel. Conf.?

¹ Source: Reagan Library, Frank Carlucci Files, Secretary Shultz (08/14/1987–11/03/1987) [Meetings with President—Notes]. Secret. Drafted by Carlucci. The meeting took place in the Oval Office from 1:35 until 2:06 p.m. Matlock attended the meeting from 1:35 until 1:43 p.m. (Reagan Library, President's Daily Diary) Powell initialed the top right-hand corner of the notes. Also printed in *Foreign Relations, 1981–1988*, vol. VI, Soviet Union, October 1986–January 1989, Document 77 and scheduled for publication in *Foreign Relations, 1981–1988*, vol. XIX, Arab-Israeli Dispute. In a personal diary entry for September 18, the President commented: "Then it was usual meeting with Geo. S. He brought Amb. Jack Matlock with him who reported on changes Gorbachev is trying to make in Soviet U. George has an idea that perhaps this change can be used to involve Soviet U. in our effort to bring peace to Middle East. We never could have accepted that idea under previous Soviet leaders." (Brinkley, ed., *The Reagan Diaries*, vol. II, November 1985–January 1989, pp. 774–775)

Thatcher cable urges we go w/o Shamir.² Can't.

I come back to Peres suggestion. I recommend we try. Entirely dependent on surprise. Can't leak.

After prearranging, part. Sham. & Hussein you & Gorb. invite States around Israel to US during Summit to launch bilateral peace negotiations.

Chances of bringing it off are low. But if try, before I go to USSR I go to Israel to get honorary degree.³ Go to Shamir. If he buys I go to Jordan, possibly Egypt.⁴ If both of them on board we could put to Soviets when FC & I in Moscow.

The call would be made. You & Gorb. would sit down with them and get process going.

P needs to react

Moscow toward end of week of October 19.

² In a September 17 message to the President concerning the Middle East peace process Thatcher asserted: "I see Western interests in the Middle East threatened by an increasingly active and effective Soviet diplomatic effort. It seems to me that we risk losing the initiative unless a vigorous diplomatic effort is made to advance the Arab/Israel peace process." She suggested that the Soviets might be inclined to support an international conference as proposed by King Hussein and Peres, adding: "Of course, we must not rush into a conference without proper preparation, and it would be preferable to bring Mr. Shamir along, if that were possible. But I see no evidence that he is prepared to come up with proposals which stand a chance of being acceptable to others. I am fearful that, if we seem to be giving Mr. Shamir a veto, we shall erode Mr. Peres' position and lose an unprecedented opportunity to make progress. This would be a tragedy. I very much hope that you will conclude, after the current round of consultations, that there is no better way forward than an international conference, and that you will throw your weight behind the Peres/Hussein understanding. I am sure that this offers the best bulwark against the expansion of Soviet influence in the region, as well as the most effective way of reassuring the moderate Arab countries at a time when they are under pressure in the Gulf context." (Telegram 297398 to London, September 23; Department of State, Central Foreign Policy File, Electronic Telegrams, [no N number])

³ Shultz was scheduled to travel to Jerusalem and Tel Aviv, October 16–17; Jeddah, October 17; and Jerusalem, Tel Aviv, and Rehovot, October 17–19. In addition to meeting with Shamir and Peres and Fahd, respectively, Shultz was also scheduled to receive an honorary degree from the Weizmann Institute. Documentation on these conversations is scheduled for publication in *Foreign Relations, 1981–1988*, vol. XIX, Arab-Israeli Dispute. Shultz was also scheduled to travel to Moscow, October 22–23. For the record of Shultz's meetings in Moscow, see *Foreign Relations, 1981–1988*, vol. VI, Soviet Union, October 1986–January 1989, Documents 80–85.

⁴ Shultz would meet with Mubarak in Cairo, October 19, and with King Hussein in London October 19–20. In telegram 24539 from Cairo, October 19, the Embassy transmitted a synopsis of Shultz's luncheon with Mubarak, noting: "During the course of the luncheon, the Secretary and President Mubarak touched on the Iran-Iraq and Gulf war, the situation in Syria and Lebanon and Egypt's economic reform program. The conversation broke no particular new ground." (Department of State, Central Foreign Policy File, Electronic Telegrams, [no N number]) Documentation on Shultz's meeting with Hussein is scheduled for publication in *Foreign Relations, 1981–1988*, vol. XIX, Arab-Israeli Dispute.

310. Address by President Reagan Before the United Nations General Assembly¹

New York, September 21, 1987

Address to the 42d Session of the United Nations General Assembly in New York, New York

Mr. President, Mr. Secretary-General, Ambassador Reed, honored guests, and distinguished delegates: Let me first welcome the Secretary-General back from his pilgrimage for peace in the Middle East.² Hundreds of thousands have already fallen in the bloody conflict between Iran and Iraq. All men and women of good will pray that the carnage can soon be stopped, and we pray that the Secretary-General proves to be not only a pilgrim but also the architect of a lasting peace between those two nations. Mr. Secretary-General, the United States supports you, and may God guide you in your labors ahead.

Like the Secretary-General, all of us here today are on a kind of pilgrimage. We come from every continent, every race, and most religions to this great hall of hope, where in the name of peace we practice diplomacy. Now, diplomacy, of course, is a subtle and nuanced craft, so much so that it's said that when one of the most wily diplomats of the 19th century passed away other diplomats asked, on reports of his death, "What do you suppose the old fox meant by that?"

But true statesmanship requires not merely skill but something greater, something we call vision—a grasp of the present and of the possibilities of the future. I've come here today to map out for you my own vision of the world's future, one, I believe, that in its essential elements is shared by all Americans. And I hope those who see things differently will not mind if I say that we in the United States believe that the place to look first for shape of the future is not in continental masses and sealanes, although geography is, obviously, of great importance. Neither is it in national reserves of blood and iron or, on the other hand, of money and industrial capacity, although military and

¹ Source: *Public Papers: Reagan, 1987*, Book II, pp. 1058–1063. The President spoke at 11:02 a.m. in the General Assembly Hall at the United Nations. Following his address, the President met with Pérez de Cuellar before meeting with allied foreign ministers and with Junejo, Nakasone, and Arévalo.

² President Peter Florin, Pérez de Cuellar, and Under-Secretary General for Political and General Assembly Affairs Joseph Reed. Pérez de Cuellar traveled to Iran and Iraq the second week of September on a peace mission. For additional information, see Richard M. Weintraub, "U.N. Secretary Meets Iranians: Tehran, Baghdad Both Claim Other Side Breaks Cease-Fire," *Washington Post*, September 13, 1987, pp. A25, A30, and Alan Cowell, "U.N. Chief Is in Iraq After Talks in Iran," *New York Times*, September 14, 1987, p. A3.

economic strength are also, of course, crucial. We begin with something that is far simpler and yet far more profound: the human heart.

All over the world today, the yearnings of the human heart are redirecting the course of international affairs, putting the lie to the myth of materialism and historical determinism. We have only to open our eyes to see the simple aspirations of ordinary people writ large on the record of our times.

Last year in the Philippines, ordinary people rekindled the spirit of democracy and restored the electoral process. Some said they had performed a miracle, and if so, a similar miracle—a transition to democracy—is taking place in the Republic of Korea. Haiti, too, is making a transition. Some despair when these new, young democracies face conflicts or challenges, but growing pains are normal in democracies. The United States had them, as has every other democracy on Earth.

In Latin America, too, one can hear the voices of freedom echo from the peaks and across the plains. It is the song of ordinary people marching, not in uniforms and not in military file but, rather, one by one, in simple, everyday working clothes, marching to the polls. Ten years ago only a third of the people of Latin America and the Caribbean lived in democracies or in countries that were turning to democracy; today over 90 percent do.

But this worldwide movement to democracy is not the only way in which simple, ordinary people are leading us in this room—we who are said to be the makers of history—leading us into the future. Around the world, new businesses, new economic growth, new technologies are emerging from the workshops of ordinary people with extraordinary dreams.

Here in the United States, entrepreneurial energy—reinvigorated when we cut taxes and regulations—has fueled the current economic expansion. According to scholars at the Massachusetts Institute of Technology, three-quarters of the more than 13½ million new jobs that we have created in this country since the beginning of our expansion came from businesses with fewer than 100 employees, businesses started by ordinary people who dared to take a chance. And many of our new high technologies were first developed in the garages of fledgling entrepreneurs. Yet America is not the only, or perhaps even the best, example of the dynamism and dreams that the freeing of markets set free.

In India and China, freer markets for farmers have led to an explosion in production. In Africa, governments are rethinking their policies, and where they are allowing greater economic freedom to farmers, crop production has improved. Meanwhile, in the newly industrialized countries of the Pacific rim, free markets in services and manufacturing

as well as agriculture have led to a soaring of growth and standards of living. The ASEAN nations, Japan, Korea, and Taiwan have created the true economic miracle of the last two decades, and in each of them, much of the magic came from ordinary people who succeeded as entrepreneurs.

In Latin America, this same lesson of free markets, greater opportunity, and growth is being studied and acted on. President Sarney of Brazil spoke for many others when he said that "private initiative is the engine of economic development. In Brazil we have learned that every time the state's penetration in the economy increases, our liberty decreases." Yes, policies that release to flight ordinary people's dreams are spreading around the world. From Colombia to Turkey to Indonesia, governments are cutting taxes, reviewing their regulations, and opening opportunities for initiative.

There has been much talk in the halls of this building about the right to development. But more and more the evidence is clear that development is not itself a right. It is the product of rights: the right to own property; the right to buy and sell freely; the right to contract; the right to be free of excessive taxation and regulation, of burdensome government. There have been studies that determined that countries with low tax rates have greater growth than those with high rates.

We're all familiar with the phenomenon of the underground economy. The scholar Hernando de Soto³ and his colleagues have examined the situation of one country, Peru, and described an economy of the poor that bypasses crushing taxation and stifling regulation. This informal economy, as the researchers call it, is the principal supplier of many goods and services and often the only ladder for upward mobility. In the capital city, it accounts for almost all public transportation and most street markets. And the researchers concluded that, thanks to the informal economy, "the poor can work, travel, and have a roof over their heads." They might have added that, by becoming underground entrepreneurs themselves or by working for them, the poor have become less poor and the nation itself richer.

Those who advocate statist solutions to development should take note: The free market is the other path to development and the one true path. And unlike many other paths, it leads somewhere. It works. So, this is where I believe we can find the map to the world's future: in the hearts of ordinary people, in their hopes for themselves and their children, in their prayers as they lay themselves and their families to

³ Hernando de Soto was the founder of the Institute of Liberty and Democracy and the author of *El Otro Sendero (The Other Path)*, which was subsequently published in English. (George Melloan, "A New Latin Hero Has a Message for Capitalists," *Wall Street Journal*, March 17, 1987, p. 33)

rest each night. These simple people are the giants of the Earth, the true builders of the world and shapers of the centuries to come. And if indeed they triumph, as I believe they will, we will at last know a world of peace and freedom, opportunity and hope, and, yes, of democracy—a world in which the spirit of mankind at last conquers the old, familiar enemies of famine, disease, tyranny, and war.

This is my vision—America’s vision. I recognize that some governments represented in this hall have other ideas. Some do not believe in democracy or in political, economic, or religious freedom. Some believe in dictatorship, whether by one man, one party, one class, one race, or one vanguard. To those governments I would only say that the price of oppression is clear. Your economies will fall farther and farther behind. Your people will become more restless. Isn’t it better to listen to the people’s hopes now rather than their curses later?

And yet despite our differences, there is one common hope that brought us all to make this common pilgrimage: the hope that mankind will one day beat its swords into plowshares, the hope of peace. In no place on Earth today is peace more in need of friends than the Middle East. Its people’s yearning for peace is growing. The United States will continue to be an active partner in the efforts of the parties to come together to settle their differences and build a just and lasting peace.

And this month marks the beginning of the eighth year of the Iran-Iraq war. Two months ago, the Security Council adopted a mandatory resolution demanding a ceasefire, withdrawal, and negotiations to end the war. The United States fully supports implementation of Resolution 598,⁴ as we support the Secretary-General’s recent mission. We welcomed Iraq’s acceptance of that resolution and remain disappointed at Iran’s unwillingness to accept it. In that regard, I know that the President of Iran will be addressing you tomorrow.⁵ I take this opportunity to call upon him clearly and unequivocally to state whether Iran accepts 598 or not. If the answer is positive, it would be a welcome step and major breakthrough. If it is negative, the Council has no choice but rapidly to adopt enforcement measures.

For 40 years the United States has made it clear, its vital interest in the security of the Persian Gulf and the countries that border it. The oil reserves there are of strategic importance to the economies of the free world. We’re committed to maintaining the free flow of this oil and to preventing the domination of the region by any hostile power. We do

⁴ Adopted by the UN Security Council on July 20.

⁵ For information concerning Iranian President Ali Khamenei’s September 22 address before the UN General Assembly, see Paul Lewis, “Iranian, in U.N., Rebuffs Reagan On Cease-Fire,” *New York Times*, September 23, 1987, pp. A1, A14.

not seek confrontation or trouble with Iran or anyone else. Our object is—or, objective is now, and has been at every stage, finding a means to end the war with no victor and no vanquished. The increase in our naval presence in the Gulf does not favor one side or the other. It is a response to heightened tensions and followed consultations with our friends in the region. When the tension diminishes, so will our presence.

The United States is gratified by many recent diplomatic developments: the unanimous adoption of Resolution 598, the Arab League's statement at its recent meeting in Tunis,⁶ and the Secretary-General's visit. Yet problems remain.

The Soviet Union helped in drafting and reaching an agreement on Resolution 598, but outside the Security Council, the Soviets have acted differently. They called for removal of our Navy from the Gulf, where it has been for 40 years. They made the false accusation that somehow the United States, rather than the war itself, is the source of tension in the Gulf. Well, such statements are not helpful. They divert attention from the challenge facing us all: a just end to the war. The United States hopes the Soviets will join the other members of the Security Council in vigorously seeking an end to a conflict that never should have begun, should have ended long ago, and has become one of the great tragedies of the postwar era.

Elsewhere in the region, we see the continuing Soviet occupation of Afghanistan. After nearly 8 years, a million casualties, nearly 4 million others driven into exile, and more intense fighting than ever, it's time for the Soviet Union to leave. The Afghan people must have the right to determine their own future free of foreign coercion. There is no excuse for prolonging a brutal war or propping up a regime whose days are clearly numbered. That regime offers political proposals that pretend compromise, but really would ensure the perpetuation of the regime's power. Those proposals have failed the only significant test: They have been rejected by the Afghan people. Every day the resistance grows in strength. It is an indispensable party in the quest for a negotiated solution.

The world community must continue to insist on genuine self-determination, prompt and full Soviet withdrawal, and the return of

⁶ Arab League foreign ministers met in Tunis, August 23–25, in order to develop a “unified” position on the Iran-Iraq war. At the conclusion of the meeting, the ministers gave the Government of Iran a deadline of September 20 to accept UN Security Council Resolution 598. (“Arab Ministers Urge Iran To Heed U.N. Resolution,” *Washington Post*, August 24, 1987, p. A11; “Arabs hand Iranians a cease-fire deadline,” *Chicago Tribune*, August 26, 1987, p. 2) In telegram 4230 from Baghdad, August 27, the Embassy transmitted the text of the Arab League resolution on the Gulf, translated into English by the Iraqi Ministry of Foreign Affairs. (Department of State, Central Foreign Policy File, Electronic Telegrams, D870702–0181)

the refugees to their homes in safety and honor. The attempt may be made to pressure a few countries to change their vote this year, but this body, I know, will vote overwhelmingly, as every year before, for Afghan independence and freedom. We have noted General Secretary Gorbachev's statement of readiness to withdraw. In April I asked the Soviet Union to set a date this year when this withdrawal would begin.⁷ I repeat that request now in this forum for peace. I pledge that, once the Soviet Union shows convincingly that it's ready for a genuine political settlement, the United States is ready to be helpful.

Let me add one final note on this matter. Pakistan, in the face of enormous pressure and intimidation, has given sanctuary to Afghan refugees. We salute the courage of Pakistan and the Pakistani people. They deserve strong support from all of us.

Another regional conflict, we all know, is taking place in Central America, in Nicaragua. To the Sandinista delegation here today I say: Your people know the true nature of your regime. They have seen their liberties suppressed. They have seen the promises of 1979 go unfulfilled. They have seen their real wages and personal income fall by half—yes, half—since 1979, while your party elite live lives of privilege and luxury. This is why, despite a billion dollars in Soviet-bloc aid last year alone, despite the largest and best equipped army in Central America, you face a popular revolution at home. It is why the democratic resistance is able to operate freely deep in your heartland. But this revolution should come as no surprise to you; it is only the revolution you promised the people and that you then betrayed.

The goal of United States policy toward Nicaragua is simple. It is the goal of the Nicaraguan people and the freedom fighters, as well. It is democracy—real, free, pluralistic, constitutional democracy. Understand this: We will not, and the world community will not, accept phony democratization designed to mask the perpetuation of dictatorship. In this 200th year of our own Constitution, we know that real democracy depends on the safeguards of an institutional structure that prevents a concentration of power. It is that which makes rights secure. The temporary relaxation of controls, which can later be tightened, is not democratization.

And, again, to the Sandinistas, I say: We continue to hope that Nicaragua will become part of the genuine democratic transformation that we have seen throughout Central America in this decade. We applaud the principles embodied in the Guatemala agreement, which links the security of the Central American democracies to democratic

⁷ See footnote 2, Document 306.

reform in Nicaragua.⁸ Now is the time for you to shut down the military machine that threatens your neighbors and assaults your own people. You must end your stranglehold on internal political activity. You must hold free and fair national elections. The media must be truly free, not censored or intimidated or crippled by indirect measures, like the denial of newsprint or threats against journalists or their families. Exiles must be allowed to return to minister, to live, to work, and to organize politically. Then, when persecution of religion has ended and the jails no longer contain political prisoners, national reconciliation and democracy will be possible. Unless this happens, democratization will be a fraud. And until it happens, we will press for true democracy by supporting those fighting for it.

Freedom in Nicaragua or Angola or Afghanistan or Cambodia or Eastern Europe or South Africa or any place else on the globe is not just an internal matter. Some time ago the Czech dissident writer Vaclav Havel warned the world that "respect for human rights is the fundamental condition and the sole genuine guarantee of true peace."⁹ And Andrei Sakharov in his Nobel lecture said: "I am convinced that international confidence, mutual understanding, disarmament, and international security are inconceivable without an open society with freedom of information, freedom of conscience, the right to publish, and the right to travel and choose the country in which one wishes to live."¹⁰ Freedom serves peace; the quest for peace must serve the cause of freedom. Patient diplomacy can contribute to a world in which both can flourish.

We're heartened by new prospects for improvement in East-West and particularly U.S.-Soviet relations. Last week Soviet Foreign Minister Shevardnadze visited Washington for talks with me and with the Secretary of State, Shultz.¹¹ We discussed the full range of issues, including my longstanding efforts to achieve, for the first time, deep reductions in U.S. and Soviet nuclear arms. It was 6 years ago, for example, that I proposed the zero-option for U.S. and Soviet longer range, intermediate-range nuclear missiles. I'm pleased that we have now agreed in principle to a truly historic treaty that will eliminate

⁸ At the conclusion of their Guatemala City meeting (see footnote 4, Document 307), the five Central American Presidents developed their own regional peace plan modeled on a earlier proposal by Arias. The Procedure for Establishing a Stable and Lasting Peace in Central America, known as the Guatemala Agreement and as the President's Agreements, Esquipulas II, called for an end to civil wars and insurgencies in the region and the further development of democratic institutions. (*Congress and the Nation*, vol. VII, 1985-1988, pp. 210 and 212) For the text of the agreement, see *Negotiations in Central America, 1981-1987*, Revised Edition, pp. 16-20.

⁹ Reference is to Havel, *The Anatomy of a Reticence: Eastern European Dissidents and the Peace Movement in the West* (Stockholm: The Charta 77 Foundation, 1985).

¹⁰ See footnote 9, Document 253.

¹¹ See footnote 2, Document 307.

an entire class of U.S. and Soviet nuclear weapons. We also agreed to intensify our diplomatic efforts in all areas of mutual interest. Toward that end, Secretary Shultz and the Foreign Minister will meet again a month from now in Moscow, and I will meet again with General Secretary Gorbachev later this fall.¹²

We continue to have our differences and probably always will. But that puts a special responsibility on us to find ways—realistic ways—to bring greater stability to our competition and to show the world a constructive example of the value of communication and of the possibility of peaceful solutions to political problems. And here let me add that we seek, through our Strategic Defense Initiative, to find a way to keep peace through relying on defense, not offense, for deterrence and for eventually rendering ballistic missiles obsolete. SDI has greatly enhanced the prospects for real arms reduction. It is a crucial part of our efforts to ensure a safer world and a more stable strategic balance.

We will continue to pursue the goal of arms reduction, particularly the goal that the General Secretary and I agreed upon: a 50-percent reduction in our respective strategic nuclear arms. We will continue to press the Soviets for more constructive conduct in the settling of regional conflicts. We look to the Soviets to honor the Helsinki accords. We look for greater freedom for the Soviet peoples within their country, more people-to-people exchanges with our country, and Soviet recognition in practice of the right of freedom of movement.

We look forward to a time when things we now regard as sources of friction and even danger can become examples of cooperation between ourselves and the Soviet Union. For instance, I have proposed a collaboration to reduce the barriers between East and West in Berlin and, more broadly, in Europe as a whole. Let us work together for a Europe in which force of the threat—or, force, whether in the form of walls or of guns, is no longer an obstacle to free choice by individuals and whole nations. I have also called for more openness in the flow of information from the Soviet Union about its military forces, policies, and programs so that our negotiations about arms reductions can proceed with greater confidence.

We hear much about changes in the Soviet Union. We're intensely interested in these changes. We hear the word *glasnost*, which is translated as "openness" in English. "Openness" is a broad term. It means the free, unfettered flow of information, ideas, and people. It means political and intellectual liberty in all its dimensions. We hope, for the sake of the peoples of the U.S.S.R., that such changes will come. And we hope, for the sake of peace, that it will include a foreign policy that respects the freedom and independence of other peoples.

¹² See footnote 3, Document 309 and Documents 313 and 314.

No place should be better suited for discussions of peace than this hall. The first Secretary-General, Trygve Lie, said of the United Nations: "With the danger of fire, and in the absence of an organized fire department, it is only common sense for the neighbors to join in setting up their own fire brigades." Joining together to drown the flames of war—this, together with a Universal Declaration of Human Rights, was the founding ideal of the United Nations. It is our continuing challenge to ensure that the U.N. lives up to these hopes. As the Secretary-General noted some time ago, the risk of anarchy in the world has increased, because the fundamental rules of the U.N. Charter have been violated. The General Assembly has repeatedly acknowledged this with regard to the occupation of Afghanistan. The charter has a concrete practical meaning today, because it touches on all the dimensions of human aspiration that I mentioned earlier—the yearning for democracy and freedom, for global peace, and for prosperity.

This is why we must protect the Universal Declaration of Human Rights from being debased as it was through the infamous "Zionism is Racism" resolution.¹³ We cannot permit attempts to control the media and promote censorship under the ruse of a so-called "New World Information Order." We must work against efforts to introduce contentious and nonrelevant issues into the work of the specialized and technical agencies, where we seek progress on urgent problems—from terrorism to drug trafficking to nuclear proliferation—which threaten us all. Such efforts corrupt the charter and weaken this organization.

There have been important administrative and budget reforms. They have helped. The United States is committed to restoring its contribution as reforms progress. But there is still much to do. The United Nations was built on great dreams and great ideals. Sometimes it has strayed. It is time for it to come home. It was Dag Hammarskjöld who said: "The end of all political effort must be the well-being of the individual in a life of safety and freedom." Well, should this not be our credo in the years ahead?

I have spoken today of a vision and the obstacles to its realization. More than a century ago a young Frenchman, Alexis de Tocqueville, visited America. After that visit he predicted that the two great powers of the future world would be, on one hand, the United States, which would be built, as he said, "by the plowshare," and, on the other, Russia, which would go forward, again, as he said, "by the sword." Yet need it be so? Cannot swords be turned to plowshares? Can we and all nations not live in peace? In our obsession with antagonisms of the moment, we often forget how much unites all the members of humanity. Perhaps we need some outside, universal threat to make us recognize this

¹³ See footnote 3, Document 253.

common bond. I occasionally think how quickly our differences world-wide would vanish if we were facing an alien threat from outside this world. And yet, I ask you, is not an alien force already among us? What could be more alien to the universal aspirations of our peoples than war and the threat of war?

Two centuries ago, in a hall much smaller than this one, in Philadelphia, Americans met to draft a Constitution. In the course of their debates, one of them said that the new government, if it was to rise high, must be built on the broadest base: the will and consent of the people. And so it was, and so it has been.

My message today is that the dreams of ordinary people reach to astonishing heights. If we diplomatic pilgrims are to achieve equal altitudes, we must build all we do on the full breadth of humanity's will and consent and the full expanse of the human heart. Thank you, and God bless you all.

311. Paper Prepared in the Bureau of European and Canadian Affairs¹

Washington, undated

U.S. POLICY TOWARD EASTERN EUROPE: CONCEPTUAL FRAMEWORK

Introduction

—Since you gave Deputy Secretary Whitehead his special East European/Yugoslav mandate last summer, U.S. engagement with the countries of the area has been activated across the board. Highpoints

¹ Source: Reagan Library, George Shultz Papers, Executive Secretariat Sensitive (10/05/1987–10/22/1987); NLR-775-17-9-6-8. Secret. Acting Assistant Secretary for European and Canadian Affairs Charles Thomas sent the paper to Shultz, under an October 6 information memorandum, indicating that the paper, which was drafted by Fried on October 5 and cleared by Simons and Perito “provided EUR’s thoughts on U.S. policy toward Eastern Europe.” In an October 8 memorandum to Shultz, Whitehead wrote: “This memo is on the right track. Our objective should be to do what we can to loosen the bonds between the Soviet Union and Eastern Europe. If Gorbachev succeeds in making the Soviet Union a more open place, we must make sure that the Eastern Europeans don’t stand still; they should stay ahead of Moscow. It would be good for us if countries like Hungary and Poland could continue their experiments with free markets or the tolerance of dissent using Gorbachev’s Russia as a base line rather than Brezhnev’s.” (Ibid.) Whitehead’s memorandum is in *Foreign Relations, 1981–1988*, vol. X, Eastern Europe, Document 49.

have been the Deputy Secretary's two trips and the Vice President's visit to Poland last week; the Deputy Secretary's November visit to the GDR and three additional countries will affirm our new activism.² Raimond's and Genscher's comments to you suggest it is time to consider the overall policy situation after a year of accomplishment.

The sources of change

—Eastern Europe entering period of significant change, most profound since 1956 upheavals. Raimond told you Eastern Europe was USSR's "main problem." May be right; socialist *ancien regime* there in decline:

- East European regimes never commanded full political legitimacy; now clear they do not function economically. Economic pressures a long-term fact: time lost repaying wastefully spent borrowed money will ensure region misses next generations of industrial innovation.

- Although situation varies by country, ruling elites increasingly demoralized, defensive. Ideological elan and corporate party identity, significant even in 1956, now largely dissipated. Pragmatic "technocratic" communist model of the 1970's discredited. Leaderships are aging and tired, with exception of Jaruzelski.

—Pressures for change are indigenous, driven by policy failures of communist leadership and underlying non-legitimacy. In every country he visited, John Whitehead found elements of leadership sensitive to this pressure.

—As in 1956, however, Soviet developments can affect timing of events. Gorbachev dynamism an unexpected new source of pressure on East European regimes:

- By denouncing Brezhnev "era of stagnation," Gorbachev has helped undercut local Brezhnev-era leaderships, Jaruzelski excepted. Barely disguised, public Gorbachev slaps at Ceausescu earlier this year symptomatic.

- Gorbachev's reformism from the top intended to inspire East European imitators and lay basis for economic momentum. But rapid reformism, ultimately containable in USSR where Party is strong, Russian people essentially patriotic, has potential for accelerating possibly explosive sequence of events in Eastern Europe.

²Whitehead traveled to Hungary, Yugoslavia, and Romania, November 9–16, 1986, and Poland, Czechoslovakia, and Bulgaria, January 27–February 7, 1987. Bush visited Poland, September 26–29, as part of a larger trip to the Federal Republic of Germany, France, the United Kingdom, and Belgium, September 25–October 3. Whitehead was scheduled to travel to Hungary, the Soviet Union, Yugoslavia, and the German Democratic Republic, November 6–17.

- Some East European reformist elites intrigued by Gorbachev, but West is not in competition with Gorbachev for popular loyalties, affections. Eastern Europeans intensely identify with West, increasingly with U.S.

—In short, situation may become relatively fluid. Communist regimes will not collapse, but extensive economic and, in some cases, political reform, rising to top of local agenda. Question is less whether reform will occur than when and how far it will go, and what consequences will be.

—West must be prepared to react in ways that advance our interests.

Policy Implications

—Must balance forward-looking approach with realism; avoid extremes of excessive expectations or cynical disengagement that have sometimes characterized past U.S. policies.

- Excessive objectives, e.g., “rollback,” proved embarrassingly empty when put to test in Hungary.

- But mistaken to assume U.S. cannot influence events. Not possible in short or medium run to challenge Soviet domination directly, but can help alter realities on the ground—the internal context with which local communist regimes and the USSR must contend. A favorable evolution would have long-term strategic implications.

—Situation calls for Western effort to respond to and channel change: through a deliberately active approach, to press our interests and put our policy agenda directly before East European decision makers; to respond to express wishes and interests of East Europeans themselves.

- John Whitehead laid groundwork for moving forward through process beginning with deliberate though relatively modest bilateral steps. These would be tailored to fit our interests with individual East European countries.

- We would use our biggest lever—economic and financial relations—explicitly to press for economic reform. We would work mostly through international financial institutions, only sometimes bilaterally, and would support strict economic conditionality throughout.

- We would make clear that human rights and national reconciliation would be a crucial factor in our ability to proceed with relations across the board.

- The willingness and ability of individual EE countries to respond to such a framework would vary; our points of departure with each country could be consistent. Differentiation would develop naturally.

—This framework was not only keynote of Whitehead's and Vice President's message to Poland, but of our overall approach to area: it sets standards for improving relations which press regimes in our direction in a form they can accept.

—An active U.S. role in Eastern Europe would be based on a conceptual balance of benefits, not a give-away. But it would require some resources, particularly diplomatic.

- We should be focused outward on the ground: that means maintaining our Embassies and our contacts with the developing situation, not cutting back.

- Our efforts to enhance security in the field should be constructed with our broad interests in mind, not in isolation.

—Purposeful U.S. engagement with Eastern Europe would also serve alliance interests, unity:

- Genscher expressed concern to you about FRG becoming isolated in the West as it reaches out to GDR. Raimond spoke of Soviets using the GDR as bait for Bonn. This could be mitigated by an active U.S. role in Eastern Europe.

- West Europeans, moreover, are far greater economic actors than we in Eastern Europe. Alliance ability to act in concert, and U.S. interests, will be enhanced if the U.S. is engaged actively in the process.

- Allied consultations would be useful as our policies develop, possibly at a NATO Ministerial next spring.

—In short, framework for meaningful U.S. engagement is already in place: next steps are to activate it with each country—Whitehead's November trip will be important here—and to make sure its conceptual premises are well understood and, to the extent possible, accepted within the Alliance.

312. Remarks by President Reagan¹

Washington, November 9, 1987

Remarks to Representatives of the Organization
of American States

Well, I realize that I'm holding up dessert, but I won't promise to sit down right away. On behalf of the American people, I want to welcome you all to our Nation's Capital. It's a great pleasure to have this opportunity to meet with you today.

I think it's sometimes true that we don't recognize the great historical moments until they're passed. When released from the daily struggles, we can look back and assess the full magnitude of what we have accomplished. I believe that this last decade is one such time—a time that will be recorded in history as a great democratic awakening in the Americas, when the nations of this hemisphere advanced together toward a new era of freedom.

A new era of freedom: We see it developing in the free trade agreement between this nation and our great neighbor to the north—an agreement, it's my fervent hope, that will not be an end in itself, but the beginning of a revolution in free trade that will embrace not just the United States and Canada but the entire hemisphere.²

A new era of freedom: We see it stoutly defended by the Caribbean democracies, small in land size, perhaps, but big in heart and will, who, with courage and idealism, stood fast and stood together when one of their number, Grenada, was threatened by an alien, hostile tyranny.

A new era of freedom: We see it throughout Central and South America—the great democratic awakening that in the last 10 years has brought 90 percent of the people of Latin America into the family of democratic nations.

¹ Source: *Public Papers: Reagan, 1987*, Book II, pp. 1303–1306. All brackets are in the original. The President spoke at 1:39 p.m. at a luncheon in the Jefferson Room at the Department of State. In his personal diary entry for November 9, the President wrote: "After lunch a drop by the St. Dept. lunch for meeting of 'Org. of Am. States' leaders. Another speech—well recv'd. Wed. they'll have Ortega of Nicaragua—he was a good part of my speech." (Brinkley, ed., *The Reagan Diaries*, vol. II, November 1985–January 1989, p. 797)

² The United States and Canada concluded a free trade agreement on October 4. The President and Mulroney signed the agreement on January 2, 1988; see footnote 2, Document 316.

Last month at the OAS, I spoke of what a great honor it was to address so many colleagues, in the democratic enterprise.³ That's no less true today. And one of the great privileges of my office is that I have been able, in the last several years, to meet with the leaders of practically every democratic nation in the hemisphere. When they've visited me in the White House, the talk was of the usual business transacted between heads of state. But when all that was done, there was one personal note that I had to add, something as important as anything else we discussed, something that comes directly from the heart.

The history of the hemisphere and the relations between our country and Latin America—they've not always been easy. But the days of the Colossus of the North, I have said on those occasions: Those days are over they're gone forever. The dominance of democracy in Latin America has fundamentally altered the hemisphere. The precedent we must look to today is the one I'm reminded of by your own leaders, stories of men such as Francisco de Miranda of Venezuela, who fought in the Battle of Pensacola in our nation's war of Independence, the battle that paved the way for Cornwallis' surrender at Yorktown; or the story of General Artigas, supported by our new democracy in his independent battle against colonial Portugal. These men shared a single faith—faith in the democratic destiny in the Americas, faith in the—well, they knew all the American wars of independence were really one and the same—the struggle of mankind to fulfill his destiny of freedom.

Today those independence struggles still continue. Brave men still fight to throw off an alien tyranny imposed from outside our hemisphere. As [President of El Salvador] José Napoleón Duarte said, there are two revolutionary processes underway in Central America. One is a democratic revolution to replace the dictatorships of the past with freedom and human rights. The other, he said, is a revolution that looks to substitute traditional dictatorships with a new dictatorship, that looks to substitute the traditional *caudillos* with the new *caudillos* of the totalitarian left.

³The President addressed the Permanent Council of the Organization of American States on October 7. For the text of the address, see *Public Papers: Reagan, 1987*, Book II, pp. 1141–1146. In telegram 314178 to all American Republic diplomatic posts, October 8, the Department described the President's address, noting: "The immediate reaction of a sampling of OAS permanent representatives after the session was that the address contained no surprises and was clear in laying out U.S. policy concerns. The tone of the reaction reflected the seriousness of the President's message. The Guatemalan, Costa Rican and Salvadoran representatives expressed appreciation for the President's support for the Guatemala Agreement/Arias Plan." (Department of State, Central Foreign Policy File, Electronic Telegrams, D870828–0266)

This week, as we all know, is the week that the Guatemala accord goes into effect in Central America.⁴ I've spoken at length of the Sandinistas and their failure to live up to the promises of democracy and human rights they made to the OAS in 1979.⁵ There's no need to repeat that record of broken promises today. The business at hand is to determine compliance with the Guatemala accord, to examine, with clear-eyed realism, the progress of peace and democracy in Central America.

As we look at how the Guatemala accord has been implemented to date, one can't help but conclude that the differences between the democracies and the Communists in Central America have never been so apparent. Basic to the Central American peace plan is an understanding that peace will only emerge in Central America when genuine steps are taken by all sides toward reconciliation and democracy.

Reconciliation—none could have pursued that with greater nobility and strength of heart than the President of El Salvador. When President Duarte visited me last month,⁶ he told me of his negotiations with the Communist guerrillas—the FMLN—how he sat in the same room with the men who'd kidnaped his daughter and said to them: There will be a complete amnesty in El Salvador. All prisoners will be released. All will be forgiven, just as I, Napoleón Duarte, forgive you.

That's the democratic temperament, the true spirit of reconciliation. Contrast that to the partial and grudging release of prisoners in Nicaragua. Thousands of political prisoners still remain in their jails. Many of them have languished there for as long as 8 years, and the Sandinistas have said there are thousands who will never be released. Well, that's the voice of totalitarianism.

The contrast is just as stark on the question of negotiations. The Nicaraguan freedom fighters ask no more than the democratic guarantees contained in the peace plan. All they want is a chance to compete peacefully for power in Nicaragua, in a democratic way. But the Communist guerrillas—the FMLN in El Salvador and the URNG in Guatemala—want no part of democracy. They were offered a chance to compete for power within the democratic process, but they refused it. They broke off negotiations, demanding power without elections. Well, I'm sorry, that's just not the democratic way.

⁴ See footnote 8, Document 310.

⁵ See footnote 9, Document 239.

⁶ Duarte paid a state visit to the United States, October 13–18. For the President's and Duarte's remarks at an October 14 welcoming ceremony at the White House, see *Public Papers: Reagan, 1987*, Book II, pp. 1175–1177. Documentation on the visit is scheduled for publication in *Foreign Relations, 1981–1988*, vol. XV, Central America, 1985–1988.

We see the contrast between democracy and communism in another area, too. Despite the clear requirements of the Guatemala accord, the Sandinistas still refuse to lift their state of emergency. President Duarte and President Cerezo [of Guatemala], whose countries are also torn by violence, make no excuses. They have no state of emergency. Only in Nicaragua is the state of emergency still in effect.

There is, however, one hopeful sign. I welcome the designation of Cardinal Obando y Bravo as the mediator between the Sandinista regime and the Nicaraguan resistance.⁷ I have repeatedly said that the struggle in Nicaragua is fundamentally a contest among Nicaraguans over their own future, and that can only be resolved by negotiations between Nicaraguans. The indirect talks the Sandinistas have now agreed to are a way to start that process. It remains clear that the next step must be direct negotiations, of precisely the sort that President Cerezo and President Duarte have already conducted.

The United States has a role to play, as a neighbor of Central America and an ally of the region's four democracies and of the Nicaraguan people. Our goals are simple to state: democracy in Nicaragua and peace in the region. And clearly, there can be no peace in the region until there is democracy in Nicaragua.

When serious negotiations between the Sandinistas and the freedom fighters, under the mediation of Cardinal Obando, are underway, Secretary [of State] Shultz will be ready to meet jointly with the foreign ministers of all five Central American nations, including the Sandinistas' representative. Before such a meeting and throughout this period, we will consult closely with the freedom fighters, for the key to democracy and peace in the region is freedom and national reconciliation in Nicaragua.

Regional negotiations including the United States can be a helpful adjunct to negotiations among the Central American nations and between the Sandinistas and the freedom fighters. They cannot be a substitute. The Central American democracies will speak for themselves about their national interests, and the Sandinistas must negotiate directly with the freedom fighters and the internal opposition to bring about true democracy and national reconciliation in Nicaragua.

There is a consensus among the Central American democracies—and it's a point often stressed by President Azcona [of Honduras]—that, in this peace process, democracy comes first. Essential steps toward

⁷ Ortega made this request of Obando y Bravo on November 6. (Stephen Kinzer, "Sandinistas Name Cleric to Mediate Cease-Fire Talks: Contras Accept Choice: Cardinal, Rejected in the Past by Nicaragua, Is a Strong Critic of Government," *New York Times*, pp. 1, 6, and "Nicaraguan Prelate Weighs Mediation Role," *Washington Post*, p. A17; both November 7, 1987)

establishing true and secure democratic guarantees must be taken before the other conditions for peace can be met. As President Arias [of Costa Rica] said: “If democracy doesn’t take hold in Nicaragua, the armed struggle will continue. The day the Sandinistas or another political movement are chosen freely in elections accepted by all Nicaraguans, there will be no more reason for violence.”

Well, democracy is the key—and one of the best indications of democratic reform is a free press. The Guatemala accord is clear on this point: It doesn’t call for opening only one opposition paper. It calls for complete freedom of the press, radio, and television. The Central American democracies are in compliance with the accord—Nicaragua is nowhere near. So far, only *La Prensa* is allowed to operate and even it is restricted in reporting military and economic news. Radio Catolica has been forbidden to broadcast news. There is still no independent television broadcasting in Nicaragua, and the many other news outlets remain closed.

Let me just say here: We have all been very patient in giving the peace process time to work. The Wright-Reagan plan was scheduled to take effect on September 30th.⁸ The original deadline for compliance with the Guatemala accord was this week. Now we’re told the deadline has been pushed off until mid-January. It’s in no one’s interest to let this peace process become another round of endless and fruitless negotiations.

Recently, President Arias was honored with the Nobel Peace Prize for his central role in putting together the Guatemala accord.⁹ And I am certain that President Arias saw this as a symbol and inspiration to all those working for peace in this hemisphere. But this noble beginning must have a noble end. In that, the OAS has a special responsibility. For, as I said when I addressed your Ambassadors last month, the OAS has already made a negotiated settlement with the Sandinistas, one that we are duty-bound to keep. In 1979, in an unprecedented action, we helped remove a sitting government and bring the Sandinistas to power.

As part of that settlement, we promised the people of Nicaragua that we would see to it that their hope of freedom would not be disappointed. We can not walk away from that promise now. As President Arias has said: We can accept no substitute for democracy in Nicaragua. Only democracy will fulfill our promises to the Nicaraguan people. Only democracy, and nothing less, will bring peace to Central America.

⁸ See footnote 4, Document 307.

⁹ Arias won the 1987 Nobel Peace Prize on October 13; see Karen DeYoung, “Costa Rican President Wins Nobel Peace Prize: Arias Honored for Central American Effort,” *Washington Post*, October 14, 1987, pp. A1, A20.

Now, as all of you are aware, there's a summit meeting coming up between myself and General Secretary Gorbachev.¹⁰ We hope at that time to sign an historic agreement that would wipe out an entire class of nuclear missiles. But as we always do in our talks with the Soviets, we will continue to insist on progress in the other three critical areas: expanded contacts between our peoples, human rights, and most importantly, a negotiated end to regional conflicts around the world.

Today, even as their economy flags at home, the Soviets spend billions to maintain or impose Communist rule abroad, projecting Soviet power by largely military means. Eastern Europe, Cuba, Vietnam, South Yemen, Angola, Ethiopia, Mozambique, Nicaragua, and Afghanistan—the burden must be enormous. But Soviet leaders, who live vastly better than their people, are willing to make that sacrifice because it is only their military might, they know, that gives them superpower status.

Numbers vary, but one study by the Rand Corporation estimated that in 1983 between 3.56 and 4.44 percent of the Soviet gross national product went to subsidize states supporting Soviet aims. It's estimated that the Soviet war on Afghanistan costs them between \$5 billion and \$6 billion a year. The Soviet bloc has supplied some \$2 billion in military hardware to the Sandinistas alone.

When I meet with General Secretary Gorbachev, I will ask him: Isn't it time to reconsider this adventurism abroad? In the spirit of *glasnost*, isn't it time that the Soviet Union put an end to these destructive, wasteful conflicts around the world? Without an end to Soviet efforts to impose totalitarian regimes through force of arms, there will never be a true *glasnost*, true openness, between this nation and ours.

Well, I thank you for your attention. The next few months will be among the most crucial in the history of our hemisphere. As the peace process unfolds, we must be vigilant and, at the same time, we must be honest with ourselves and with the world. We shall be holding all parties to one single and true standard, the standard of democracy. As free peoples of the Americas, we have earned the right to proclaim that standard and hold others to it. And as free people of the Americas, we can do no less.

Shortly after I took office, I made a trip to Latin America and visited some of the countries represented here today.¹¹ Couldn't get to all of them, of course, but I went with one message. I knew the image of

¹⁰ December 7–10; see Documents 313 and 314.

¹¹ Possible reference by the President to his trip to Mexico, October 21–24, 1981, to attend the Cancun Summit Meeting on International Cooperation and Development or his trip to Jamaica and Barbados, April 7–11, 1982, where he met, respectively, with Seaga, and the prime ministers of Barbados, Antigua and Barbuda, Dominica, St. Christopher and Nevis, and St. Vincent and the Grenadines.

the Great Colossus of the North that we held. And I knew that there had been many plans introduced by previous administrations of how to bring about better relations in the Americas. But always, it was the big Colossus that had the plan and came down and said, "Here, everybody sign on."

And on my trip, I wasn't there to say that. I said I didn't have any plan; that I came down to see what ideas you might have, because my idea was that it is high time that in this—two continents and that connecting bridge of Central America—here, unique in all the world, we had the opportunity to literally make our borders meeting places where all of us together as allies, from the tip of Tierra del Fuego to the North Pole, we are all Americans; we occupy the American continents and Central America. And if we could come together, as we should, with our common heritage of pioneering that brought us here—people with a dream of freedom that left their homelands all over the world to come to these continents that the Lord had left here between the oceans to be found by that kind of people—if we could be the neighbors and the allies that we should be, we would be a force for good in the world beyond anything that had ever seen.

And I was only asking for suggestions and help that maybe we could bring that about. And here I am, in the midst of the representatives of the Organization of American States. And that's why I think this one issue is so important to all of us—because it literally can block that dream of an American alliance from pole to pole.

Thank you all. And I'm sorry I kept you from dessert so long. I want to thank you all, and God bless you all. And maybe I haven't had an opportunity to tell you while I kept you from your dessert, about in ancient Rome, when the lions were turned loose upon the Christians and the one Christian stood up and said a few quiet words, and the lions all laid down. The crowd was mad, and Caesar sent for the man that had spoken. He said, "What did you say to them that made them act like that?" He said, "I just told them that after they ate there'd be speeches." [*Laughter*]

Thank you all.

313. Memorandum From Secretary of State Shultz to President Reagan¹

Washington, December 1, 1987

SUBJECT

The Washington Summit

Setting

Gorbachev comes to Washington to address an agenda *you* have defined, against a background of American strength and consistency *you* have created. As such, his visit reflects a qualitative change in the nature of the U.S.-Soviet relationship *you* inherited in 1981.

While he is still clearly in charge, the General Secretary's position at home is more ambiguous than at the time of your Geneva and Reykjavik meetings. The mandate for change he brought to the job has worn thin as the gap between the grandiose objectives he has declared and the sobering realities they confront has become more apparent. The Yel'tsin affair has revealed fault lines in the Soviet leadership we do not fully understand, but which probably limit Gorbachev's freedom of action.² Success in pushing his reform agenda will generate further domestic strains; failure will compound Moscow's difficulties in keeping pace abroad.

In short, Gorbachev's hands have never been fuller, and he has fewer options. The "breathing space" he has said he wants is probably more important to him than ever. He is thus probably prepared to go even further than he has so far to achieve a predictability in U.S.-Soviet relations which will enable him to focus on getting his own house in order. If sustained, the steps we are asking for as the price for that

¹ Source: Reagan Library, George Shultz Papers, Memoranda for the President (11/30/1987-12/15/1987); NLR-775-22-4-2-1. Secret; Sensitive. Drafted by Parris on November 27; cleared by Ridgway, Kampelman, Simons, Timbie, Stafford, and Coffey. Parris initialed for all clearing officials. The memoranda of conversation from the December 7-10 U.S.-Soviet Washington summit meeting are printed in *Foreign Relations*, 1981-1988, vol. VI, Soviet Union, October 1986-January 1989, Documents 105-115.

² During a late October Central Committee meeting, Yeltsin asserted that Gorbachev had developed "a cult of personality," and threatened to resign from the Politburo over the slow pace of reform (a threat he later rescinded), leading several party leaders, including Yegor Ligachev, to defend Gorbachev. (Philip Taubman, "Ex-Ally Accused Him of Personality Cult, Soviet Aides Report," *New York Times*, October 20, 1987, pp. A1, A6, and Celestine Bohlen, "Split in Politburo Breaks Into Open: High-Level Kremlin Quarrel May Peril Gorbachev Plans," *Washington Post*, October 31, 1987, pp. A1, A16)

predictability could bring about real change in Moscow's approach to the world and its own citizens.

Objectives

The Washington summit is an opportunity to lock in the remarkable progress we have made since the Geneva summit across your four-part agenda and to set the stage for even more significant gains before your Moscow visit.

—The signing of the INF Treaty will be the visual high-point of the summit, its asymmetrical reductions and rigorous verification provisions a paradigm of your more realistic approach to arms control.

—The instructions you and Gorbachev will give Geneva delegations will lay the groundwork for an all-out effort next year to complete an even more far-reaching, and equally sound, START agreement, while securing the flexibility we need to pursue a vigorous SDI program.

—You can welcome Gorbachev's acceptance of human rights as an integral part of our dialogue. But our bottom line is individuals and how they are treated, and you should press for further, sustained progress in family reunification, emigration and greater freedom of expression.

—There may be real opportunities on the regional side. You can pursue recent hints of willingness to withdraw from Afghanistan—which Shevardnadze reinforced in Geneva—by urging Gorbachev to set a timetable. You will want strongly to take him to task for allowing Iran to play cat-and-mouse with the U.N. and to explore prospects for a Southern Africa settlement that would get the Cubans out.

—Finally, you can take satisfaction in the expansion since your Geneva meeting of people-to-people activities involving tens of thousands of Soviet and American citizens, including unprecedented numbers of young people, and press for further progress in this area.

Sensitivities

Gorbachev's desire for a more predictable relationship with us does not mean we can take him for granted. We saw during my Moscow trip³ and at Reykjavik his capacity for bold—even rash—moves under pressure. With this in mind, two areas will require particular care while he is here.

First, having overreached and failed in his bid to address a joint session of Congress, Gorbachev may be highly sensitive to protocol treatment—and particularly any hint that we are patronizing or

³ Presumable reference to Shultz's October 22–23 trip to Moscow; see footnote 3, Document 309.

lecturing him.⁴ By the same token, any gestures of special courtesy will have extra impact.

Second, Gorbachev has repeatedly stated that he recognizes your personal commitment to the SDI program and that he has no intention of stopping it. At the same time, he has staked his own credibility on linking 50% START reductions to greater clarity on the ABM Treaty. To get out of that box, he may be prepared to accept ABM assurances less stringent than those he has insisted upon in the past. His bottom line may be low enough to give us what we need for SDI. You will be the first to see it, since he knows this is an issue only you can decide.

⁴ Plans for Gorbachev to address a joint session of Congress during the summit were jettisoned on November 20, following Republican congressional opposition. (Bernard Weinraub, "G.O.P. Leaders Oppose Address By Gorbachev: Some See 'Ugly Scene' if He Speaks to Congress," *New York Times*, November 20, 1987, pp. A1, A10, and Lou Cannon, "Soviet Hill Speech Blocked: White House Denies Making Invitation," *Washington Post*, November 21, 1987, pp. A1, A21) When asked during a question and answer session with reporters on November 20 if he agreed "that there won't be a joint session with Mr. Gorbachev, that Mr. Gorbachev will not appear before a joint session of Congress," the President replied: "They've never formally asked for one." In response to a question whether Reagan would "have liked one if the Republicans had not rebelled against it," the President said: "No, and this never originated with us, at all. There was talk of it—." After someone interjected, "Speaker Wright announced it, sir," Reagan responded: "But there was talk of it, yes, but no request ever did—." (*Public Papers: Reagan, 1987*, Book II, p. 1368)

314. Address by President Reagan to the Nation¹

Washington, December 10, 1987

Address to the Nation on the Soviet-United States Summit Meeting

Good evening. As I am speaking to you now, General Secretary Gorbachev is leaving on his return trip to the Soviet Union. His departure marks the end of 3 historic days here in Washington in which Mr. Gorbachev and I continued to build a foundation for better relations between our governments and our peoples. During these 3 days

¹ Source: *Public Papers: Reagan, 1987*, Book II, pp. 1501–1504. The President spoke at 9:01 p.m. from the Oval Office. His remarks were broadcast live on nationwide radio and television.

we took a step—only a first step, but still a critical one—toward building a more durable peace, indeed, a step that may be the most important taken since World War II to slow down the arms buildup.

I'm referring to the treaty that we signed Tuesday afternoon in the East Room of the White House.² I believe this treaty represents a landmark in postwar history, because it is not just an arms control but an arms reduction agreement. Unlike treaties of the past, this agreement does not simply establish ceilings for new weapons: It actually reduces the number of such weapons. In fact, it altogether abolishes an entire class of U.S. and Soviet nuclear missiles.

The verification measures in this treaty are also something new with far-reaching implications. On-site inspections and short-notice inspections will be permitted within the Soviet Union. Again, this is a first-time event, a breakthrough, and that's why I believe this treaty will not only lessen the threat of war, it can also speed along a process that may someday remove that threat entirely.

Indeed, this treaty, and all that we've achieved during this summit, signals a broader understanding between the United States and the Soviet Union. It is an understanding that will help keep the peace as we work toward the ultimate goal of our foreign policy: a world where the people of every land can decide for themselves their form of government and way of life.

Yet as important as the INF treaty is, there is a further and even more crucial point about the last 3 days and the entire summit process: Soviet-American relations are no longer focused only on arms control issues. They now cover a far broader agenda, one that has, at its root, realism and candor. Let me explain this with a saying I've often repeated: Nations do not distrust each other because they're armed; they are armed because they distrust each other. And just as real peace means the presence of freedom and justice as well as the absence of war, so, too, summits must be discussions not just about arms but about the fundamental differences that cause nations to be armed.

²On December 8, at 1:45 p.m. in the East Room at the White House, the President and Gorbachev offered remarks prior to signing the INF Treaty. For the text of their remarks, see *ibid.*, pp. 1455–1456. The text of the Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Elimination of Their Intermediate-Range and Shorter-Range Missiles and the accompanying protocols are *ibid.*, pp. 1456–1485. At 2:10 p.m. in the State Dining Room at the White House, the President delivered an address to the American and Soviet peoples on the summit meeting, remarking: "Today I, for the United States, and the General Secretary, for the Soviet Union, have signed the first agreement ever to eliminate an entire class of U.S. and Soviet nuclear weapons. We have made history. And yet many so-called wise men once predicted that this agreement would be impossible to achieve—too many forces and factors stood against it. Well, still we persevered. We kept at it." (*Ibid.*, p. 1486)

Dealing then with the deeper sources of conflict between nations and systems of government is a practical and moral imperative. And that's why it was vital to establish a broader summit agenda, one that dealt not only with arms reductions but also people-to-people contacts between our nations and, most important, the issues of human rights and regional conflicts.

This is the summit agenda we've adopted. By doing so, we've dealt not just with arms control issues but also with fundamental problems such as Soviet expansionism, human rights violations, as well as our own moral opposition to the ideology that justifies such practices. In this way, we have put Soviet-American relations on a far more candid and far more realistic footing. It also means that, while there's movement—indeed, dramatic movement—in the arms reduction area, much remains to be done in that area as well as in these other critical areas that I've mentioned, especially—and this goes without saying—in advancing our goal of a world open to the expansion of human freedom and the growth of democratic government.

So, much work lies ahead. Let me explain: On the matter of regional conflicts, I spoke candidly with Mr. Gorbachev on the issues of Afghanistan, Iran-Iraq, Cambodia, Angola, and Nicaragua. I continue to have high hopes—and he assured me that he did too—that we can have real cooperation in resolving regional conflicts on terms that promote peace and freedom. This is essential to a lasting improvement in our relations.

So, too, on human rights, there was some very limited movement: resolution of a number of individual cases in which prisoners will be released or exit visas granted. There were assurances of future, more substantial movement, which we hope to see become a reality.

And finally, with regard to the last item on our agenda—scientific, educational, cultural, and economic exchanges—we agreed to expand cooperation in ways that will break down some of the artificial barriers between our nations. For example, agreement was reached to expand and improve civil air service between our two countries.

But let me point out here that, while much work is ahead of us, the progress we've made, especially in arms reduction, does reflect a better understanding between ourselves and the Soviets. It also reflects something deeper. You see, since my first meeting with General Secretary Gorbachev in 1985, I have always regarded you, the American people, as full participants in our discussions. Though it may surprise Mr. Gorbachev to discover that all this time there has been a third party in the room with us, I do firmly believe the principal credit for the patience and persistence that brought success this year belongs to you, the American people.

Your support over these last 7 years has laid the basis for these negotiations. Your support made it possible for us to rebuild our

military strength, to liberate Grenada, to strike hard against terrorism in Libya, and more recently to protect our strategic interests and bolster our friends in the Persian Gulf. Your support made possible our policy of helping freedom fighters like those in Afghanistan, Nicaragua, Angola, Cambodia, and other places around the globe. And when last year at Reykjavik I refused Soviet demands that we trade away SDI, our Strategic Defense Initiative that could erect a space shield against ballistic missiles, your overwhelming support made it clear to the Soviet leaders that the American people prefer no deal to a bad deal and will back their President on matters of national security.

In short, your support for our foreign policy goals—building a safer peace as we advance the cause of world freedom—has helped bring the Soviets to the bargaining table. It makes it possible now to hope for a real, fundamental improvement in our relations.

You know, the question has often been asked whether democratic leaders who are accountable to their people aren't at a grave disadvantage in negotiating with leaders of totalitarian States who bear no such burden. Well, believe me, I think I can answer that question. I can speak from personal experience. Over the long run, no leader at the bargaining table can enjoy any greater advantage than the knowledge that he has behind him a people who are strong and free and alert and resolved to remain that way—people like you. And it's this kind of informed and enlightened support, this hidden strength of democratic government, that enabled us to do what we did this week at the Washington summit.

Now that the treaty's been signed, it will be submitted to the Senate for the next step: the ratification process. I will meet with the leadership of Congress here tomorrow morning,³ and I'm confident that the Senate will now act in an expeditious way to fulfill its duty under our Constitution.

To this end, let me explain the background. In the mid- and late-1970's the Soviets began to deploy hundreds of new, mobile intermediate-range missiles capable of destroying major cities and military installations in Europe and Asia. This action was an unprovoked, new dimension of the threat against our friends and allies on both continents, a new threat to which the democratic nations had no comparable counter.

³ The President met with the bipartisan congressional leadership for breakfast on December 11 in the Cabinet Room at the White House from 8:33 until 9:35 a.m. (Reagan Library, President's Daily Diary) No minutes of the breakfast meeting have been found. In his personal diary entry for December 11, the President wrote: "Had an 8:30 A.M. Brkfst in Cab. room with entire Dem. & Repub. Cong. leadership. When I walked into the room I got an ovation. The spirit of bipartisanship flavored the entire meeting." (Brinkley, ed., *The Reagan Diaries*, vol. II, November 1985–January 1989, p. 811)

Despite intense pressure from the Soviets, NATO proceeded with what we called a two-track policy. First, we would deploy a limited number of our own INF missiles as a deterrent, but at the same time push hard in negotiations to do away with this entirely new nuclear threat. And we set out to do this with a formula I first put forward in 1981. It was called the zero-option. It meant the complete elimination of these missiles on both sides. Well, at first, many called this a mere propaganda ploy, some even here in this country. But we were persistent, our allies steadfast, and eventually the Soviets returned to the bargaining table. The result is our INF treaty.

As you see from the map on the screen now,⁴ the Soviet missiles, which will be removed and eliminated under the treaty, have been a major threat to the security of our friends and allies on two continents, Europe and Asia. Under the terms of this treaty, we will be eliminating 400 deployed warheads, while the Soviet Union eliminates 1,600, or four times as many. Now, let me also point out that this does not, however, leave NATO unprotected. In fact, we will maintain a substantial deterrent force on the ground, in the air, and at sea. Our commitment to NATO's strategy of being able to respond as necessary to any form of aggression remains steadfast.

And with regard to verification, as I've mentioned, we have the breakthroughs of on-site inspections and short-notice inspections not only at potential missile deployment sites but at the facility where the Soviet SS-20 missiles and their components have been assembled. We have a verification procedure that assures each side that the missiles of the other side have been destroyed and that new ones aren't built.

Here, then, is a treaty that shows how persistence and consistency eventually can pay off in arms negotiations. And let me assure you, too, that this treaty has been accomplished with unprecedented consultation with our allies and friends. I have spoken personally with the leaders of the major democracies, as has Secretary Shultz and our diplomats. This treaty has full allied support. But if persistence is paying off in our arms reduction efforts, the question of human rights and regional conflicts are still problems in our relations. But I am pleased that some progress has been made in these areas, also.

Now, in addition to these candid exchanges on our four-part agenda, Mr. Gorbachev and I did do some important planning for a Moscow summit next year. We agreed that we must redouble our efforts to reach agreements on reducing the levels of U.S. and Soviet long-range, or strategic, nuclear arms, as I have proposed in the START negotiations. He and I made real progress toward our goal first agreed

⁴The map is not reproduced in the original.

to at Geneva: to achieve deep, 50-percent cuts in our arsenals of those powerful weapons. We agreed that we should build on our efforts to achieve agreement on a START treaty at the earliest possible date, and we've instructed our delegations in Geneva accordingly.

Now, I believe deep reductions in these offensive weapons, along with the development of SDI, would do much to make the world safer. For that reason, I made it clear that our SDI program will continue and that when we have a defense ready to deploy we will do so.

About the future, Mr. Gorbachev and I also agreed that as nuclear weapons are reduced it becomes all the more important to redress the disparities in conventional and chemical weapons, where the Soviets now enjoy significant advantages over the United States and our allies. I think then from all of this you can see not only the direction of Soviet-American relations but the larger framework of American foreign policy. As I told the British Parliament in 1982, we seek to rid the world of the two great nightmares of the postwar era: the threat of nuclear war and the threat of totalitarianism.

And that's why, by pursuing SDI, which is a defense against offensive missiles, and by going for arms reduction rather than just arms control, we're moving away from the so-called policy of mutual assured destruction, by which nations hold each other hostage to nuclear terror and destruction. So, too, we are saying that the postwar policy of containment is no longer enough, that the goal of American foreign policy is both world peace and world freedom, that as a people we hope and will work for a day when all of God's children will enjoy the human dignity that their creator intended. I believe we gained some ground with regard to that cause in these last few days.

Since my first days in office, I have argued that the future belongs not to repressive or totalitarian ways of life but to the cause of freedom—freedom of the marketplace, freedom to speak, assemble, and vote. And when we see the progress of democracy in these last years, from Latin America to Asia, we must be optimistic about the future of our children.

When we were together in Iceland, Mr. Gorbachev told me that this sort of talk is sometimes viewed in the Soviet Union as a threat, but I told him then and I have said since then that this is no threat at all but only a dream: the American dream. And it's a dream that has meant so much to so many, a dream that still shines out to the world.

You know, a couple of years ago, Nancy and I were deeply moved by a story told by former *New York Times* reporter and Greek immigrant Nicholas Gage. It's the story of Eleni, his mother, a woman caught in one of the terrible struggles of the postwar era, the Greek civil war at

the end of World War II, a mother who was tried and executed because she smuggled her children out to safety in America.

It is also the story of how her son secretly vowed to return to Greece someday to take vengeance on the man who had sent his mother to her death. But at the end of the story, Nicholas Gage finds he cannot extract the vengeance he promised himself. Mr. Gage writes it would have relieved the pain that had filled him for so many years, but it would also have broken the one bridge still connecting him to his mother, that part of him most like her. As he tells it: “. . . and her final cry was not a curse on her killers, but an invocation of what she’d died for—a declaration of love.” These simple last words of Mr. Gage’s mother, of Eleni, were: “My children.”

How that cry echoes down through the centuries, a cry for all children of the world, a cry for peace, for a world of love and understanding. And it is the hope of heeding such words—the call for freedom and peace spoken by a chosen people in a promised land, the call spoken by the Nazarene carpenter—Nazarene carpenter, I should say, standing at the Sea of Galilee, the carpenter whose birth into the poverty of a stable we celebrate—it is these words that we remember as the holiday season approaches and we reflect on the events of this week here in Washington.

So, let us remember the children and the future we want for them. And let us never forget that this promise of peace and freedom, the gift that is ours as Americans, the gift that we seek to share with all the world, depends for its strength on the spiritual source from which it comes. So, during this holy season, let us also reflect that in the prayers of simple people there is more power and might than that possessed by all the great statesmen or armies of the Earth. Let us then thank God for all His blessings to this nation, and ask Him for His help and guidance so that we might continue the work of peace and foster the hope of a world where human freedom is enshrined.

To sum up then: This summit was a clear success. We made progress on each item in our four-part agenda. Mr. Gorbachev and I have agreed to meet in several months in Moscow to continue what we’ve achieved during these past 3 days. I believe there is reason for both hope and optimism.

315. Editorial Note

On December 15, 1987, Special Adviser to the President and the Secretary of State on Arms Control Matters Paul Nitze spoke before the National Press Club in Washington. Nitze began his remarks by recalling that when he was appointed in 1981 to head the U.S. delegation to the Intermediate-range Nuclear Forces (INF) negotiations, he made two decisions:

“First, we would prepare a draft of the ‘zero option’ treaty we wanted before the negotiations began.

“Second, we would keep an issues book in which we would enter, day-by-day, what had been said by either side on each issue that arose in the talks.

“At the end of the first year, there were 35 issues in our book. Of those 35, five issues were clearly the most important, so we focused on those five. Over the succeeding years, especially at Reykjavik, we finally removed the five issues. But having removed those boulders blocking an agreement, we still faced a lot of rocks.

“This past October, after the 2-day meeting in Washington between Secretary Shultz and Foreign Minister Shevardnadze in which the INF issues that loomed largest were resolved, it was left that Soviet Ambassador Viktor Karpov and I were to try to resolve the remaining issues the next day. I asked Karpov how many issues he had on his list, and he said there were 35, of which five were the most important.

“I concluded that it is inherent in the human mind, when confronted with a very complex situation, to simplify it to 35 considerations, and then to 5.”

Nitze then referenced the progress made during the previous week’s Washington U.S.-Soviet summit and noted the “next steps” not only regarding the INF treaty but also concerning other U.S.-Soviet issues, including arms control, defense and space issues, and “maintaining our focus on the broader context of U.S.-Soviet relations.” After discussing the first two in detail, Nitze placed them in the broader context of U.S.-Soviet relations: “Attaining progress in the various arms control areas is only part of the complex equation of the difficult U.S.-Soviet relationship. A long-term, sustained improvement in the relationship will depend greatly on resolving differences in other crucial areas.

“For 2 years now, we have worked hard to establish with the Soviet Union a process that addresses a full range of issues—what we call the four-part agenda that encompasses arms reductions, human rights, regional conflicts, and bilateral relations. Serious differences in all of

these areas have accumulated over the last four decades, and they are the source of the profound mistrust and suspicion that characterize East-West relations today.

“We recently have seen greater Soviet willingness to discuss these matters in detail, and this has led to progress in some areas. For example, agreements reached over the last 2 years have greatly increased the opportunities for contact between U.S. and Soviet citizens. President Reagan and General Secretary Gorbachev have agreed that the effort to foster greater cooperation and contact on the basis of genuine mutual benefit should continue.

“In two other areas—human rights and regional affairs—there remains a long way to go. We have recognized and welcomed recent Soviet human rights steps but have pointed out that human rights will remain a source of tension in East-West relations until the Soviet Union fully observes its international human rights obligations. Similarly, we have made clear that Soviet involvement in regional conflicts—whether directly, as in Afghanistan, or through support for such regimes as Vietnam and Nicaragua—inevitably will affect Western perceptions of the Soviet Union’s ultimate intentions.

“The United States is ready to address all the problems candidly and constructively. In the end, however, the Soviet Union must demonstrate that it is willing to deal with its own people and its neighbors through dialogue, not intimidation. The burden both sides will bear for the foreseeable future is to manage our competition peacefully and to build a more stable and constructive relationship.”

Nitze concluded his address, stating: “Thus, we have a very full agenda in the days ahead. We have no intention of resting on our laurels; to the contrary, we want our success in INF to be the springboard for progress in other areas.

“If we are to find further success, it will be because we will succeed in replicating the elements that led to the INF Treaty: strength, domestic coherence, and unity with our allies. With these assets, and with patience, we can take further steps down the road toward a safer and stabler world, with lower levels of offenses and increased reliance on effective defenses, should they prove feasible, and with a lessened risk of war. That is our ultimate goal.” (Department of State *Bulletin*, February 1988, pages 81–84)

Foundations of Foreign Policy, 1988

316. Paper Prepared in the Executive Secretariat, Department of State¹

Washington, undated

MEETING WITH THE PRESIDENT THE NEXT SIX MONTHS

—*Next six months promise to be busiest foreign policy period of your Administration.* Recent events have laid to rest “lame duck” carping and period ahead has potential for breathtaking steps that are the genuine stuff of history. Groundwork has been laid by your emphasis on strength and diplomacy and the intense preparation on the details. Now poised to bring these policy lines to full maturity.

—INF ratification and a START agreement considered unattainable a couple of years ago are possible by your late spring summit with Gorbachev. Free Trade Agreement with Canada a landmark that sets the course for future world trade.² Our alliances are strong.

¹ Source: Reagan Library, George Shultz Papers, Secretary's Meetings with the President (01/06/1988 & 01/08/1988). Secret; Sensitive. Drafted by Pascoe. A notation in an unknown hand in the top-right hand corner of the paper reads: “Mtg w/Prez folder 1/6/88.” The President met with Shultz, Powell, Baker, and Duberstein on January 6 in the Oval Office Study from 1:04 until 1:36 p.m. Weinberger also attended the meeting from 1:04 until 1:06 p.m. (Reagan Library, President's Daily Diary) Although no minutes of the meeting have been found, in his personal diary entry for January 6, the President noted: “Then a half hour with George S. His report was on foreign policy schedule of travel during this final year.” (Brinkley, ed., *The Reagan Diaries*, vol. II, November 1985–January 1989, p. 822)

² On January 2, the President and Mulroney signed the Free Trade Agreement; see footnote 6, Document 265 and footnote 2, Document 312. The President signed in Palm Springs, California; Mulroney signed in Ottawa. The agreement, scheduled to take effect on January 1, 1989, would eliminate most tariffs between the United States and Canada over a 10-year period once ratified by Congress and the Canadian Parliament. (Lou Cannon, “U.S.-Canada Trade Pact Is Signed: Far-Reaching Accord Faces Opposition in Congress, Parliament,” *Washington Post*, January 3, 1988, pp. A1, A21) In a statement released on January 2, the President noted that the agreement had “important international implications” and “will encourage supporters of free trade throughout the world by demonstrating that governments can remove trade barriers even in the face of protectionist pressures. We hope that the U.S.-Canada example will help set the tone for the Uruguay round multilateral trade negotiations.” (*Public Papers: Reagan, 1988–1989*, Book I, p. 4) Documentation concerning the agreement is scheduled for publication in *Foreign Relations, 1981–1988*, vol. XXXVII, Trade; Monetary Policy; Industrialized Country Cooperation, 1985–1988.

Consolidation of democracy among our friends—Korea the latest example—at the highest point ever. Firm stand in Afghanistan, Persian Gulf, and Central America now showing dividends—we may be turning corner in all three areas.

—Will require intense effort with Soviets, allies, friends, on the Hill, with the American public, and even in facing up to hard decisions internally. Things always can, and predictably will in some cases, go wrong. Pace will be strenuous and require tremendous efforts by you personally and by the rest of us. But we can do it. I want to outline for you my thoughts on how to proceed in months ahead.

—*Relations with Soviets will be key*, with Moscow summit the capstone. Good chance to get START agreement with 50% reductions without crippling restrictions on SDI. Also progress on nuclear testing, new conventional arms talks. Discussions, on regional issues—particularly Afghanistan and Iran/Iraq—reaching critical points. We will put Soviets to test on human rights as they eliminate long-term refusenik backlog and as we enter Vienna end-game.

—Plan and structure in place to get work done by summit: Monthly meetings set with Shevardnadze beginning in February;³ Frank, Colin, and I working closely with Max Kampelman and our arms control team to tackle enormous problems remaining on START and other negotiations; new round of regional discussions set under Mike Armacost's leadership; and working closely with human rights groups to develop coherent strategy to keep heat on Soviets in months ahead.

—Will require all-out effort and can only be done working against the Summit deadline. Many people around who would prefer nothing happen, they will always argue START treaty can be made a bit better if we only delay further. Some Senators will attempt to kill your efforts by amending INF treaty.

—Must be prepared for other eventualities. Soviets can always be sticky; Gorbachev may have unforeseen internal problems in making necessary compromises. Turmoil in Eastern Europe, escalation in Afghanistan, or something out of blue like the KAL incident can always derail our efforts. But I am optimistic that with hard work and tight control of bureaucracy, we can succeed.

—Intense activity with Soviets will mean need to *devote special attention to our allies*. Upcoming visits by Kohl in February and Genscher this

³ Shultz met with Shevardnadze, Ryzhkov, and Gorbachev in Moscow, February 21–23. Documentation on the trip is printed in *Foreign Relations, 1981–1988*, vol. VI, Soviet Union, October 1986–January 1989, Documents 121–126.

month critical.⁴ Also planning trips here by Evren and Silva, Takeshita, Roh, Mubarak, Shamir, Li Peng and others. Believe the NATO summit pencilled in for March can be major focal point for bringing Europeans along in a strong supporting role on our discussions with Soviets and set alliance's approach for years ahead on security and arms control issues.⁵

—*Free Trade Agreement with Canada* is one for the history books. Will require a tremendous effort by you here and Mulroney there to bring it off. No doubt that effort will pay major dividends. Also, when I see Joe Clark in Ottawa on Monday we will sign Northwest Passage agreement and documents on counterterrorism cooperation and extradition.⁶

—For your May meeting with Mulroney,⁷ hope we can get the bureaucracy together sufficiently to move on acid rain. Months ahead will show that your special attention to Canada through annual meetings with Mulroney paying tremendous dividends. This often contentious relationship now best in memory.

—With the focus of next few months on US-Soviet relations, must also *look to the strategic counter-weight in the Far East*. Takeshita visit next week⁸ will underline fundamental strategic and economic soundness of US-Japanese relationship, develop a personal tie between the two of you, and work on nagging trade questions.

—Need to upgrade visibility of US-Chinese relationship. Want to give Shevardnadze-like treatment to Foreign Minister Wu during March visit.⁹ Hope can invite Premier Li Peng in April.

—Roh will be inaugurated in Seoul in February. Jerry Ford or Howard¹⁰ to head delegation. Want Roh to visit you in May.

⁴ Kohl's visit was scheduled to take place February 17–19. Genscher was scheduled to meet with the President and Shultz on January 21. (Robert J. McCartney, "Chemical Arms Treaty Held Unlikely This Year: U.S. Not Satisfied With Verification Rules," *Washington Post*, January 9, 1988, p. A14)

⁵ Scheduled to take place in Brussels, March 1–3.

⁶ On January 11, Shultz and Clark signed the Arctic Cooperation Agreement, which required U.S. consultation with Canadian officials before sending U.S. icebreakers through waters considered to be Canadian by the Canadian Government. In addition, the agreement "provides that 'navigation and resource development in the Arctic must not adversely affect the region's environment or its inhabitants.'" Shultz and Clark also signed an amendment to an extradition treaty and a joint declaration on combatting terrorism. (David K. Shipler, "U.S. and Canada Close Extradition Gap," *New York Times*, January 12, 1988, p. A3)

⁷ Mulroney's visit to the United States took place April 26–28.

⁸ January 12–15.

⁹ Shultz proposed that Wu visit Washington, March 7–9, following the NATO meeting in Brussels (see footnote 5, above). (Telegram 13830 to Beijing, January 16; Department of State, Central Foreign Policy File, Electronic Telegrams, D880041–0359)

¹⁰ Howard Baker.

—I will go to Japan, China, and Korea in spring, Southeast Asia in July, and hope to make major address outlining our successes and plans in Asia at end of that trip.¹¹

—*Mideast* will be mostly holding operation since neither Hussein nor the Israelis sure of where they want to go. Will make major speech next month to lay out our positions on progress made, US efforts to construct useful international conference, and give candid picture of where things stand. Mubarak's visit this month and Shamir's in March¹² will be useful as ways to share ideas, look for ways to engage process.

—*Latin America* will also get a lot of attention. Maintaining our stance in Central America will be key, and votes on Contra aid this month will require major battle. Do, however, detect more realistic view of Nicaraguan actions by other Central American leaders and we will continue closely engaged. Your meeting with de la Madrid in February¹³ key to maintenance of that relationship, set stage for his successor next year.

—To help shape general debate, hope to lay out in a series of speeches our view of world economic and political trends to complement my December statement on global technological trends.¹⁴

—Will use my leadoff testimony on INF ratification for a statement on US strategic policy, the important role played by our allies, and where we are headed in our relations with the Soviets and on arms control.¹⁵ Particularly important in this period that we speak with one voice, and

¹¹ Shultz did not travel to Japan, China, or Korea during the spring of 1988. He traveled to Bangkok to attend the ASEAN post-ministerial conference, July 6–9; Kuala Lumpur to meet with Prime Minister Mahathir, July 9; Jakarta to meet with Suharto and senior Indonesian officials, July 9–11; Manila to meet with Aquino and senior Philippine officials, July 11–13; Beijing, July 14–16; Seoul, July 16–18; and Tokyo, July 16–18. At the conclusion of the trip, Shultz delivered an address in Honolulu before the Pacific and Asian Affairs Council and the Pacific Forum on July 21; the address is printed as Document 328.

¹² Mubarak's visit was scheduled for January 26–29; Shamir's visit was scheduled for March 14–17.

¹³ The President and Shultz met with de la Madrid in Mazatlan, February 13.

¹⁴ Presumable reference to Shultz's December 4, 1987, address before the World Affairs Council of Washington. In it, Shultz provided a vision of "the world ahead," noting that current and future "revolutionary changes are of a different nature. They are characterized by greater size and speed; they are both centrifugal and centripetal in their impact, dispersing yet concentrating activities, influences, and decisions." (Department of State *Bulletin*, January 1988, p. 3; the complete address is *ibid.*, pp. 3–7)

¹⁵ The Senate Foreign Relations and Armed Services Committees were scheduled to hold hearings on the INF Treaty beginning in late January. Shultz and Carlucci testified on January 25, the day the treaty was submitted to Congress. (Helen Dewar and George C. Wilson, "INF Treaty Bolsters Security, Shultz, Carlucci Assure Senate," *Washington Post*, January 26, 1988, pp. A1, A4)

not have bureaucratic foolishness such as the Ikle report muddy waters, provide material for our opponents.¹⁶

—If this approach makes sense to you, thought I would use it in a *press conference tomorrow* to set the public tone on foreign policy for the weeks and months ahead.¹⁷

¹⁶ Presumable reference to the NSC–DOD Commission on Integrated Long-Term Strategy report; see footnote 11, Document 294.

¹⁷ At his January 7 news conference, Shultz “took reporters on a quick tour of global issues and sketched the prospects for what he described as ‘a very active, productive year.’” (John M. Goshko, “U.S. Support for Israel ‘Unshakeable’: Shultz Cautions Foes Against Misinterpreting Strength of Ties,” *Washington Post*, January 8, 1988, p. A14) A set of undated talking points entitled “Secretary’s Foreign Policy Overview Press Briefing,” is in the Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons JANUARY 1988. Shultz later provided an overview of the 1988 foreign policy agenda in a February 2 statement before the House Foreign Affairs Committee. The statement is printed in *Department of State Bulletin*, April 1988, pp. 43–48.

317. Editorial Note

Deputy Secretary of State John Whitehead discussed U.S. policy regarding Eastern Europe in a January 19, 1988, address before the Washington Institute of Foreign Affairs. Whitehead recalled that, beginning in the summer of 1986, Secretary of State George Shultz had asked him “to take a special interest in U.S. relations with the countries of Eastern Europe.” Since then, Whitehead had made several trips to Eastern Europe (see footnote 2, Document 311). He then commented on the observations he had made as a result of these visits, underscoring “the astonishing diversity in countries often considered to be a single faceless bloc.” Continuing, he remarked: “The U.S. policy toward Eastern Europe has always been based on a recognition of this diversity. Americans of every political stripe, in and out of government, want the nations of Eastern Europe to be proud, free, and prosperous. We want them to be nations in their own right and refuse to consider them as part of a faceless bloc. We believe that Europe and the world will be more stable when the peoples of the area become more free to assert and develop their own personalities and become more modern.

“For the past three decades, and formally for the past dozen or so years, the United States has pursued a policy of seeking to improve

official ties and to develop unofficial ties with each individual country at whatever pace it can stand. During my trips to Eastern Europe, I have laid out an agenda of areas where the United States would like to make progress as a condition for better relations and invited these nations' leaders to make step-by-step progress.

"High on our list of priorities in every country is human rights and the extent to which a country is moving toward greater pluralism and democracy. During my recent trip to East Berlin, for example, I told Erich Honecker that it was impossible for the United States to understand a country that shoots its own citizens for trying to escape across the Berlin Wall, and I received indication that these shoot-to-kill orders at the wall had been rescinded. I have quizzed Zhivkov of Bulgaria on the way he treats the Turkish minority. Romania's whole approach to human rights and fundamental freedoms—not only its treatment of its Hungarian minority but its treatment of its entire population—will be on my agenda during my upcoming trip there. I have urged Polish authorities to begin a real dialogue with Solidarity. Only through a dialogue with the church and with the Polish people can the cycle of cynicism, unrest, and repression be broken.

"Also on our list of objectives is improved trade. Our trade with Eastern Europe is small, both as a percentage of our trade and as a percentage of Eastern Europe's trade with the West. But our exports to some of these countries have grown significantly in the last year. Our 1987 sales to both Poland and Hungary, for example, were up more than 30% over 1986. There are reasonable opportunities for further growth: aircraft, food processing, and nonstrategic computer equipment are areas for true opportunity worth exploring. The Hungarians have even set up a graduate management institute to teach Western business practices to their executives.

"These kinds of contacts with the West help move these countries incrementally onto their own paths of development. To the extent they can show independence in business dealings, they may also come to show independence on other matters of interest to the United States, from votes in the United Nations to the fight against international terrorism.

"Of course, since every relationship between governments is a two-way street based on a balance of benefits, it is just as important to consider what the countries of Eastern Europe want from us. In general terms, what these countries want most is to rejoin the modern world. There was, perhaps, a time when the Stalinist approach to domestic arrangements and foreign policy seemed modern and efficient, but that belief is dying where it is not already dead. Important elements among both those who govern and those who are governed in these countries are now seeking to minimize or eliminate the constraints which

keep the country backward. These constraints include rigid structures, excessive centralization, and the lack of a two-way street in relations between the state/party apparatus and the people.

“Because of these constraints, Eastern Europe is playing catch-up ball in a game where the rules are changing. We in the West have a hard enough time adjusting to the pace of social and political change driven by technological and scientific development. Such adjustment is a disaster in Eastern Europe. The transition to an information age means increased economic marginalization for many of these countries, since neither the raw materials nor the heavy industrial goods they produce are now as important as they need to be, and the Stalinist system is inefficient when it comes to knowledge-based production.

“As a result, what the countries of Eastern Europe want most from us is economic support. Since the United States is and will continue to be an important decisionmaker in international financial institutions and remains critically innovative when it comes to new forms of economic activity and organization, we have the leverage to integrate all aspects of policy—political, economic, cultural—in our developing relationships. East European countries know that they will have to take into account America’s most basic objectives, involving values rather than goods, if they are to move ahead in the economic field.

“Judging by my three, soon to be four, trips to Eastern Europe, I believe our approach is working. We have new consular conventions with Czechoslovakia and Yugoslavia and a science and technology agreement with Poland. We have achieved better cooperation on fighting international terrorism with a number of the countries. We have won important concessions on human rights in East Germany and Romania. These would be important at any time in our relations.

“But, as I said at the beginning, our activist approach to Eastern Europe is even more critical now, when the past barriers to change erected and maintained by the Soviet Union and by the Stalinist model for 40 years have been partially lowered. We have had a tendency in the United States to focus on Eastern Europe only at times of crisis. Now we have an opportunity to help effect real change in a direction favorable to our interests without upheavals that would endanger all our accomplishments to date. We should not squander that opportunity.” (Department of State *Bulletin*, April 1988, pages 66–68)

318. Paper Prepared in the National Security Council¹

Washington, undated

1988 Overview

General Theme: Preparing for the Challenges of Tomorrow

- this focuses on the future;
- provides the framework for legislative actions;
- describes specific goals for the President but also sets out a course for his successor;
- states what must be done to meet these goals;
- provides the opportunity to look back and then look forward.

Objective:

To provide a forum to advance and institutionalize the Reagan agenda; to lay down the framework for a political victory by the Republican Party in 1988.

Leading Issues:

- war/peace (arms control; East/West relations)
- quality education
- combating illicit drugs
- government spending (budget/deficits/process)

All of these issues are consistent with the Reagan agenda and can be a major part of the 1988 agenda. While there is the opportunity to score legislative victories in 1988, there is also the opportunity to sketch what the future should be and where it might go. An extremely important point: this agenda is relevant, consistent, optimistic.

¹ Source: Reagan Library, African Affairs Directorate, NSC Records, Subject File, NSC—Policy. No classification marking. Schott Stevens sent the paper to Cockell, Cohen, Danzansky, Dean, Ermarth, Alison Fortier, Barry Kelly, James Kelly, Linhard, Oakley, Rodman, Nicholas Rostow, and Soranzo under a January 26 covering memorandum, writing: "John Negroponte has requested that I circulate the attached '1988 Overview,' which Tom Griscom has prepared as a month-by month sketch of major themes he will be seeking to develop during the remainder of the President's term in office." Schott Stevens noted that Negroponte welcomed comments on the paper. (Ibid.)

1988 Monthly Agenda

January:

- Theme: looking ahead/setting the agenda
- State of the Union Address²
- quality education/jobs
- dealing with illicit drugs
- INF/arms control/growth of democracy
- economy/process reform

February:

- Theme: legislative action/a winner
- Contras³
- budget/two-year agreement/process
- Supreme Court confirmation
- North American Accord scene-setter (Mexico)

March:

- Theme: working with the Alliance/national security
- NATO
- national defense/national security
- conventional weapons
- arms control/arms reduction

April:

- Theme: North American relations/world relations
- Canada Free Trade Agreement⁴
- North American Accord (Canada/US/Mexico)
- Central America (possible)
- INF ratification

² The President delivered his State of the Union address on January 25. For the text of the address, see *Public Papers: Reagan, 1988–1989*, Book I, pp. 84–90. The text of the President's 1988 legislative and administrative message, entitled "A Union of Individuals," is *ibid.*, pp. 91–121.

³ Reference is to congressional action regarding the administration's \$36 million support package for the Contras. The House of Representatives was scheduled to vote on the proposal on February 3.

⁴ See footnote 2, Document 316.

May:

Theme: the role of the Peacemaker

- Moscow summit⁵
- arms control/arms reduction
- human rights/regional issues/bilateral issues

June:

Theme: forging domestic/international economic policy

- Economic summit in Canada⁶
- debt strategy
- budget/deficit reduction/process reform
- monetary policy⁷

July:

Theme: developing new economic markets

- Pacific Rim to support market-oriented growth
- Democratic National Convention occurs⁸

August:

Theme: recognizing our American Institutions/setting political agenda

- culmination of bicentennial of Constitution
- citing 100th Congress/role/changes/improvements
- Republican National Convention occurs⁹

September/October/November/December:

Theme: role of the presidency/political debate

- American values
- the future (education/technology)
- managing foreign policy
- the institution of government/relationships
- economic and budget policies

⁵ Scheduled to take place May 29–June 2. The memoranda of conversation are printed in *Foreign Relations*, 1981–1988, vol. VI, Soviet Union, October 1986–January 1989, Documents 156–163.

⁶ Scheduled to take place June 19–21.

⁷ An unknown hand placed a brace in the left-hand margin, bracketing the May and June points and wrote: “we could make Babangida ‘fit’ either of these. APR.” Reference is to General Ibrahim Babangida of Nigeria.

⁸ Scheduled to take place in Atlanta at The Omni Coliseum, July 18–21.

⁹ Scheduled to take place in New Orleans at the Superdome, August 15–18.

—Farewell Address: Vision of America (late December-early January)¹⁰

Major National Speeches:

- State of the Union (January)
- Contras (February)¹¹
- NATO (March)¹²
- Moscow Summit (May)¹³
- Economic Summit (June)
- Republican National Convention (August)¹⁴
- Institutional speeches (September/October/December)
- Farewell Address (January 1989)

¹⁰ The President's January 11, 1989, farewell address to the nation is printed as Document 335.

¹¹ On February 2, the President delivered an address to the nation regarding aid to the Nicaraguan Democratic Resistance and the \$36 million aid package (see footnote 3, above). The address is printed in *Public Papers: Reagan, 1988–1989*, Book I, pp. 162–167.

¹² The President discussed the March 2–3 NATO summit meeting in Brussels in his March 5 radio address; for the text, see *ibid.*, pp. 294–295.

¹³ The President's May 31 remarks, made before students and faculty at Moscow State University, are printed as Document 326.

¹⁴ The President offered remarks at the convention on August 15. For the text of his remarks, see *Public Papers: Reagan, 1988–1989*, Book II, pp. 1080–1086.

319. Editorial Note

Director of the Policy Planning Staff Richard Solomon discussed “Pacific Development and the New Internationalism” in a March 15, 1988, address before the Pacific Future Conference in Los Angeles. He began his remarks: “We live in a time when for many people the words ‘Pacific’ and ‘future’ are nearly synonymous. The nations of the Pacific rim have grasped the technological and economic trends that are transforming our world. They are the pace-setters of a new internationalism that is reshaping our lives and the world order of the 21st century—now little more than a decade away.

“• The economic dynamism of the Pacific rim is now a crucial source of growth for the global economy. Japan, of course, has led the way and is now an economic superpower with major global responsibilities, as well as our anchor in East Asia.

“• The new centers of economic power and political influence in the Pacific are steadily moving the world away from the bipolar era of the post-World War II years.

“• The struggle for democracy in the Philippines and South Korea reflects a worldwide surge toward more open politics.

“• And—of particular concern to those of us involved in foreign policy planning—important changes, now underway among the region’s major communist powers, may hold the prospect for a more secure Pacific.

“As the 14th Director of the State Department’s Policy Planning Staff—whose founding fathers were George Kennan and Paul Nitze—I am keenly aware that for nearly three decades our internationalism remained firmly centered on Europe. It was with Europe—through the Bretton Woods agreements, the Marshall Plan, and NATO—that the structure of the postwar international system was created; a system that, four constructive decades later, has brought us to the edge of a new world.

“When the Policy Planning Staff was first established, in the spring of 1947, the Pacific was anything but ‘pacific.’ When Americans faced Asia in those days, they saw the newly victorious communist regime in China, the Sino-Soviet alliance, the Korean war, and then—in the 1960s and early 1970s—the war in Vietnam.

“Yet, in the past decade, our perspective on the Pacific has changed dramatically: from the challenges of warfare to those of economic competition; from hostile political rivalry to normal relations with former adversaries; from distant countries with esoteric cultures to new partners in a global process of change. We have had to broaden our international outlook to include a dynamic region that increasingly rivals Europe for influence in world affairs.

“Our challenge as Americans is to grasp the essence of the trends that are transforming the Pacific and to balance our relations with the region with our continuing commitments to Europe. America is an island continent that links the two great oceans, and we cannot pursue our Pacific interests at the expense of those across the Atlantic, or vice versa.

“Nothing illustrates this truth better than the recent arms control treaty on eliminating medium and shorter range nuclear missiles. We made it clear in the course of negotiations with the Soviets that we would not sign an agreement which merely shifted the SS-20s from west of the Urals to the east. We could not tell our allies and friends in the Pacific that the price of greater security for Europe must be greater insecurity for Asia. We could not, and we did not.

And we will not do so as we now pursue a much broader arms control agenda, including restraints on strategic and conventional arms, chemical weapons, and the growing global market for high-technology weaponry.”

Solomon then addressed the four challenges the United States faced in its relationships with Pacific powers. These included structural adjustments in a changing global economy, the strengthening of democracy in Pacific nations such as South Korea and the Philippines, regionalism and the linkage of the Pacific to the global economy, and new security challenges aided, in part, by technological innovations. He concluded his remarks, stressing: “So that is the new internationalism—the opportunities and the challenges—as we deal with change in the Pacific and the broader transformation of the international system:

- “• An ever-more integrated, high-technology global economy, where rapid growth and the need for restructuring threatens to produce a protectionist backlash against an open trading system;

- “• Popular pressures for more open politics and the dangers to fragile democratic institutions from the totalitarian left and the authoritarian right;

- “• The erosion of national boundaries through instantaneous electronic communications and through economic forces that are integrating national economies into new regional and global patterns; and

- “• The struggle of the communist states to become competitive in a world in which market-oriented economies, the trend toward democracy, and international associations of free nations are leading the way into the 21st century.

“No one should underestimate the potential for disruption as we go through these changes. Yet, we have good reason for confidence about the future. After all, our challenges are those of social progress; of cultural innovation; of growing prosperity and greater security for the United States, its allies, and its friends. The challenges play to our strengths.

“As Secretary Shultz likes to put it, if we face up to our responsibilities as well as our opportunities, it is clear that the democracies of the Pacific rim hold the winning hand.” (Department of State *Bulletin*, May 1988, pages 33–37)

320. Information Memorandum From the Director of the Policy Planning Staff (Solomon) to Secretary of State Shultz¹

Washington, March 24, 1988

SUBJECT

Global Trends Revisited: A Next Phase in the Analysis?

INTRODUCTION AND SUMMARY

Since your December 4 speech, global trends have been put on everyone's agenda.² The phenomena you have stressed as bringing about fundamental changes in the world are recognized by most observers. But the political implications of these changes have not been thought through. Or, where they are addressed—as by Soviet policy planners—the answers are not *our* answers. There is no consensus on where these changes may be taking us in our relations with our allies or adversaries. Perhaps the most challenging question for the United States is how to exercise coalition leadership in a rapidly changing economic, political and security environment of more capable nation-states.

We must advance our analysis to identify issue areas where fresh thinking might be useful, especially where policies have yet to be worked out. The goal should be a comprehensive policy framework reflecting global trends that incorporates economic, political and security aspects. While the Soviets recognize the need to respond to the changes underway, they do not have a game plan. Following our April 7–8 policy planning talks with the Soviets, I hope to give you some further thoughts on the implications of our differing analyses for U.S.-Soviet relations.³ *END SUMMARY*

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons MARCH 1988. Confidential. Drafted by Kauzlarich. Pascoe initialed the memorandum and wrote "3/25." Shultz's stamped initials appear on the memorandum. A stamped notation indicates that it was received on March 25 at 6:40 p.m. Solomon sent the memorandum to Shultz under a March 25 covering note indicating that it was "Kauzlarich's think piece on where we might head in the global trends analysis." Shultz wrote "interesting" and "basis for discussion" at the bottom of the covering memorandum. (*Ibid.*)

² See footnote 14, Document 316.

³ In telegram 118153 to Moscow, April 14, the Department provided an overview of the U.S.-Soviet planning talks, which took place in Washington, April 7–9. (Department of State, Central Foreign Policy File, Electronic Telegrams, D880320–0455)

NATURE OF CHANGE

Most commentators agree on the basic elements of change (synthetics, globalization of manufacturing and finance, rapid product development, computers and telecommunications, services, and biotechnology). The implications they draw for the U.S. differ in some measure; but you and some others argue that with the right policies (although there are also important differences about the policy *mix*), the U.S. is well positioned to succeed and lead in this new era.

Paul Kennedy,⁴ in contrast, maintains that the notable shifts in economic power undercut the U.S. capacity to lead. He concludes that we must reduce our commitments and adjust to a diminished role in a world where we are less competitive—economically and politically.

It is interesting to contrast both these views with what the Soviets have revealed about change and the implications they are drawing for the Soviet Union. Based on what we learned from last October's policy planning talks in Moscow,⁵ and my sitting in on your discussions with Prime Minister Ryzhkov, the Soviets agree with Western commentators on the basic elements of change now underway.⁶ They also recognize that they must respond to these global changes if they are to become competitive in other than a military sense. But they do not have a game plan. Rather they have thrown up a number of vague or half-baked concepts—such as their Comprehensive System of International Security in the UN—as a way of trying to stay in the game and constrain our room for maneuver.

To date, the discussion of change and its impact on U.S. leadership has focused mainly on economic issues. We have highlighted

⁴ Professor of history at Yale University and author of *The Rise and Fall of the Great Powers: Economic Change and Military Conflict from 1500 to 2000* (New York: Random House, 1987).

⁵ In telegram 432 from Moscow, November 2, 1987, the Embassy provided an overview of the U.S.-Soviet policy talks, which took place in Moscow the week of October 26. (Department of State, Central Foreign Policy File, Electronic Telegrams, D870902-0056)

⁶ Presumable reference to Shultz's February 22 meeting with Ryzhkov in Moscow, which Solomon also attended. Referencing their previous meeting in April 1987, Ryzhkov indicated that "many changes had taken place in the world and in bilateral relations. A successful summit had occurred and the INF agreement had been signed. The latter was an historical step, an historical document. Further, there was room for satisfaction over the groundwork done during this past year in other areas—START, the conventional mandate and nuclear testing." He continued, "Further, there had been progress on regional conflicts, for example, on Afghanistan. New Soviet policies and this visit would make it possible to make more progress on this latter issue." The memorandum of conversation is printed in *Foreign Relations, 1981–1988*, vol. VI, Soviet Union, October 1986–January 1989, Document 124.

the political and security dimensions as well. We must think comprehensively about the impact of change on U.S. leadership and how to maintain our leading role in a multipolar world. How does the U.S. exercise leadership with a coalition of (economically) more equal partners? How must we adjust our foreign policy to deal with this new environment?

As a first cut at these fundamental issues, let us identify how change will affect U.S. interests in key areas of the world.

A. Western Europe. The target date for EC internal market integration is 1992. Will this mean more or less economic competition with the U.S.? What are the political implications of internal market integration? Will further progress in U.S.-Soviet arms negotiations cause Western Europe to reconsider its alliance relationship with the U.S.?

B. Japan-Asian NICs. Will the post-Nakasone era reflect an increasingly disruptive pattern of economic (and political and security) relationships with Japan? We and the Japanese are best positioned to take advantage of the changes taking place. Will this increase competition? How will U.S.-Japan relations affect relations with the Asian NICs? Is the Pacific Basin really where the 21st century lies, especially if the Asian NICs are drawn into even closer economic relations with Japan at the expense of third country economies?

C. LDCs. Those LDCs left behind by the Information Revolution represent potentially fertile ground for instability and regional conflict. How can we manage democratic transitions and encourage development in areas which may not have a high priority while U.S. Government resources are constrained? How do we prevent even a better-behaved Soviet Union from using LDC economic distress to cause problems for the U.S. and our allies?

D. Soviet Union. Our relationship with the Soviets will shape U.S. foreign policy across the board. We must explore the consequences of "new" U.S.-Soviet relations beyond purely reactive terms. What do we want from our relationship with the Soviets at a time when our relations with Western Europe and Japan may become increasingly unstable? Is it in our interest to bring the Soviets into closer contact with the changing international economic environment?

E. China. The size of the Chinese economy and its adaptation to change may lead to a more competitive China. Much depends on the progress of reform and the continued opening-up of the Chinese economy. What pattern of U.S.-Chinese relations is appropriate in this environment of change? Do we treat them as part of the emerging Asian NICs, or maintain their current special status? If Japan and China begin to jostle for influence in Asia (again), what will be the impact on U.S. relations with both?

GLOBALIZATION OF MARKETS

Globalization is recognized as the most fundamental economic change taking place today. Domestic markets and national boundaries are less important. It is difficult to grasp the magnitude of global activity—and its impact on our economy. Managing our economic relations with our allies will occupy an increasingly important place in our foreign policy.

Our economic policy tools have not caught up with these changes, especially in the trade and investment area. The issues are clear. How do you establish the country of origin for a product consisting of inputs coming from several countries and from firms established with capital from yet other countries? Is an international trade strategy based on the GATT multilateral system of lower “trade barriers” and expanded MFN the correct one? As firms increasingly use investment to circumvent trade barriers, how can we coordinate our investment strategy with our trade policy?

In addition to making our strategy for trade remedies and trade liberalization take account of global trends, two other issues require serious attention: technology transfer; and intellectual property. U.S. policies in these areas are exceptions to our broad embrace of globalization and free exchange of information. First, technology transfer policies must be evaluated in light of the rapid spread of technology and weaponry around the world. Second, our approach to intellectual property must reflect the high speed of technological advance and the new forms of property (e.g. computer software, plant seed genetics) that have complicated the traditional approaches to trademark and copyright protection.

SECURITY IMPLICATIONS

What do we do about the spread of arms technology around the world? Do we need a global armaments COCOM in which both we and the Soviets can participate? Are there particular technologies (e.g. biotechnology with military applications) which require non-proliferation regimes?

On another level, we must be involved with the DOD planners, looking out 15–20 years in terms of national security strategy. We must anticipate the impact that changing U.S. security strategy will have on relations within the alliance and with the Soviets.

What about burden sharing? We debate this problem as if the nature of the Western alliance and East-West confrontation remain as they have been throughout the post-war period. Does that make sense? With expanding economic and technological capabilities, shouldn't we examine the nature of the defense commitment by Japan and other Western countries in the post-INF world?

MULTILATERALISM

In some cases economic convergence among countries is leading to increased competition for markets. Such competition may pose a greater challenge to alliance cohesion than political and military conflict. Economic developments are also leading to intergovernmental arrangements that are potentially significant in political and security terms as well. For example:

A. Regional organizations such as the EC and ASEAN. I mentioned earlier that EC internal market integration in 1992 will require creative thinking on our part to deal with the economic—and potentially the political and security—implications of this step. While ASEAN is only a rhetorical flourish compared to the EC, economic and political changes (restrictions in the U.S. market, shifts in U.S.-Japanese relations) could spark greater ASEAN integration. Another interesting regional development will be within COMECON as Soviet reforms and Eastern European reactions build pressures for radical change in intra-bloc economic relations. What about failed attempts at regionalism, such as LAFTA? Do these new global trends increase the likelihood of success for new regional groupings? Except for the EC and possibly ASEAN, we do not sense a strong shift to regional approaches.

B. Expanded bilateral trade arrangements. Depending on progress in the GATT, the U.S. may seek to expand its bilateral free trade area (FTA) approach. A successful pattern of FTAs in this hemisphere would have significant political impact as well, leading to closer U.S. relationships with practical economic benefits for heavily indebted Latin countries. (By contrast, political and economic disruption could follow for those countries outside the FTA structure.) This coupled with similar trends elsewhere could splinter the Western economic framework into three trading (and perhaps political) blocs: 1) U.S.-Latin America, 2) Western Europe-Africa, 3) Japan-ASEAN. What would be the impact of such developments on the GATT, the MFN principle, and multilateralism generally?

A crucial political issue for the U.S. is where we want to go with the United Nations system. Just when we think we can do without the UN, especially the UNGA and New York secretariat, an Afghanistan, Persian Gulf, or Arab-Israeli situation arises in which the UN can play a significant role for us. Further, the Soviets are seeking a UN involvement on global trends issues. Should we deal with these issues in a UN context? Most important, we need to address a major disconnect in U.S. policy toward the UN—squaring our desire for reform with our unwillingness to have an effective UN which in the wrong hands could damage our interests.

MISSING ELEMENTS IN GLOBAL TRENDS

We have identified most of the major global trends that will challenge U.S. foreign policy. There are four additional areas, however, which bear further exploration:

A. Population. Population growth patterns pose serious challenges. In the U.S., and the West generally, an aging population has profound implications for the economy and society. For the Soviets, population growth highlights the nationality issue as both a political and economic problem. In the developing world, countries whose future in manufacturing depends on low wage rates face a far more complex environment. Technology reduces the advantage of low wages in LDCs with a growing population.

B. Environment. Environmental degradation is becoming an increasingly serious problem in developing as well as developed countries. The Soviets are stressing the environment as important to their “new thinking” in foreign policy. Could this be a test area for serious U.S.-Soviet cooperation on an international level, even in the UN? It threatens neither country’s vital interests, traditionally defined, and has positive gains for both.

C. Space. The post-*Challenger* period has dampened enthusiasm for highlighting space as an area of significant American technological achievement. Yet, we have undertaken a considerable effort to negotiate with our allies on a cooperative space station venture. SDI aside, there are many technological and economic implications arising from space. The growing number of countries participating in space and the tie-in between peaceful and military applications require some looking ahead on our part.

D. Management of Foreign Policy. If we take global trends seriously, we ought to be examining whether the Department of State is organized and equipped to deal with such significant changes. Global trends are being grasped as individual foreign policy issues. We are not ready to deal with them as an interrelated complex of developments that are changing the nature of international relations. We need a coherent program for applying different management practices and information technology to crisis management, analysis and planning functions.

CONCLUSION

We are only beginning to get a sense of the implications of global trends for the U.S. leadership role in the world. These issues provide a framework for articulating an integrated foreign policy in a forward-looking framework for reasserting U.S. global leadership.

We will be dealing with some of these issues in our April 7–8 policy planning talks with the Soviets. Based on these talks, we hope to give you some further thoughts on the implications of our differing analyses for U.S.-Soviet relations. This will influence the foreign policy framework we see evolving. This should be helpful as we plan ahead for the transition to a new Administration. It conceivably would provide you material for a second, more policy-oriented statement on global trends and their implications for U.S. leadership in the world.

321. Editorial Note

President Ronald Reagan discussed the foundational concepts of his administration's foreign policy and their impact upon the U.S.-Soviet relationship in remarks made before the World Affairs Council of Western Massachusetts at the Springfield Civic Center in Springfield, Massachusetts, on April 21, 1988. Suggesting that "the prospects for freedom" had seemed unlikely at the beginning of the decade, he recalled that democracy had been "on the defensive" throughout the world due to a variety of global events and crises dramatized by the media. However, the economic recovery of the democracies, including the United States, he noted, had laid such concerns to rest. This recovery stemmed from adherence to several principles: "Trust the people, let government get out of the way, and leave unharnessed the energy and dynamism of free men and women." Linking this development to U.S. foreign policy, Reagan remarked: "But I've come here today to suggest that this notion of trusting the power of human freedom and letting the people do the rest was not just a good basis for our economic policy, it proved a solid foundation for our foreign policy as well. That's what we've given to the people, why we have repeated what they instinctively knew, but what the experts had shied away from saying in public. We spoke plainly and bluntly. We rejected what Jeane Kirkpatrick calls moral equivalency. We said freedom was better than totalitarianism. We said communism was bad. We said a future of nuclear terror was unacceptable. We said we stood for peace, but we also stood for freedom. We said we held fast to the dream of our Founding Fathers: the dream that someday every man, woman, and child would live in dignity and in freedom. And because of this, we said containment was no longer enough, that the expansion of human freedom was our goal. We spoke for democracy,

and we said that we would work for the day when the people of every nation enjoyed the blessing of liberty.

“Well, at first, the experts said this kind of candor was dangerous, that it would lead to a worsening of Soviet-American relations. But far to the contrary, this candor made clear to the Soviets the resilience and strength of the West; it made them understand the lack of illusions on our part about them or their system. By reasserting values and defining once again what we as a people and a nation stood for, we were of course making a moral and spiritual point. And in doing this, we offered hope for the future, for democracy; and we showed we had retained that gift for dreaming that marked this continent and our nation at its birth.

“But in all this we were also doing something practical. We had learned long ago that the Soviets get down to serious negotiations only after they are convinced that their counterparts are determined to stand firm. We knew the least indication of weakened resolve on our part would lead the Soviets to stop the serious bargaining, stall diplomatic progress, and attempt to exploit this perceived weakness. So, we were candid. We acknowledged the depth of our disagreements and their fundamental, moral import. In this way, we acknowledged that the differences [that] separated us and the Soviets were deeper and wider than just missile counts and number of warheads. As I’ve said before, we do not mistrust each other because we are armed; we are armed because we mistrust each other. And I spoke those words to General Secretary Gorbachev at our very first meeting in Geneva.

“And that was why we resolved to address the full range of the real causes of that mistrust and raise the crucial moral and political issues directly with the Soviets. Now, in the past, the full weight of the Soviet-American relationship all too often seemed to rest on one issue: arms control, a plank not sturdy enough to bear up the whole platform of Soviet-American relations. So, we adopted not just a one-part agenda of arms control but a broader four-part agenda. We talked about regional conflicts, especially in areas like Afghanistan, Angola, and Central America, where Soviet expansionism was leading to sharp confrontation. We insisted on putting human rights on our bilateral agenda, and the issue of Soviet noncompliance with the Helsinki accords. We also emphasized people-to-people exchanges, and we challenged the Soviets to tear down the artificial barriers that isolate their citizens from the rest of the world. As for the final item on the agenda, arms control, even that we revised. We said we wanted to go beyond merely establishing new limits that would permit even greater buildups in nuclear arms. We insisted on cutting down, reducing, not just controlling, the number of weapons—arms reductions, not just arms control.

“And now this approach to the Soviets—public candor about their system and ours, a full agenda that put the real differences between us on the table—has borne fruit. Just as we look at leading indicators to see how the economy is doing, we know the global momentum of freedom is the best leading indicator of how the United States is doing in the world. When we see a freely elected government in the Republic of Korea; battlefield victories for the Angolan freedom fighters; China opening and liberalizing its economy; democracy ascending in Latin America, the Philippines, and on every other continent—where these and other indicators are strong, so too is America and so too are our hopes for the future.

“And yet even while freedom is on the march, Soviet-American relations have taken a dramatic turn into a period of realistic engagement. In a month I will meet Mr. Gorbachev in Moscow for our fourth summit since 1985. Negotiations are underway between our two governments on an unparalleled number of issues. The INF treaty is reality, and now the Senate should give its consent to ratification. The START treaty is working along. And I know that on everyone’s mind today is this single, startling fact: The Soviets have pledged that next month they will begin withdrawing from Afghanistan. And if anyone had predicted just a few years ago that by the end of this decade a treaty would be signed eliminating a whole class of nuclear weapons, that discussions would be moving along toward a 50-percent reduction in all strategic nuclear arms, and that the Soviets had set a date certain for pulling out of Afghanistan, that individual would have faced more than a little skepticism. But that, on the eve of the fourth summit, is exactly where we are.”

The President then summarized the major issues requiring “crucial definition” in advance of the summit. These included Afghanistan, Ethiopian famine, Nicaragua, and human rights, including the rights to emigration and travel. He concluded his remarks by stating: “You here today at the World Affairs Council understand better than most this lesson about how much all of us have in common as members of the human race. It is governments, after all, not people, who put obstacles up and cause misunderstandings. When I spoke at the United Nations several years ago, I mentioned some words of Gandhi, spoken shortly after he visited Britain in his quest for independence in India. ‘I am not conscious of a single experience throughout my 3 months in England and Europe,’ he said, ‘that made me feel that after all East is East and West is West. On the contrary, I have been convinced more than ever that human nature is much the same, no matter under what clime it flourishes, and that if you approached people with trust and affection, you would have tenfold trust and thousandfold affection returned to you.’”

“Well, you in the World Affairs Council have done much praiseworthy work in this area. And I’m hopeful that American foreign policy, based as it has been on strength and candor, is opening a way to a world where trust and affection among peoples is an everyday reality. This is my hope as I prepare to leave for Moscow. I’m grateful for your prayers and for your support. I thank you, and God bless you.” (*Public Papers: Reagan, 1988–1989*, Book I, pages 488–493; all brackets are in the original.) For the text of the question and answer session following the President’s remarks, see *ibid.*, pages 493–496.

322. Address by Secretary of State Shultz¹

Washington, April 23, 1988

The Winning Hand: American Leadership and the Global Economy

Some years ago, I wrote a book about my government experience called *Economic Policy Beyond the Headlines*.² It was not a best seller. That was a little surprising to me because it must have been the last hard-cover book on economics—or any other subject—that sold for \$8.95.

But there was one principle in those pages that expressed my philosophy of government. The key to effective public policy is to interpret the public interest—as it is usually shaped, in the midst of controversy—through an informed and objective understanding of the issues.

Today we are in the midst of a great controversy over our role in a world of rapidly changing technology. Some have even suggested that America is a nation in decline, that we are no longer competitive.

Have we still got what it takes? My answer is a resounding *yes*. An informed and objective understanding of the issues yields only one conclusion: we bring to the table a winning hand. But to play that winning hand, we must be fully engaged in the shaping of the new

¹ Source: Department of State *Bulletin*, June 1988, pp. 18–22. All brackets are in the original. Shultz spoke before the annual dinner of the Massachusetts Institute of Technology (MIT).

² Shultz, George P. and Kenneth W. Dam, *Economic Policy Beyond the Headlines* (Stanford, CA: Stanford Alumni Association, 1977).

global economy. And “full engagement,” in my dictionary, means the will and the resources to do the job—to lead the world toward greater economic growth, more coordinated international economic policies, and, above all, openness. These are the keys which unlock the door to a better future for all of us.

America in a Global Economy

Let me begin with the facts about America’s relationship to the global economy.

Fact number one: the American economy is increasingly part of the world economy, not an isolated national economy. A long-term process of economic integration and convergence, made possible by postwar trade liberalization, has sharply reduced the importance of national borders in economic affairs. The evidence is all around us, not only in economics but in science and culture as well. And most Americans have begun to understand this fact and adapt to it—not just bankers and economists and public officials but the proverbial man and woman in the street.

A few months ago, I saw a striking sign of economic integration: a headline announcing that “European Central Banks Cut Interest Rates.”³ Of course, I was happy to read that story, but the striking thing was its location—on the front page not only of the *Washington Post* but also of other major newspapers around the country. This was not “inside-the-beltway” news. You didn’t have to search through the middle of the business section to find it. Today the average newspaper reader realizes that his economic prospects depend on developments abroad as well as at home.

Now, fact number two: the very process of production crosses national boundaries. Economic integration has not been restricted to the exchange of goods across borders. Today’s market for inputs and output is the world. Here, too, Americans have understood the reality. Our business leaders have grasped the opportunities presented by such integration. Firms are establishing a wide variety of international linkages to take advantage of the new technologies and markets around the globe.

In much of contemporary international trade, one branch of a firm is selling to another branch of the same firm located in a different country. According to some estimates, as much as 40% of total U.S. trade may be of this nature. A recent survey indicates that 88% of U.S. manufacturers use foreign components in their products.

³Possible reference to Paul Blustein, “European Central Banks Cut Key Rates: Move Shows Support for U.S. Policies,” *Washington Post*, November 25, 1987, pp. A1, A12.

It is often difficult to identify what is “national” and what is “foreign.” My favorite example is a shipping label for integrated circuits fabricated by an American firm. It said, “Made in one or more of the following countries: Korea, Hong Kong, Malaysia, Singapore, Taiwan, Mauritius, Thailand, Indonesia, Mexico, Philippines. The exact country of origin is unknown.”

Fact number three: the globalization of production has been accompanied by the globalization of finance. For example, U.S. income from international assets has increased by \$40 to \$60 billion every 5 years since 1967. The size of international financial markets strains the imagination. The New York Federal Reserve Bank estimates that the *daily* volume of international financial flows is over \$1 trillion, or about the same as *annual* U.S. Government expenditures. And by now, everyone is aware of how stock exchanges around the world react to each other with unprecedented speed.

Fact number four: the world as a whole and America in particular have benefited from the emergence of the new global economy. Trade accounts for a growing share of the national economic activity of every country. The most rapid economic growth in recent history occurred in the years between 1950 and 1973, when trade was growing most briskly.

What was true for the world was true for America. Our markets abroad and America’s per capita income grew faster in the decades of most rapid international economic integration than they have in the more recent past, when the growth of world trade slowed appreciably.

All these facts suggest to me that we are at a turning point. We can play to our strengths. We can catch the curve of the future by recognizing global economic realities, by continuing to reap the benefits of integration and growth. Or we can descend the curve and get off of it by building new and more disruptive barriers between ourselves and the rest of the world, condemning us—and everyone else—to eventual stagnation.

A Cycle of Inflation and Disinflation

Why is it so difficult to make this choice? Why are we reluctant to play the winning hand? Instead of speculating about some mysterious change in our national character, I prefer to look again at the facts. We are beset today by the legacy of a severe cycle of inflation and then disinflation that has troubled the world for nearly two decades.

Accelerating inflation in the 1970s drove real interest rates down to unsustainably low—often negative—levels, providing a powerful incentive to incur debt. Then disinflation in the 1980s pushed real

interest rates to unsustainably high levels, producing a sharper-than-expected rise in the real debt-service burdens of borrowers.

This roller-coaster ride badly hurt commodity producers who were caught between rising debt burdens and declining prices for their products. The resulting Third World debt problem continues to exact real hardship from those least able to bear it. And the stagnating economies of the highly indebted developing countries have reduced America's exports.

American farmers also suffered severely from the cycle. By now, we are all too familiar with the story: land values skyrocketed as crop prices rose, and farmers borrowed heavily as the value of their assets increased. But, as inflation was wrung out of the economy and crop prices dropped, disaster struck many farm families. It also encouraged massive agricultural subsidies, here and abroad, that have distorted international trade.

On the industrial side, the rising unemployment rates that accompanied inflation in the 1970s convinced most economists that inflation—a little or a lot—is not the way to reduce unemployment. But the inflation/unemployment experiences of Japan, the United States, and Europe from 1970 to 1985 proved to be quite different. In Japan, there was little or no relationship between unemployment and either the inflation rate or overall economic activity. In the United States, we moved in the 1980s toward the lower inflation and lower unemployment patterns of the pre-1970s. In Europe, however, unemployment increased steadily, seemingly unresponsive to the rate of inflation or to economic activity.

So, if we review the legacy of the period 1970–85, we find heavily indebted developing countries, low commodity prices, and high unemployment, especially in Europe. Added to these trends were wide swings in inflation-adjusted exchange rates, bloated government spending, and large trading imbalances among the industrialized countries.

American Leadership

This legacy goes far to explain some of the debate about our future leadership. The vision of a new global economy, with all of its opportunities, is sometimes overshadowed by the old problems, with all of their pain.

As Secretary of State, I know the costs of engagement are considerable. The foreign affairs budget, which is crucial to our engagement abroad, will never be popular. But that budget is used to defend America's interests—our security, our economy, our political strength. It fights the drug traffickers and the terrorists. Yet in terms of real

dollars, the resources we are committing to these activities have fallen since fiscal year (FY) 1985 by almost a third.

Let me repeat: we must do what is necessary to serve the public interest, through an informed and objective understanding of the issues. Now let's take this test of the public interest and grade the alternatives to full American engagement.

Let me start with the idea we are overextended abroad and, therefore, headed for irrevocable decline unless we cut our security commitments, i.e., the defense budget. Of course, it is true the United States is no longer the preeminent power it was in 1945, when much of the world lay in ruins. But the recovery of our allies in Europe and Asia under the American security umbrella must be reckoned as one of the greatest success stories of all times. It will be a sorry day in America when we regard the good fortune of our friends as detrimental to our interests, especially since we have benefited mightily as a result of their success.

I also reject the argument that our defense effort "robs" our industry of its future competitiveness because so much of our research and development effort is defense related. Clearly, there are economies where such things happen—the Soviet Union, which spends an estimated 15% to 17% of its GNP [gross national product] on defense, is a good example—but that is not true of the American economy. Our high-technology sectors are strong, and our pattern of economic growth simply does not support the argument of a long-term, defense-related decline.

In fact, we enjoyed our highest economic growth in the 1950s and 1960s when our military expenditures averaged 9.2% of GNP, a much higher proportion than the 6.7% we spend today. Over the past 10 years, we have had a slightly higher rate of growth than that of Western Europe and Japan, if you average them together, although their military expenditures take a much lower proportion of their GNP than ours.

Now, I am not saying there is a correlation between higher defense spending and growth or lower defense spending and stagnation. I am only saying whatever the reasons for our economic difficulties, our military and political commitments are not among them. The facts are quite different. We certainly have the means—and our allies also have the means—to defend ourselves and our interests abroad. Whatever our constraints may be, they are not imposed by our economy.

Now, let's examine for a moment another popular argument, that protectionist legislation will cure our trade troubles, a little or a lot.

Here history teaches a strong lesson. Every Member of Congress ought to reread the record of the 1920s and 1930s before voting on trade legislation. It is a sad story that cannot be retold often enough. International trade collapsed, not mainly because of the 1929 stock market crash but in considerable part because of protectionist policies of the 1930s which were intended to preserve domestic jobs.

Have we forgotten, too, the political counterpart of this economic disaster? The age of democracy was succeeded by the age of the dictators and then by world war. The enlightened alliances and the open international economic system established in the postwar era nourished our freedom and planted the seeds for the spread of democracy. Now, four decades later, we are witnessing a remarkable global resurgence of democracy, thanks to the universal attractiveness of the democratic ideal. From Central America to the Philippines and Korea, from Africa to Eastern Europe, people want freedom: freedom for themselves, freedom at home, freedom in the workplace, freedom to choose their leaders.

Are we going to throw away this renaissance of free markets, free economies, free societies, and free nations in order to prove we cannot learn from history? Or are we going to reject protection, procedural or otherwise, for what it is—not an insurance policy against the fire of unfair competition but an act of economic arson that eventually burns down everyone's house.

Finally, we ought to take on those who say Americans can no longer compete. What are the signs of such fundamental weakness? The often-cited trade deficit, for example, tells us a lot about the relative rates of growth, macroeconomic policies, and exchange rates that existed between the United States and the rest of the world earlier in this decade. But it says nothing that supports the view U.S. manufacturing is in decline. Far from it—U.S. manufacturing output accounts for just as large a share of our GNP as in the past. Productivity growth in manufacturing has been strong in recent years. The boom in U.S. manufacturing exports now in progress shows how competitive American factories have become once again.

So, instead of abusing our self-esteem, let's not lose sight of the reality. As Herb Stein says, "The basic fact about the American economy is that it is very rich. It is not rich enough to do everything, but it is rich enough to do everything important. The only problem is deciding what is important." And the first thing of importance is to look out for our security.

Sometimes, our friends from abroad may see our choices for the future more clearly than we do ourselves. I think the Prime Minister

of Singapore, Mr. Lee Kwan Yew, put it best before a joint session of Congress when he said:

There are two scenarios for the 21st century. The first is bleak: If, because of domestic problems, the United States loses the will to maintain open and fair trade, protectionism and retaliation will shrink trade and so reduce jobs. Is America willing to write off the peaceful and constructive developments of the last 40 years that she made possible?

Does America wish to abandon this contest between democracy and the free market on the one hand, and communism and the controlled economy on the other—and this at a time when she has very nearly won this contest for the hearts and minds of the people of the Third World?

Ask the Prime Minister of Singapore. The answer to those questions must be: we are not going to throw away our winning hand just because the game gets challenging.

Directions for the Future

A transition to new relationships among the major economic powers is clearly underway. In this transition, the United States is showing the way and we must remain the leader, both economically and politically. Who else can do it? But ours must be a leadership suited to the times. The economic achievements of Europe and Japan now qualify them for much greater responsibility in the global economy. Their productivity, their income, their share of world output and trade admit no other conclusion. Clearly, they must share a commensurate responsibility for maintaining and expanding the openness of the world economy.

Let me be more specific about the directions I would like to see us all take in today's global economy:

First, the role of government in promoting more vigorous growth around the world. Every sensible person favors more economic growth. The issue, however, is the role to be played by government in promoting such growth. That role is limited but very important. Government's responsibility is to provide a stable fiscal, monetary, and legal environment, and then let markets work freely. Such an environment is critical if private entrepreneurship and innovation are to flourish.

Our recent experience has shown this concept works well. President Reagan's insistence that the market, rather than the government, should be the principal force in economic policy has paid off. The so-called misery index, the sum of the inflation rate and the unemployment rate, is down to single digits after more than a decade in double digits. Employment in the United States is at an all-time high—and that's also in terms of the percentage of the population 16 years of age and older. It's at an all-time high, not just numbers. And the largest employment gains have been in higher paying and higher skilled

occupations. Nearly two-thirds of the new jobs—some 15 million in the last 5 years—are to be found in managerial, professional, technical, sales, or precision production operations.

So, the idea that governments can dictate all positive economic results should be defunct—though it lingers on in political nostalgia. Government programs did not produce the 15 million new jobs added to the U.S. economy since 1983. Entrepreneurship did it, and mostly small enterprises.

That brings me to the second direction we should all take: I call it constructive international coordination. In a world of interdependent economies, no nation can pursue policies successfully that are widely at variance with the realities of the global marketplace. The political reality, however, is that many nations have been tempted to defy this convergence. None has succeeded. That is why we are faced today with very large international economic imbalances that must be rectified.

Many have looked to the process of international coordination to ease the transition from these imbalances to a more stable world economy. This is a complex undertaking which can succeed if we keep two things in mind:

- First, we and our trading partners must pursue the correct economic policies at home. That means we should work on root causes that interfere with the market, such as overspending, over-regulation and overtaxation by governments. I'll have something more specific to say about those policies in a moment.

- Second, coordinated international action should serve to strengthen the market, and encourage those domestic policies that do the same. Coordination, after all, is a process, not a panacea. Through it, we can move in the right direction or in the wrong direction. It would be counterproductive, indeed, if the process of international coordination reinforced wrong-headed protectionism—as will happen; if we protect, they'll protect, and so on, so you have a convergence of policies of the wrong sort—or preserved agricultural subsidies, which in part are kind of a competitive explosion of convergence in the wrong direction, thereby trying to repeal once more the realities of the marketplace.

Now what does constructive coordination require today? All participants in the global economy have roles to play so adjustment of the current imbalances takes place in a climate of growth, not recession. In the United States, our Federal Government spending absorbs savings that otherwise would be available for investment in the private sector. We must bring government spending under control, and the deficit will take care of itself. The budget agreement in the summit was a good first

step. Now we need the discipline to hold that agreement in place, and it isn't easy.

Despite the occasional monthly fluctuations, to which we pay too much attention, the fact is the U.S. trade deficit is shrinking—perhaps even more rapidly than many people realize. It has already shrunk about 18% in terms of volume since the third quarter of 1986, and the dollar figures are beginning to follow. This will have a major impact, not only on us but on our trading partners as well. Other countries will face great strains unless their economies and world trade continue to grow as our trade deficit—and their trade surpluses—are reduced.

That is why we have emphasized structural reform and growth in our economic consultations with Germany and the other EC [European Community] countries, Japan, and all our major trading partners. Japan, Germany, and the other OECD [Organization for Economic Cooperation and Development] countries must increasingly look to their domestic economies, rather than just exports, for growth. This change of direction is in their interest, not just in our interest.

Some years ago I pointed out the propensity of the Japanese to save more than they invest, with the excess appearing as the net exports needed to maintain high domestic employment. Recently, the Japanese have begun to make significant adjustments, driven by the realignment of exchange rates and a new commitment to domestic growth. These steps are welcome. We need more of them. They need more of them, too.

Among the anomalies of our times is a Europe that seems content to live with unemployment rates above 10%—even higher among the young—because European social welfare systems have made unemployment almost as desirable as working. But there are very high costs for such policies—costs that go beyond excessive public spending and unproductive use of resources. Above all, there is the human tragedy. When competition in the global economy increasingly demands skill and training, no nation, including ours, can neglect its youth or condemn its next generation to idleness.

Changes in policies that stunt growth are even more crucial for the developing countries with heavy debt burdens. Many debtor countries have run large trade surpluses by cutting investment and imports to the bone, not by creating the market-oriented environment that will allow exports to expand. The austerity required by such a strategy strains their political and social fabric. And as the U.S. trade balance rights itself, debtor countries will face new challenges exporting to the United States.

There, too, we face a very complex process. One side of the coin is that economic growth requires increased investment—investment

which can only come largely from private sources. The only way ever invented to attract equity capital—not just debt rollover—is to assure an attractive investment climate. And that means structural reforms to free up markets, promote trade, and encourage private entrepreneurship.

The other side of the coin is the debt problem itself. It is now clear that large increases of official foreign assistance cannot be expected. Further exposure by commercial banks under current circumstances is not in the cards. I am convinced the most creative and least costly solutions will emerge when the debtors and their private lenders work out a solution directly. Let the government not get involved.

Third, and finally, we must all go on the offense for openness—in trade, in investment, in ideas. I want to put it bluntly. Over the last 15 years, we have found it difficult to do more than fight off destructive protectionism. That's not good enough to meet the challenges of tomorrow. We have got to open markets further, lower trade barriers, and spur on the process of global economic integration.

That is why the U.S.-Canada Free Trade Agreement is so important. This historic accord establishes the world's largest international free trade area, affecting trade of about \$125 billion per year. It will strengthen the economies of both countries, and it will create better jobs in both countries. While the centerpiece of this agreement is the elimination of tariffs on all goods within 10 years, one of the best things about it is the new set of opportunities it provides for the rapidly expanding services sectors of both countries. The agreement also liberalizes trade in agriculture, autos, energy, and government procurement. It sets up an effective mechanism for settling disputes. The benefits for both countries will be the most powerful inducements in our ongoing multilateral and bilateral efforts to liberalize trade.

We also have before us today a tremendous opportunity to open up the global marketplace through the Uruguay Round of multilateral trade negotiations. There are several crucial areas for reform here, including the extension of international rules to promote the free flow of services and investment and the protection of intellectual property. But I want to focus on one area, which can be the stepping stone to a better future for all mankind.

I'll put it simply: the need for major structural reform in agriculture is overwhelming. Farm programs around the world have become ever more costly to governments and consumers. The OECD estimates the budget costs of support systems and higher prices to consumers in member countries—just the OECD—now approach \$150 billion annually. That is, the subsidy costs plus the higher-than-necessary prices consumers, added up, it's \$150-billion-a-year tag.

This cost far exceeds the benefits being transferred to farmers. Farm programs have become increasingly wasteful of resources which could be more productively employed elsewhere. It's a shame, because farmers are about the most hard-working portion of our population, and from the standpoint of the United States, our farmers are inherently very competitive. But they're caught up in this crazy process of competitive subsidies, and here we are with a \$150-billion-a-year price tag.

In the GATT [General Agreement on Tariffs and Trade] negotiations on agriculture we should address the root causes of such distortions: government supports and export subsidies. To achieve equilibrium in global supply and demand, the negotiations must reach agreement to reduce and eventually eliminate these distorting government policies—and that is the U.S. position on the table. We must not be satisfied with patchwork solutions such as market-sharing arrangements. That's bad convergence.

America's Spirit

Let me close on this note. I have spoken of America's winning hand—of growth, of coordination, and of openness—as the keys to the future. Whether we play that winning hand, however, depends not only on our wisdom but also on our zest for the game. So in a larger sense, what I propose here goes beyond economic policy. It goes to the spirit of America itself.

Now, 150 years ago, Alexis de Tocqueville detected that spirit when he described Americans as eager for change and self-confident in their ability to master the future. That spirit of adventure—not only our material resources—has brought us into the front rank of nations. Our universities—including MIT—our industry, our farmers, our workers have set world standards. The common thread tying together these achievements is a sense of adventure, of experiment, of anticipation of the future.

And that's my message. Let's embrace that future with the zest that makes us great. Let's play the winning hand that we hold.

323. Remarks by President Reagan¹

Chicago, May 4, 1988

Remarks and a Question-and-Answer Session With Members of
the National Strategy Forum in Chicago, Illinois

[Omitted here are the President's introductory remarks.]

I'll keep my remarks brief today so that we'll have ample time for questions. I can't help but reflect here at the opening that it can be pretty tough in this State for a Chief Executive. In fact, let me tell you what the Illinois State Register had to say about the occupant of the White House. They said, and I quote, "the craftiest and most dishonest politician that ever disgraced an office in America." Of course, they weren't talking about me. That was Abraham Lincoln, they said. [Laughter] It may have been that kind of treatment in the press that led Lincoln to answer this way when he was asked what it felt like to be President. Well, he said—you've heard Lincoln is supposed to have said—about the man who was tarred and feathered and ridden out of town on a rail. And a man in the crowd asked him how he liked it, and his reply was that if it wasn't for the honor of the occasion, he'd rather walk. [Laughter] Come to think of it, I must be doing something right.

As you know, our agenda for the U.S.-Soviet relations has four main parts: regional conflicts, bilateral exchanges, arms reductions, and human rights. I've spoken elsewhere at some length about the first three, and today I'd like to take a moment to discuss with you the subject of human rights.

We Americans, of course, often speak about human rights, individual liberties, fundamental freedoms. We know that the promotion of human rights represents a central tenet of our foreign policy. We even believe that a passionate commitment to human rights is one of the special characteristics that helps to make America, America. It was Lincoln himself who said that the Declaration of Independence granted liberty not to our nation alone but "gave promise that in due time the weights should be lifted from the shoulders of all men." And it's important to note that this American emphasis on human rights represents much more than merely a vague respect for human dignity. No, part of our heritage as Americans is a very specific and definite understanding of human rights, a definition of human rights that we can assert to

¹ Source: *Public Papers: Reagan, 1988-1989*, Book I, pp. 552-556. All brackets are in the original. The President spoke at 12:51 p.m. in the Grand Ballroom of the Palmer House Hotel before the National Strategy Forum. The text of the question-and-answer session following the President's remarks is *ibid.*, pp. 556-558.

challenge ourselves and our own institutions and that we can hold up as an example for all the world.

Ultimately, our view of human rights derives from our Judeo-Christian heritage and the view that each individual life is sacred. It takes more detailed form in the works of the French and English writers of the 18th century Enlightenment. It is the notion that government should derive its mandate from the consent of the governed, this consent being expressed in free, contested, regular elections. And there you have a first human right: the right to have a voice in government, the right to vote.

Elected governments would reflect the will of the majority, but the Enlightenment writers and our own Founding Fathers gave the concept of human rights still more definite, specific form. For they held that each individual has certain rights that are so basic, so fundamental to his dignity as a human being, that no government, however large the majority it represents, no government may violate them—freedom of speech, freedom of religion, freedom of assembly, freedom of the press. These and other rights enshrined in our Constitution and Bill of Rights consist in severe limitations upon the power of government. And this is another basic point: They are rights that every citizen can call upon our independent court system to uphold. They proclaim the belief—and represent a specific means of enforcing the belief—that the individual comes first, that the Government is the servant of the people, and not the other way around. That contrasts with those systems of government that provide no limit on the power of the Government over its people.

Within the Soviet Union, decisionmaking is tightly concentrated at the top. The authority of the Communist Party is not determined by a document—a constitution, if you will—but by the leadership who determine what is right for the people. Rights such as free speech, free press, and free assembly are granted if they are “in accordance with the interests of the people and in order to strengthen and develop the Socialist system.” And that last line I was quoting.

I have in the past stressed these contrasts between the United States and the Soviet Union: the fundamental and profound differences between our philosophies of government and ways of life. And I’ve always said that our negotiations must be undertaken with precisely this sort of realism, this sort of candor. And yet while establishing this context is essential, and reminding ourselves of these basic distinctions always useful, today I have something additional in mind. For, in recent months, the Soviet Union has shown a willingness to respect at least some human rights. It is my belief that there is hope for future change, hope that in the days ahead the Soviets will grant further recognition to the fundamental civil and political rights of all. But before discussing

our hopes for the future, I'd like to turn for a moment to a subject that the Soviets themselves often raise.

The United States may recognize civil and political rights, but what of economic and social rights? The Soviets point out, for example, that the United States has an unemployment problem. Or they point to the American problem of homelessness or to racial discrimination. Well, it deserves a full response. To begin with, so-called economic and social rights belong to an essentially different category from civil and political rights. The economic and social conditions in any society are constantly changing—new social groupings constantly taking shape, as yours did, new markets forming as old markets disappear. And yet there's nothing shifting about civil and political rights like freedom of speech or worship; they are constant and immutable, forever basic to the dignity of each human being. They are fundamental—fundamental to everything.

Yes, the United States has social and economic shortcomings—unemployment, for one. As a free people, we've created an economic expansion that over the past 5 years has created nearly 16 million new jobs, but we still recognize we need to do more. Homelessness is indeed a problem, an agonizing one. To some extent, we are bound in dealing with it by our very commitment to liberty, for while we seek to help the homeless in every way possible, we must avoid at all costs coercive solutions. It's true that, as a free people, we spend hundreds of millions of dollars a year through our Federal, State, and local governments to care for the homeless. As a free people, our churches, synagogues, and a host of volunteer organizations do much to provide the homeless with food, clothing, and medicines. And yet there is no denying that a problem remains. Racial discrimination—our strides as a free people during just the past three decades have been dramatic. Yet the problem lingers, and we continue to battle bigotry and prejudice. The problems, as I said, are serious. No one would seek to deny them. Yet in freedom we are constantly confronting them, criticizing ourselves, seeking to do better, in full view for all to see.

But consider, if you will, the economic conditions of the Soviet Union. Now, I do not mean to suggest that the Soviet economy has made no progress. But the limited successes of the past arose largely from constant additions to the labor force and the availability of inexpensive resources. Now that these have been to a great extent depleted, there remains a gap between the Soviet Union and the West. Indeed, given the enormous advances in Western technology, that gap is likely to widen. Now, I do not bring this up simply for the sake of sounding critical. I mention it here because in recent months—and this is a development of tremendous significance—in recent months they've begun to mention it themselves, just like Americans do about their problems.

Soviet economists have published articles about Soviet shortages. One recent article dealt with the inadequacies of Soviet housing. The Soviet press now carries stories about the need for progress. And, of course, Soviet economic progress is one of Mr. Gorbachev's chief aims.

And this brings us back to the subject of the day: human rights. For I believe that the Soviets may be coming to understand something of the connection, the necessary and inextricable connection, between human rights and economic growth. The connection between economic productivity and certain kinds of freedom is obvious. Private plots of land make up only 3 percent of the arable land in the Soviet Union, but on them is raised a quarter of all of the produce. The free flow of information, to provide another example, will clearly prove vital for Soviet science and technology to have hope of reaching new and higher standards.

And yet there's a still deeper connection. For it's the individual who is always the source of economic creativity, the inquiring mind that produces a technical breakthrough, the imagination that conceives of new products and markets. And in order for the individual to create, he must have a sense of just that—his own individuality, his own self-worth. He must sense that others respect him and, yes, that his nation respects him enough to permit him his own opinions, respects the relationship between the individual and his God enough to permit him to worship as he chooses, even respects him enough to permit him, if he chooses to do so, to leave.

The Soviets should recognize basic human rights because it's the right thing to do. They should recognize human rights because they have accepted international obligations to do so, particularly in the Helsinki Final Act. But if they recognize human rights for reasons of their own—because they seek economic growth or because they want to enter into a more normal relationship with the United States and other nations—well, I want to say here and now, that's fine by me. The indications, as I've said, have been hopeful. Over the past 3 years, some 300 political and religious prisoners have been released from labor camps. More recently, the incarceration of dissidents in mental hospitals and prisons has slowed and in some cases stopped completely. And while the press remains tightly controlled by the party and state, we've seen the publication of stories on topics that used to be forbidden—topics like crime, drug addiction, corruption, even police brutality.

Now, these changes are limited, and the basic standards contained in the Helsinki accords still are not being met. But we applaud the changes that have taken place and encourage the Soviets to go further. We recognize that changes occur slowly, but that's better than no change at all. And if I may, I'd like now to share with you a brief summary

of the human rights agenda that I'll be discussing in my meetings in Moscow.² It has four aims.

First, freedom of religion—despite the recent relaxation of some controls on the exercise of religion, it is still true that the churches, synagogues, mosques, or other houses of worship may not exist without government permission. Many have been imprisoned in the past for acts of worship. And yet, to quote the Universal Declaration of Human Rights, "Everyone has the right to freedom of thought, conscience, and religion." And General Secretary Gorbachev has indicated a willingness to consider a new law on the freedom of conscience.

Second is freedom of speech. There are still many serving long prison sentences for offenses that involve only the spoken or written word. Yet the clear, internationally recognized standard, as defined, once again, in the Universal Declaration of Human Rights, is that, and I quote, "Everyone has the right to freedom of opinion and expression." And today there's more such freedom in the Soviet Union than 2 years ago. Many persons imprisoned for expressing dissenting views have been released from prison. This issue can be removed by granting full recognition to this basic human right. And I know you join me in urging the freeing of people imprisoned for nothing more than the expression of their views.

Emigration, third, has long represented a matter of great concern to us. The Universal Declaration states that "Everyone has the right to leave any country, including his own, and to return to his country." Well, it's true that during the past 12 months, the rate of people permitted to leave the Soviet Union has been significantly higher than during the preceding 6 years. And it's true as well that the number of those permitted to leave for short trips, often family visits, has gone up. We're heartened by this progress. Our hope is that the Soviets grant all their peoples full and complete freedom of movement. And one point in particular: The Soviets refuse many the right to leave on the grounds that they possess secret information, even though they had ended their secret work many years before and whatever information they had has become public or obsolete. I hope that such cases will be rationally reviewed and the decision will be made to free these people and their families.

And this brings me now to the fourth and final area I want to discuss: making the progress more permanent. As I've said a number of times now, we welcome the human rights progress that the Soviets have made and believe there is good reason to hope for still more. Yet it's

² See footnote 5, Document 318.

only being realistic to point out that we've seen progress in the Soviet Union before. Khrushchev loosened things up a bit. The intellectual and cultural life of the Soviet Union underwent a kind of thaw, a kind of springtime. But it was a springtime followed by winter, for Khrushchev's relaxations were reversed. And for the nearly three decades until our own day, oppression and stagnation once again became the determining characteristics of Soviet life. And that's why those of us in the West, both publicly and in direct conversation with the Soviets, must continue to make candor and realism the basis of our bilateral relationship. My Chief of Staff, Howard Baker, told me recently of an old Tennessee saying: "Plain talk—easy understood." Well, exactly. And just as previous hopeful moments in Soviet history ended all too soon, so, too, *glasnost*, today's new candor, will succeed if the Soviets take steps to make it permanent, to institutionalize it.

Freedom of religion, freedom of speech, freedom to emigrate, and the willingness to make new freedoms permanent—these are our hopes, these are our prayers for the future of human rights in the Soviet Union, in the world, in our own country. In granting greater liberty, I am confident that the Soviets will discover that they've made possible economic growth. But even more important, this recognition of human rights will advance the cause of peace. For in the words of Andrei Sakharov, a man who suffered much under the Soviet system, but who has also experienced the benefits of *glasnost*—he says: "I am convinced that international confidence, mutual understanding, disarmament, and international security are inconceivable without an open society with freedom of information, freedom of conscience, the right to publish, and the right to travel and choose the country in which one wishes to live. Peace, progress, and human rights—these three goals are insolubly linked."

Well, since I've been speaking today about the relationship of human rights and economic progress, let me say a few words about the present situation in Poland, a nation with which millions of Americans share bonds of kinship. We hope and pray that the Polish Government will hear the voice of the Polish people and that economic freedom, reform, and recovery will soon begin. The Polish have long been ready for it.

Now in concluding, I just want to say something that I've said many times to students. I delight in having an opportunity to speak on campuses or in high schools or something. And I like to point out something about our Constitution. And you'd be surprised how new the thought is to all of them because they say all the other nations have constitutions. And I've read an awful lot of them. And many of them, most of them, contain some of the same clauses that ours do. But I said, the difference is so tiny in ours that it is overlooked,

and yet it is so great it tells the entire difference. Three words: “We the People”—our Constitution is a document in which we the people tell the Government what it can do, and it can do nothing that isn’t contained in that document. All those other constitutions are documents in which the Government is telling the people what it will let them do. And it’s wonderful to see the look on their faces and to think that, well, maybe you’ve established another little shingle on the roof of patriotism where they’re concerned. I told this one night at a dinner table in the White House, when the person beside me was the Crown Princess of Japan. They were there on a trip to our country. And very quietly she said something to me. I was only wrong in one respect. Since World War II, the Japanese Constitution now also says, “We the People,” and they have copied us. And I was very happy to be corrected.

Well, thank you all, and God bless you. And now I’m very happy to take some questions.

324. Memorandum From Secretary of State Shultz to President Reagan¹

Washington, May 16, 1988

SUBJECT

The Moscow Summit

Setting

Your visit to Moscow is the first by an American President in 14 years.² It takes place against a background of solid, balanced progress across our broad agenda. We’ll have even more to show for our efforts this summit than we did last December in Washington.

—There has been progress in the Nuclear and Space Talks, although not as much as we hoped, and in other arms control subjects.

¹ Source: Reagan Library, George Shultz Papers, Memoranda for the President (04/29/1988–06/04/1988); NLR–775–22–11–5–0. Secret; Sensitive. No drafting information appears on the memorandum. Also printed in *Foreign Relations*, 1981–1988, vol. VI, Soviet Union, October 1986–January 1989, Document 153.

² Nixon traveled to the Soviet Union and met with Brezhnev, Podgorny, and Kosygin, June 27–July 3, 1974. For documentation on the visit, see *Foreign Relations*, 1969–1976, vol. XV, Soviet Union, June 1972–August 1974.

By working hard on START and by underscoring your determination not to let political calendars drive substance, we have kept the absence of a START Treaty from being a political liability.

—The Soviets may be close to significant new human rights moves as we near the end-game of the Vienna CSCE Follow-Up Meeting. While they still have far to go, progress in areas we have traditionally emphasized has been sustained.

—The Soviet withdrawal from Afghanistan now underway represents the achievement of your top objective in our regional dialogue.

—The half-dozen bilateral agreements to be signed at the summit testify to the vigor of revived direct contacts between our two countries.

A Working Summit

The temptation in Moscow may be to look backward at all that has been achieved. The challenge will be to use the meeting to prepare the ground for further progress. We want the Moscow summit to be remembered as the place where our dialogue caught its second wind, not as its high water mark.

The Soviets appear to see things the same way. Despite some turbulence in the Soviet internal political situation, Gorbachev appears to retain the initiative at home and full authority on foreign policy. A successful summit would be an asset—although probably not a critical one—as his party conference approaches in mid-June. He has thus put great emphasis on packing as much substance as possible into your visit. We may not see dramatic moves as at Reykjavik, but I expect Gorbachev to be in a mood to do business.

We will be ready. This may well be our best chance to advance on issues which have resisted solution in lower-level discussions. There are opportunities across the board.

Human Rights

I recommend you raise human rights early on, perhaps in your initial one-on-one. Tone will be important, given the sensitivity Gorbachev has shown to any hint that we are playing “prosecutor” to his “accused.” I told Shevardnadze that you are particularly interested in religion, and he said Gorbachev would be ready to discuss it.

If we are in fact in a Vienna CSCE end-game, you can focus on things the Soviets could do quickly to meet our need for a balanced outcome—release of political prisoners, liberalized treatment of religious believers, elimination of artificial barriers to emigration. You’ll also want to press for action on the cases you have raised since the

Washington summit³ with Shevardnadze (thus far one of the 17 has been resolved, and we have been informally told two more may be soon). Gorbachev will take you to task as usual for “inadequacies” in the way we care for our citizens, and you will have to make clear the distinction, which you pointed out in your Chicago speech,⁴ between socio-economic issues and the political rights Moscow has undertaken to respect under international agreements.

Arms Control

If we can crack certain problems in Moscow, we will be in a good position for a steady push on START in the months ahead. We want also to clarify the Washington Summit Statement’s ambiguities on Defense & Space. Much of the work will be highly technical, with the focus necessarily in working groups. But you and Gorbachev will have to drive the process and make necessary in-course corrections. Our goals are to:

—Close on a formula for counting ALCMs on heavy bombers which takes into account the differences between cruise missiles and ballistic missiles, and work out procedures for converting heavy bombers to conventional aircraft;

—Agree on verification provisions for mobile ICBM’s so that we can take up the question of a mobile warhead ceiling;

—Get Soviet acknowledgement of the right of a side to take steps if its supreme interests are jeopardized by unforeseen events.

—Obtain Gorbachev’s confirmation that, at the end of the period during which both sides will be committed not to withdraw from the ABM Treaty, each side may deploy strategic defenses if it chooses;

Gorbachev and his team will have their own agenda. They will push on SLCMs and likely will resist our attempts to pin them down on Defense & Space issues. Our best tactic is to go to Moscow with good positions that demonstrate our readiness to move forward during and after the summit in both START and Defense and Space.

We are in good shape on other arms control matters. We have already nailed down good language on next steps on chemical weapons and nuclear testing for inclusion in a final joint statement. We may be able to sign a new verification protocol to the Peaceful Nuclear Explosions Treaty⁵ and an agreement on the joint verification experiment to be conducted over the summer at each other’s nuclear test

³ See Documents 313 and 314

⁴ See Document 323.

⁵ See footnote 11, Document 289.

sites. The outcome on conventional arms talks will depend on progress in Vienna over the next two weeks.

Regional Issues

Since the conclusion of the Afghanistan accords, Gorbachev has spoken of U.S.-Soviet cooperation on resolving regional issues in terms similar to those of your October, 1985 UNGA initiative. His representatives have raised the possibility of elaborating principles which could serve as a basis for joint action in specific cases. We have resisted, since such formulas mean different things to the Soviets and ourselves, insisting instead that we focus on practical steps. That should be our approach in Moscow as well.

My recent talks with Shevardnadze suggest that we cannot expect major shifts on regional issues, but we should continue pressing for constructive steps which could, in fact, serve as a basis for joint or parallel action.⁶

You should plan to talk with Gorbachev about southern Africa. Moscow recently has quietly supported our efforts with the parties, and Soviet endorsement will be critical to a package settlement. Our senior experts on Africa will meet on May 18 to prepare for the summit discussion.

The discussion of Afghanistan will probably focus on a review of our understanding of the concept of symmetry on arms supplies. We are ready to show restraint if we see that Moscow has, in fact, cut off assistance to Kabul.

On a range of issues we are simply at loggerheads, and will need patiently to reiterate the need for a more realistic Soviet approach: in the Middle East, on the role of an international conference and Palestinian participation; in Central America, on arms to Managua; in the Gulf on a second UNSC resolution; in Cambodia, on a Vietnamese withdrawal.

I can deal with Shevardnadze on certain issues—e.g., the Korean peninsula, Japan's Northern Territories—which our Friends want us to raise. The Soviets have similar issues, e.g., Cyprus, which can also be dealt with at my level.

Bilateral Affairs

The work on bilateral agreements will largely be done by the time you arrive in Moscow. You and Gorbachev could nonetheless explore

⁶ Presumable reference to Shultz's meetings with Shevardnadze in Geneva, May 11–12. For the record of these discussions, see *Foreign Relations, 1981–1988*, vol. VI, Soviet Union, October 1986–January 1989, Documents 149–152.

means of expanding further people-to-people contacts over the long term. Gorbachev may also press on our plans for our new Chancery building in Moscow, which was seriously compromised during its construction. We will have made no final decision by the time of the summit.

We are still working with the Soviets on the modalities of signing the various bilateral agreements. Their substance (e.g., transportation, basic scientific research, fisheries) does not justify signing by you and Gorbachev. We will have worked out by the time you arrive in Moscow whether you and the General Secretary should witness the signing of these agreements, and when such a ceremony should take place.

Documents

Both sides agree that summit documentation should not only record the progress we have made but also reaffirm both sides commitment to move forward along the same productive track.

325. Editorial Note

Secretary of State George Shultz appeared on the American Broadcasting Company (ABC) News public affairs program *This Week With David Brinkley* on May 22, 1988. Host David Brinkley, Sam Donaldson, and John McWethy, interviewed Shultz. The reporters devoted their initial questions to U.S.-Soviet relations. They asked Shultz about the Intermediate-Range Nuclear Forces (INF) Treaty then pending in the Senate and President Ronald Reagan's upcoming trip to Moscow to meet with General Secretary Mikhail Gorbachev: "Let me ask you about something that obviously will come up. What difference, real difference, does it make if the INF [Intermediate-Range Nuclear Forces] Treaty is not completely finished by the Senate—assuming it is finished at some point before long—before you and the President go to Moscow? Does it make any real difference?"

Shultz responded: "It helps, certainly, to have completed something and to register that fact. Let me point out also that it has been, I think, since 1972 that we haven't ratified a treaty with the Soviet Union, and we've had several on the table. So it's good to register the fact that we can do it."

The reporters then asked: "Do you have any particular words of advice to the leadership? Apparently you're going to Capitol Hill

tomorrow to try to move the process along. What are you going to be telling them?"

Shultz replied: "Actually, I think the process has gone well, and I have only compliments for the Senate in the way in which they've handled this. It's been a very thorough process. We've had over 70 hearings. We've answered over 1,300 questions. I've appeared three times myself. We have pinned things down that people wanted to pin down, and I think it's been thorough going. Now the treaty is being debated. I think there's been a time for hearings and a time for questions and a time for critiques and a time for debate; and there also has to come a time to decide, and I think we're about there."

In response to a question as to whether it would not "be embarrassing to you and the President to have conservative Republicans leading the opposition against this treaty in the Senate and trying to delay it, obviously, past the Moscow summit." Shultz said: "I don't know. I wouldn't try to put down any motives. But certainly it's a good thing to have people who probe and struggle and criticize. It helps to assure people that there's been no stone left unturned."

The interviewers asked: "There are a number of indications at this point that the Administration may be changing its position on SDI, the Strategic Defense Initiative. The Defense Science Board has recommended that the Administration take a much lower first step than had been advocated in years past by the Administration. Are you taking something new with you to the Soviet Union next week that will indicate a slightly different approach to SDI?"

Shultz replied: "The President's position, insofar as negotiations are concerned, has never changed. It is that basically he will not agree to anything that in any way impedes the development of our ability to figure out how to defend ourselves against ballistic missiles, if we can do it. That has always been his position.

"That still leaves room for a lot of things with the Soviet Union, such as a period of nonwithdrawal from the ABM [Antiballistic Missile] Treaty, that provide assurances on both sides of what the general environment is going to be when we have massive cuts in our offensive forces.

"Personally, I think that we, as well as they, are well advised to want to see what that atmosphere is going to be. So those are the things we have negotiated about.

"There are a variety of things on the table that we're struggling with. We did agree on some language here at the Washington summit, that both sides agreed on. The only difficulty with that language is that we also agree that we don't agree on what it means, so we still have a lot of work to do."

An interviewer then said: "Gorbachev also said, 'Who would have thought in the '80s that Ronald Reagan would have been—would become—the first President to sign a nuclear arms treaty with the Soviet Union.' He refers, of course, to the days when—"

Shultz interjected: "Nuclear arms reduction." Stating that the interviewer had said "agreement," Shultz noted: "There have been agreements, but they've been agreements under which nuclear weapons were allowed to increase, and the President has always objected to that. He said what he wants to do is decrease them."

The interviewer continued, "Anyway, I was referring to his—he was referring to the '80s when the President was saying 'the evil empire' and so on. What's changed him? You've watched him all this time. He's come quite a long way."

Shultz replied: "We need to remind ourselves that in 1981 President Reagan proposed the zero option. I presume he would have signed it then if the Soviets would have agreed to it. They wouldn't agree to it."

"In 1982 he proposed 50% cuts in strategic arms. We have completed an agreement on the zero option, and we have all of the basic structure of a 50% reduction arrangement there, although there are immense amounts of additional difficult understructure to that agreement yet to be done. So these are things that have been consistently pursued objectives on the part of our President."

The interviewers asked a follow-up question: "So, as you're seeing it then, who would have believed that Gorbachev would be the first to sign a nuclear reduction treaty with the United States?"

Shultz responded: "Mr. Gorbachev is new in power, in a sense. He's been there now for about 3 years. I would have to tell you, from the first time I met him, which was assisting Vice President Bush at the Chernenko funeral—we met for about an hour and a half—I went away from that meeting saying this is a different kind of Soviet leader from what we've seen in the past. You could see it immediately." (Department of State *Bulletin*, July 1988, pages 14–15; all brackets are in the original)

326. Remarks by President Reagan¹

Moscow, May 31, 1988

Remarks and a Question-and-Answer Session With the
Students and Faculty at Moscow State University

The President. Thank you, Rector Logunov,² and I want to thank all of you very much for a very warm welcome. It's a great pleasure to be here at Moscow State University, and I want to thank you all for turning out. I know you must be very busy this week, studying and taking your final examinations. So, let me just say *zhelayu vam uspekha* [I wish you success]. Nancy couldn't make it today because she's visiting Leningrad, which she tells me is a very beautiful city, but she, too, says hello and wishes you all good luck.

Let me say it's also a great pleasure to once again have this opportunity to speak directly to the people of the Soviet Union. Before I left Washington, I received many heartfelt letters and telegrams asking me to carry here a simple message, perhaps, but also some of the most important business of this summit: It is a message of peace and good will and hope for a growing friendship and closeness between our two peoples.

As you know, I've come to Moscow to meet with one of your most distinguished graduates.³ In this, our fourth summit, General Secretary Gorbachev and I have spent many hours together, and I feel that we're getting to know each other well. Our discussions, of course, have been focused primarily on many of the important issues of the day, issues I want to touch on with you in a few moments. But first I want to take a little time to talk to you much as I would to any group of university students in the United States. I want to talk not just of the realities of today but of the possibilities of tomorrow.

Standing here before a mural of your revolution, I want to talk about a very different revolution that is taking place right now, quietly sweeping the globe without bloodshed or conflict. Its effects are peaceful, but they will fundamentally alter our world, shatter old

¹ Source: *Public Papers: Reagan, 1988–1989*, Book I, pp. 683–688. All brackets are in the original. The President spoke at 4:10 p.m. in the Lecture Hall at Moscow State University. The text of the question-and-answer session that followed the President's remarks is *ibid.*, pp. 688–692. The Moscow summit meeting between the President and Gorbachev took place May 29–June 2. See footnote 5, Document 318.

² Moscow State University Rector Anatoliy Logunov.

³ Gorbachev graduated from Moscow State University with a degree in law in 1955.

assumptions, and reshape our lives. It's easy to underestimate because it's not accompanied by banners or fanfare. It's been called the technological or information revolution, and as its emblem, one might take the tiny silicon chip, no bigger than a fingerprint. One of these chips has more computing power than a roomful of old-style computers.

As part of an exchange program, we now have an exhibition touring your country that shows how information technology is transforming our lives—replacing manual labor with robots, forecasting weather for farmers, or mapping the genetic code of DNA for medical researchers.⁴ These microcomputers today aid the design of everything from houses to cars to spacecraft; they even design better and faster computers. They can translate English into Russian or enable the blind to read or help Michael Jackson produce on one synthesizer the sounds of a whole orchestra. Linked by a network of satellites and fiber-optic cables, one individual with a desktop computer and a telephone commands resources unavailable to the largest governments just a few years ago.

Like a chrysalis, we're emerging from the economy of the Industrial Revolution—an economy confined to and limited by the Earth's physical resources—into, as one economist titled his book, "The Economy in Mind,"⁵ in which there are no bounds on human imagination and the freedom to create is the most precious natural resource. Think of that little computer chip. Its value isn't in the sand from which it is made but in the microscopic architecture designed into it by ingenious human minds. Or take the example of the satellite relaying this broadcast around the world, which replaces thousands of tons of copper mined from the Earth and molded into wire. In the new economy, human invention increasingly makes physical resources obsolete. We're breaking through the material conditions of existence to a world where man creates his own destiny. Even as we explore the most advanced reaches of science, we're returning to the age-old wisdom of our culture, a wisdom contained in the book of Genesis in the Bible: In the beginning was the spirit, and it was from this spirit that the material abundance of creation issued forth.

But progress is not foreordained. The key is freedom—freedom of thought, freedom of information, freedom of communication. The renowned scientist, scholar, and founding father of this university,

⁴ Reference is to the USIA exhibit "Information U.S.A.," which opened in Moscow on June 5, 1987. The exhibit was slated for display in several Soviet cities through 1988. (Felicity Barringer, "U.S. Exhibit in Moscow Draws High-Tech Crowd," *New York Times*, June 6, 1987, p. 5, and Yelena Hanga and Linda Feldman, "Writers switch-hit on national exhibits," *Christian Science Monitor*, January 25, 1988, pp. 21–22)

⁵ Reference is to Warren T. Brookes, *The Economy in Mind* (New York: Universe Books, 1982).

Mikhail Lomonosov, knew that. "It is common knowledge," he said, "that the achievements of science are considerable and rapid, particularly once the yoke of slavery is cast off and replaced by the freedom of philosophy." You know, one of the first contacts between your country and mine took place between Russian and American explorers. The Americans were members of Cook's last voyage on an expedition searching for an Arctic passage; on the island of Unalaska, they came upon the Russians, who took them in, and together with the native inhabitants, held a prayer service on the ice.

The explorers of the modern era are the entrepreneurs, men with vision, with the courage to take risks and faith enough to brave the unknown. These entrepreneurs and their small enterprises are responsible for almost all the economic growth in the United States. They are the prime movers of the technological revolution. In fact, one of the largest personal computer firms in the United States was started by two college students, no older than you, in the garage behind their home.⁶ Some people, even in my own country, look at the riot of experiment that is the free market and see only waste. What of all the entrepreneurs that fail? Well, many do, particularly the successful ones; often several times. And if you ask them the secret of their success, they'll tell you it's all that they learned in their struggles along the way; yes, it's what they learned from failing. Like an athlete in competition or a scholar in pursuit of the truth, experience is the greatest teacher.

And that's why it's so hard for government planners, no matter how sophisticated, to ever substitute for millions of individuals working night and day to make their dreams come true. The fact is, bureaucracies are a problem around the world. There's an old story about a town—it could be anywhere—with a bureaucrat who is known to be a good-for-nothing, but he somehow had always hung on to power. So one day, in a town meeting, an old woman got up and said to him: "There is a folk legend here where I come from that when a baby is born, an angel comes down from heaven and kisses it on one part of its body. If the angel kisses him on his hand, he becomes a handyman. If he kisses him on his forehead, he becomes bright and clever. And I've been trying to figure out where the angel kissed you so that you should sit there for so long and do nothing." [*Laughter*]

We are seeing the power of economic freedom spreading around the world. Places such as the Republic of Korea, Singapore, Taiwan have vaulted into the technological era, barely pausing in the industrial age along the way. Low-tax agricultural policies in the subcontinent mean that in some years India is now a net exporter of food.

⁶Reference is to Apple co-founders Steven Jobs and Stephen Wozniak.

Perhaps most exciting are the winds of change that are blowing over the People's Republic of China, where one-quarter of the world's population is now getting its first taste of economic freedom. At the same time, the growth of democracy has become one of the most powerful political movements of our age. In Latin America in the 1970's, only a third of the population lived under democratic government; today over 90 percent does. In the Philippines, in the Republic of Korea, free, contested, democratic elections are the order of the day. Throughout the world, free markets are the model for growth. Democracy is the standard by which governments are measured.

We Americans make no secret of our belief in freedom. In fact, it's something of a national pastime. Every 4 years the American people choose a new President, and 1988 is one of those years. At one point there were 13 major candidates running in the two major parties, not to mention all the others, including the Socialist and Libertarian candidates—all trying to get my job. About 1,000 local television stations, 8,500 radio stations, and 1,700 daily newspapers—each one an independent, private enterprise, fiercely independent of the Government—report on the candidates, grill them in interviews, and bring them together for debates. In the end, the people vote; they decide who will be the next President. But freedom doesn't begin or end with elections.

Go to any American town, to take just an example, and you'll see dozens of churches, representing many different beliefs—in many places, synagogues and mosques—and you'll see families of every conceivable nationality worshipping together. Go into any schoolroom, and there you will see children being taught the Declaration of Independence, that they are endowed by their Creator with certain unalienable rights—among them life, liberty, and the pursuit of happiness—that no government can justly deny; the guarantees in their Constitution for freedom of speech, freedom of assembly, and freedom of religion. Go into any courtroom, and there will preside an independent judge, beholden to no government power. There every defendant has the right to a trial by a jury of his peers, usually 12 men and women—common citizens; they are the ones, the only ones, who weigh the evidence and decide on guilt or innocence. In that court, the accused is innocent until proven guilty, and the word of a policeman or any official has no greater legal standing than the word of the accused. Go to any university campus, and there you'll find an open, sometimes heated discussion of the problems in American society and what can be done to correct them. Turn on the television, and you'll see the legislature conducting the business of government right there before the camera, debating and voting on the legislation that will become the law of the land. March in any demonstration, and there are many of them; the people's right of assembly is guaranteed in the Constitution and protected by the police. Go into any union hall, where the members know their right to strike is protected by

law. As a matter of fact, one of the many jobs I had before this one was being president of a union, the Screen Actors Guild. I led my union out on strike, and I'm proud to say we won.⁷

But freedom is more even than this. Freedom is the right to question and change the established way of doing things. It is the continuing revolution of the marketplace. It is the understanding that allows us to recognize shortcomings and seek solutions. It is the right to put forth an idea, scoffed at by the experts, and watch it catch fire among the people. It is the right to dream—to follow your dream or stick to your conscience, even if you're the only one in a sea of doubters. Freedom is the recognition that no single person, no single authority or government has a monopoly on the truth, but that every individual life is infinitely precious, that every one of us put on this world has been put there for a reason and has something to offer.

America is a nation made up of hundreds of nationalities. Our ties to you are more than ones of good feeling; they're ties of kinship. In America, you'll find Russians, Armenians, Ukrainians, peoples from Eastern Europe and Central Asia. They come from every part of this vast continent, from every continent, to live in harmony, seeking a place where each cultural heritage is respected, each is valued for its diverse strengths and beauties and the richness it brings to our lives. Recently, a few individuals and families have been allowed to visit relatives in the West. We can only hope that it won't be long before all are allowed to do so and Ukrainian-Americans, Baltic-Americans, Armenian-Americans can freely visit their homelands, just as this Irish-American visits his.

Freedom, it has been said, makes people selfish and materialistic, but Americans are one of the most religious peoples on Earth. Because they know that liberty, just as life itself, is not earned but a gift from God, they seek to share that gift with the world. "Reason and experience," said George Washington in his Farewell Address, "both forbid us to expect that national morality can prevail in exclusion of religious principle. And it is substantially true, that virtue or morality is a necessary spring of popular government." Democracy is less a system of government than it is a system to keep government limited, unintrusive; a system of constraints on power to keep politics and government secondary to the important things in life, the true sources of value found only in family and faith.

⁷ Reagan was elected Screen Actors Guild (SAG) President in 1947 and led the SAG in a strike against the seven major motion picture studios—Metro-Goldwyn-Mayer, Columbia, Warner Brothers, Allied Artists, Walt Disney, 20th Century Fox, and Paramount—in March 1960. The actors went on strike after the major studios rejected a SAG proposal to provide actors with a share of the profits from the sale of post-1948 movies to the television networks for rebroadcast. ("Talks Fail; Movie Actor Strike Still Scheduled," *Washington Post*, March 7, 1960, p. B6)

But I hope you know I go on about these things not simply to extol the virtues of my own country but to speak to the true greatness of the heart and soul of your land. Who, after all, needs to tell the land of Dostoyevsky about the quest for truth, the home of Kandinsky and Scriabin about imagination, the rich and noble culture of the Uzbek man of letters Alisher Navoi about beauty and heart?⁸ The great culture of your diverse land speaks with a glowing passion to all humanity. Let me cite one of the most eloquent contemporary passages on human freedom. It comes, not from the literature of America, but from this country, from one of the greatest writers of the 20th century, Boris Pasternak, in the novel "Dr. Zhivago." He writes: "I think that if the beast who sleeps in man could be held down by threats—any kind of threat, whether of jail or of retribution after death—then the highest emblem of humanity would be the lion tamer in the circus with his whip, not the prophet who sacrificed himself. But this is just the point—what has for centuries raised man above the beast is not the cudgel, but an inward music—the irresistible power of unarmed truth."

The irresistible power of unarmed truth. Today the world looks expectantly to signs of change, steps toward greater freedom in the Soviet Union. We watch and we hope as we see positive changes taking place. There are some, I know, in your society who fear that change will bring only disruption and discontinuity, who fear to embrace the hope of the future—sometimes it takes faith. It's like that scene in the cowboy movie "Butch Cassidy and the Sundance Kid," which some here in Moscow recently had a chance to see.⁹ The posse is closing in on the two outlaws, Butch and Sundance, who find themselves trapped on the edge of a cliff, with a sheer drop of hundreds of feet to the raging rapids below. Butch turns to Sundance and says their only hope is to jump into the river below, but Sundance refuses. He says he'd rather fight it out with the posse, even though they're hopelessly outnumbered. Butch says that's suicide and urges him to jump, but Sundance still refuses and finally admits, "I can't swim." Butch breaks up laughing and says, "You crazy fool, the fall will probably kill you." And, by the way, both Butch and Sundance made it, in case you didn't see the movie. I think what I've just been talking about is *perestroika* and what its goals are.

But change would not mean rejection of the past. Like a tree growing strong through the seasons, rooted in the Earth and drawing

⁸ References are to Russian novelist Fyodor Dostoyevsky, author of *Crime and Punishment* (1866) and *The Brothers Karamazov* (1880); Russian abstract painter and art theorist Wassily Kandinsky; and Russian composer and pianist Alexander Scriabin. Navoi was a Turkish poet, politician, and mystic, born in Herat in 1441.

⁹ Reference is to the 1969 film directed by George Roy Hill and written by William Goldman, starring Robert Redford, Paul Newman, and Katharine Ross.

life from the Sun, so, too, positive change must be rooted in traditional values—in the land, in culture, in family and community—and it must take its life from the eternal things, from the source of all life, which is faith. Such change will lead to new understandings, new opportunities, to a broader future in which the tradition is not supplanted but finds its full flowering. That is the future beckoning to your generation.

At the same time, we should remember that reform that is not institutionalized will always be insecure. Such freedom will always be looking over its shoulder. A bird on a tether, no matter how long the rope, can always be pulled back. And that is why, in my conversation with General Secretary Gorbachev, I have spoken of how important it is to institutionalize change—to put guarantees on reform. And we've been talking together about one sad reminder of a divided world: the Berlin Wall. It's time to remove the barriers that keep people apart.

I'm proposing an increased exchange program of high school students between our countries. General Secretary Gorbachev mentioned on Sunday¹⁰ a wonderful phrase you have in Russian for this: "Better to see something once than to hear about it a hundred times." Mr. Gorbachev and I first began working on this in 1985. In our discussion today, we agreed on working up to several thousand exchanges a year from each country in the near future. But not everyone can travel across the continents and oceans. Words travel lighter, and that's why we'd like to make available to this country more of our 11,000 magazines and periodicals and our television and radio shows that can be beamed off a satellite in seconds. Nothing would please us more than for the Soviet people to get to know us better and to understand our way of life.

Just a few years ago, few would have imagined the progress our two nations have made together. The INF treaty, which General Secretary Gorbachev and I signed last December in Washington¹¹ and whose instruments of ratification we will exchange tomorrow—the first true nuclear arms reduction treaty in history, calling for the elimination of an entire class of U.S. and Soviet nuclear missiles.¹² And just 16 days ago, we saw the beginning of your withdrawal from Afghanistan, which gives us hope that soon the fighting may end and the healing

¹⁰ May 29.

¹¹ See footnote 2, Document 314.

¹² On May 27, the Senate approved the INF Treaty by a vote of 93 to 5. (Helen Dewar, "Senate Approves Historic INF Treaty on 93-to-5 Vote," *Washington Post*, May 28, 1988, pp. A1, A23) The President and Gorbachev formally ratified the treaty during the Moscow summit meeting.

may begin and that that suffering country may find self-determination, unity, and peace at long last.¹³

It's my fervent hope that our constructive cooperation on these issues will be carried on to address the continuing destruction and conflicts in many regions of the globe and that the serious discussions that led to the Geneva accords on Afghanistan¹⁴ will help lead to solutions in southern Africa, Ethiopia, Cambodia, the Persian Gulf, and Central America. I have often said: Nations do not distrust each other because they are armed; they are armed because they distrust each other. If this globe is to live in peace and prosper, if it is to embrace all the possibilities of the technological revolution, then nations must renounce, once and for all, the right to an expansionist foreign policy. Peace between nations must be an enduring goal, not a tactical stage in a continuing conflict.

I've been told that there's a popular song in your country—perhaps you know it—whose evocative refrain asks the question, "Do the Russians want a war?" In answer it says: "Go ask that silence lingering in the air, above the birch and poplar there; beneath those trees the soldiers lie. Go ask my mother, ask my wife; then you will have to ask no more, 'Do the Russians want a war?'" But what of your one-time allies? What of those who embraced you on the Elbe? What if we were to ask the watery graves of the Pacific or the European battlefields where America's fallen were buried far from home? What if we were to ask their mothers, sisters, and sons, do Americans want war? Ask us, too, and you'll find the same answer, the same longing in every heart. People do not make wars; governments do. And no mother would ever willingly sacrifice her sons for territorial gain, for economic advantage, for ideology. A people free to choose will always choose peace.

Americans seek always to make friends of old antagonists. After a colonial revolution with Britain, we have cemented for all ages the ties of kinship between our nations. After a terrible Civil War between North and South, we healed our wounds and found true unity as a nation. We fought two world wars in my lifetime against Germany and one with Japan, but now the Federal Republic of Germany and Japan are two of our closest allies and friends.

¹³ See Steven R. Weisman, "Soviet Formally Pulls First Troops Out of the Long Afghanistan War," *New York Times*, pp. A1, A10, and Richard M. Weintraub, "Soviets Begin Withdrawing Troops From Afghanistan: 8½-Year Occupation Leaves Behind Prospect of Army-Rebel War," *Washington Post*, pp. A1, A23; both May 16, 1988.

¹⁴ Reference is to the Geneva Accords, signed in Geneva on April 14. Documentation on the implementation of the accords is scheduled for publication in *Foreign Relations*, 1981–1988, vol. XXXV, Afghanistan, November 1985–February 1989.

Some people point to the trade disputes between us as a sign of strain, but they're the frictions of all families, and the family of free nations is a big and vital and sometimes boisterous one. I can tell you that nothing would please my heart more than in my lifetime to see American and Soviet diplomats grappling with the problem of trade disputes between America and a growing, exuberant, exporting Soviet Union that had opened up to economic freedom and growth.

And as important as these official people-to-people exchanges are, nothing would please me more than for them to become unnecessary, to see travel between East and West become so routine that university students in the Soviet Union could take a month off in the summer and, just like students in the West do now, put packs on their backs and travel from country to country in Europe with barely a passport check in between. Nothing would please me more than to see the day that a concert promoter in, say, England could call up a Soviet rock group, without going through any government agency, and have them playing in Liverpool the next night. Is this just a dream? Perhaps, but it is a dream that is our responsibility to have come true.

Your generation is living in one of the most exciting, hopeful times in Soviet history. It is a time when the first breath of freedom stirs the air and the heart beats to the accelerated rhythm of hope, when the accumulated spiritual energies of a long silence yearn to break free. I am reminded of the famous passage near the end of Gogol's "Dead Souls."¹⁵ Comparing his nation to a speeding troika, Gogol asks what will be its destination. But he writes, "There was no answer save the bell pouring forth marvelous sound."

We do not know what the conclusion will be of this journey, but we're hopeful that the promise of reform will be fulfilled. In this Moscow spring, this May 1988, we may be allowed that hope: that freedom, like the fresh green sapling planted over Tolstoy's grave, will blossom forth at last in the rich fertile soil of your people and culture. We may be allowed to hope that the marvelous sound of a new openness will keep rising through, ringing through, leading to a new world of reconciliation, friendship, and peace.

Thank you all very much, and *da blagoslovit vas gospod*—God bless you.

¹⁵ Reference is to the 1842 novel *Dead Souls*, written by Nikolai Gogol.

327. Editorial Note

On July 19, 1988, President's Assistant for National Security Affairs Colin Powell spoke before the World Affairs Council in Los Angeles. Powell began his remarks by referencing both the Democratic and Republican National Conventions (July 18–21 in Atlanta and August 15–18 in New Orleans, respectively), adding that the upcoming Presidential election afforded each party the opportunity "to state their views forcefully and to highlight their differences" to enable the American electorate to choose the next President. Debates over foreign policy would inevitably emerge, which Powell termed "essential if we are to make informed and wise choices." He suggested, however, that Americans remember that "a remarkable degree of domestic consensus" had developed in the last several years concerning "the basic principles and directions of American foreign policy". He stated that "Certainly, there are remaining controversies, and I've struggled through a lot of them—over Central America, the trade bill, the Strategic Defense Initiative, the defense budget, to name a few. But in a real sense, something very important and very positive has happened in this country in recent years: we now find ourselves agreeing where there was once deep, often bitter division.

"For example, the American people clearly do not want to see a repetition of the period of military weakness that we went through in the wake of the Vietnam war. Today's battles over the particulars of the defense budget should not obscure the basic fact that Americans agree on the need for a strong defense and are willing to pay a reasonable price for it. The public and the Congress have also shown their support for the use of our military strength when and where our vital interests or those of our friends and allies are threatened—such as in Grenada, the blow struck against Libyan terrorism, and our commitment in the gulf. Our people understand the need for a strong, engaged America actively defending what it stands for.

"There is agreement that our military forces must be strong and ready, not only so that they will be effective should we have to commit them but also to keep others from forcing us to use them. 'Peace through strength' is more than a slogan. It is a fundamental reality. It is strength that enables us to pursue peaceful relations with our adversaries.

"For that reason, our relations with the Soviet Union are based on strength and realism and on a willingness to resolve problems through negotiation. It is no accident that we are now negotiating with them on the most comprehensive agenda ever and that today our approach to the Soviet Union has broad and deep public support.

"There is a significant moral dimension in our foreign policy as well, as there must be in a democracy. Human rights has to be—and

is—an important element in our relations toward the Soviet Union, toward South Africa, and toward all nations, whether in Europe, Asia, Africa, or Latin America. The transitions to democracy throughout Latin America, in the Philippines, and in the Republic of Korea are supported by all Americans. ‘Human rights’ is not just an abstract concept. It means the ability of people to worship, to speak, to write, and to vote as they please; freely to choose, as we do, how and by whom they will be governed.

“Related to this commitment is our active support for those struggling against tyranny—those whom we call the freedom fighters. Where our backing of these freedom fighters has been strong, consistent, and bipartisan—as in Afghanistan, Angola, and Cambodia—there has been progress toward diplomatic solutions. Central America is today the exception, with potentially calamitous strategic consequences, precisely because we have been divided. Nevertheless, the degree of bipartisan support that has existed for these efforts elsewhere is something the next President can build upon.

“In short, the American people have made it clear they want their country strong and engaged. They want an effective foreign policy that promotes with energy and commitment our values of freedom, democracy, and human rights.

“The restoration of our domestic consensus—of our military and moral strength—is what has reestablished America’s strategic position in the world. It is a bipartisan accomplishment of the executive branch, the Congress, and the American people. These achievements could not have been reached any other way.”

Powell then reviewed the pursuit of U.S. foreign policy goals in Europe, East-West relations, East Asia and the Pacific, Latin America, Africa, and the Middle East. He concluded his address by asserting: “All Americans can be proud that a stronger and reengaged America has made the world more secure. We can be proud that our ideals of political and economic freedom are being rediscovered by others and are turning out to be, once again, powerful forces in the world.

“Many of these successes flow from the new consensus on the basic principles I began with. But recent history also teaches that when we are divided over tactics—as in Central America—our policy suffers grievously, and our national interest does, too. When we are united—as we have been in support of the Afghan freedom fighters, or of a solid NATO, or a new basis for U.S.-Soviet relations, or of a vital commitment in the gulf—we can achieve a great deal.

“Another lesson, I would argue, is the need for presidential leadership. Our postwar history is a history of courageous Presidents—of both parties—making many courageous decisions. In the aftermath of *Iran-contra*, Congress may be tempted to try to limit presidential power.

Divided, shared, and countervailing powers are the hallmarks of our system—by design of the Founding Fathers. Weakening the presidency also weakens the country. This President—any president—must defend his constitutional authority against efforts, however well intentioned, which unbalance the always delicate relationship between the executive and legislative branches.

“The executive branch, of course, has an obligation to keep its own house in order. There must be adherence to law and to the Constitution and a willingness to consult and deal openly and respectfully with the Congress, taking legislative leaders into its confidence even on the most sensitive matters. There should also be smooth procedures for collegial deliberation and orderly policymaking within the executive branch. I believe this Administration, after the aberration of *Iran-contra*, has reestablished and enjoys such a coherent and cooperative process internally. It has served the President and the country well. It has helped our relations with the Congress and added to our credibility with the American people and other nations.

“And so, as we go into the fourth quarter of our political season, we should remember that next January 20 we must come together in support of our new President. We must remember that what unites us is more important than what divides us.

“And, as for myself, I expect to go back to a nice quiet foxhole where I can serve my country in a more comfortable and, perhaps, less-exposed position.” (Department of State *Bulletin*, October 1988, pages 51–53)

328. Address by Secretary of State Shultz¹

Honolulu, Hawaii, July 21, 1988

Address Before the Pacific and Asian Affairs Council
and the Pacific Forum, Honolulu

I conclude my travels in Asia as Secretary of State here in Hawaii—a symbol, if ever there was one, that America is a nation of the Pacific and a nation of the future. This nine-stop trip covered Southeast,

¹ Source: Department of State *Bulletin*, October 1988, pp. 34–39. All brackets are in the original. Shultz delivered his address before the Pacific and Asian Affairs Council and the Pacific Forum.

East, and Northeast Asia, as well as Oceania.² I am more impressed than ever with Asia's diversity, with its dynamism, and with the region's potential. And I am more convinced than ever of how critical America's ties to Asia will be for our own prosperity, freedom, and security in the years ahead. But if we, the free nations of the Asia-Pacific region, are to continue to advance in the next century, we all must learn to meet the challenges arising from the very successes that we have achieved together.

A Success Story

The story of the Asia-Pacific region in the postwar period is one of profound success—for the United States and for the other countries in the region that have cast their fate with us. The accomplishments of the countries of East Asia have become so prominent a feature of the global landscape that it is getting hard to remember the time in the years just after World War II when their survival—let alone their success—was not at all assured.

The Pacific region—with its long history of national rivalries and warfare—has enjoyed a remarkable period of stability and economic advance, especially in the past two decades. In the years since World War II, long-time adversaries have become allies, friends, and trading partners. Once poor countries have become prosperous. Nations once divided from each other are working together pragmatically to realize shared interests and concerns. And authoritarian political orders of the past have given way to the give-and-take of democratic politics.

Among the reasons for this extended period of reconciliation and constructive growth is the fact that for more than 40 years, the United States has pursued farsighted and effective policies toward the region, as it has toward the world as a whole.

The Fundamentals of U.S. Policy

What are those policies and on what precepts are they based?

Collective Security. Our leaders in the postwar years rightly sensed that our world had become a place where no nation could protect its security interests in isolation. Therefore, we and other nations of the free world joined together in a global web of alliance and security ties, to which each of us has contributed our individual strengths. This structure of collective security has maintained the peace in the face of four decades of unremitting challenges from the communist world.

Regional Conflict Resolution. In today's ever more integrated world, age-old conflicts and regional conflagrations pose ever greater threats

² See footnote 11, Document 316.

to the global community. Therefore, we and our partners have sought to use our collective strength to ensure that violence does not spread and to further the prospects for negotiated settlements of disputes.

Open Economies. Despite our strong defenses, we know that it is not possible for any country to ensure its security through military means alone. Economic vitality is the essential foundation of national strength. Thus, we have actively promoted economic recovery and development. Moreover, economic development has been spurred by an open and competitive global trading system. Therefore, the United States has pursued policies designed to strengthen open markets and facilitate the flows of technology and capital that can accelerate global growth.

Democratic Values. Development places a high premium on creativity, on advanced levels of education, entrepreneurship, the decentralization of responsibility, and the free flow of ideas and people—all hallmarks of open and democratic societies. Therefore, for reasons of political commitment as well as practical effect, the United States has encouraged processes of democratic institution-building. We and our allies have supported those around the world who are struggling for their freedom against the authoritarian right as well as the totalitarian left.

Collective security, regional conflict resolution, open markets, and democratic values—for four decades, these policies have been a powerful formula for national development, security, and regional stability in the world and in the Asia-Pacific region. And it is no coincidence that countries that have joined with the United States in the postwar coalition of free nations have turned out to be the most productive, the most stable, and the greatest contributors to a secure global environment.

Today the communist powers—first China and now the Soviet Union—seem to have begun to realize the power of these policies. We encourage them to recognize the need to settle draining and dangerous regional conflicts, to end confrontations with the United States and its allies, to decentralize their economies, and open up to the world. And they are giving indications of doing so.

Coping With Success

So, the trends are going our way—toward peace, toward a lessening of tensions, toward free markets and democratic values. The United States has helped the countries of the Asia-Pacific ride the wave and to solve the problems associated with economic growth and political maturation. Now, we and our partners are facing another set of challenges but of a qualitatively different kind—we must learn to cope with the problems created by our own successes.

As we have seen, America helped powerfully to create an environment that enabled many of the nations of Asia to come into their own. As a result, our world is no longer dominated by one or two “superpowers.” There are increasingly numerous national centers of economic strength and political power. Peoples once accustomed to American preeminence and protection are ever more determined to shape their own futures.

From the Philippines to Korea, long-established security arrangements are being reassessed, and throughout the region domestic economic policies are being reviewed in the context of pressures for more open markets, currency revaluations, and the new requirements of an age of information-based innovation and production. Into the bargain, we have China’s reorientation toward economic reform and more constructive interchange with its neighbors. And we see a new Soviet activism toward the Pacific.

All these developments present challenges. We and our partners will be equal to them if we hold fast to the primary sources of our achievements: the cooperative coalition of free nations that has served us all so well.

Asia as a Policy Model

Let’s take a closer look at how the elements of our policy have shaped U.S. relations with the Asia-Pacific region and at some of the challenges we now face.

Security. First comes security: the U.S.-Japan alliance remains the cornerstone of our policy in the region, enhancing the security of our friends and allies as well. While maintaining its fundamental commitment to remain a nonmilitary power, Japan has steadily improved its self-defense capabilities in recent years and has broadened bilateral defense cooperation with the United States.

In the Republic of Korea, with American help, Korean troops have held the front line for more than three decades against a formidable northern adversary. At the same time, the stability that the U.S. presence has lent to this strategic peninsula has boosted Korea’s economic and political development.

In the Philippines, another area of strategic significance, the United States has helped a struggling democracy beat back a communist insurgency and promote economic growth. And, by supporting an important U.S. military presence, the Philippines—like Korea—has made a major contribution to its own and to regional and global security.

Thailand has been an ally for over 30 years and today remains the frontline state resisting Vietnamese aggression in Cambodia. In turn, America has supported Thailand diplomatically, militarily, and

politically against security threats. The presence, even as I speak, of U.S. ground, naval, and air units on bilateral exercises in Thailand demonstrates that our commitment to Thailand's security remains firm.

Our ally Australia has devoted the resources necessary to modernizing its military forces and—by its steadfast support for defense cooperation through our joint facilities—has made important contributions to effective deterrence.

Just as the United States and our allies benefit from the strong web of security ties we have formed in the Asia-Pacific region, each of us also draws strength from the constancy and resolve of free nations elsewhere in the world. The successful way the United States and our allies in Europe handled the Soviet SS-20 threat demonstrated that our commitment to NATO would not be at the expense of security in Asia.

At every step in the negotiation of the INF [Intermediate-Range Nuclear Forces] Treaty we consulted with our friends and allies in this part of the world as well as in Europe. Their views were reflected in our positions at the table. From the outset, we made it plain that we would insist on the elimination of the Soviet missiles in this range aimed at Asia as well as Europe. The treaty had to be global in scope, just as the structure of our security ties is global in scope.

The clear lesson of this experience is that the ties among the world's free nations are interdependent and indivisible. For four decades, our collective strengths have reinforced the structure of peace nationally, regionally, and internationally. The Asia-Pacific region is more secure and stable today than ever before. Keeping it so requires commitment and hard work on the part of all countries. We cannot take the framework of peace we have built together for granted. The postwar generation understood this; yet today complacency is perhaps the greatest threat we face. Our challenge is to help new generations see the fundamental importance of keeping that framework strong and suited to the times.

Some of our allies in Asia are now reviewing whether the components of our security presence—port and air facilities and naval access—are really necessary to their security. Some wonder whether it might not be better to go it alone. Their reassessment is appropriate; it is the essence of a voluntary alliance of free nations. But they should not forget that our collective efforts have kept the peace for 40 years and that our combined strength has brought our adversaries to the bargaining table, making possible the stabilizing reductions in armaments that we all seek.

Likewise, we cannot be complacent in the face of new challenges to regional and global security. Terrorism requires a collective response. And the increasing proliferation of high-technology weaponry—aircraft,

missiles, nuclear material, and chemical weapons—into areas of regional conflict requires restraint or collective controls on the part of all weapons-exporting states, as well as effort to resolve the sources of conflict themselves.

Resolution of Conflicts and Reduction of Tension. The success of our collective security efforts has furthered prospects for reduction of tension and negotiated settlements in Asia and, hence, for a more stable world. The United States, the ASEAN countries, and other interested nations have long pressed for the withdrawal of Vietnamese troops from Cambodia and for the start of a genuine process of national reconciliation in that tortured country. To that end, we have supported Prince Sihanouk as the genuine leader of an independent Cambodian Government. The United States will continue to support measures which could be implemented in the context of a settlement that rejects a return to control by the Khmer Rouge.

During my recent meetings with the leaders of the ASEAN countries, China, and Japan, we reaffirmed our shared objective of an independent Cambodia free of both Vietnamese troops and the danger of Khmer Rouge control. We advanced our dialogue on specific ways to achieve those goals and found more common ground than ever before. I should also tell you that our efforts have not been limited to the Asian region alone. The Soviet Union, as Vietnam's principal supporter, has a clear responsibility to help bring this tragic conflict to an end. Therefore, I have had increasingly frequent exchanges with the Soviet Foreign Minister [Eduard Shevardnadze] in order to encourage a constructive stance on their part. I am encouraged by the tone and content of these contacts. As the Jakarta informal meeting unfolds next week, I hope we will see the beginnings of a process that will lead to the end of Cambodia's tragedy.

When I addressed the ASEAN postministerial conference 2 weeks ago, I stressed the need to keep diplomatic and economic pressure on Hanoi.³ This stance does not arise from malice or bitterness. Rather, the United States, together with our allies and friends in Asia, looks forward to Vietnam's rejoining the community of nations. The United States will unequivocally welcome normalized relations with Vietnam in the context of an acceptable Cambodian settlement and a resolution of the POW/MIA issue which, if left unsettled, will continue to divide our peoples. While we are somewhat encouraged by recent progress, Hanoi must understand that our commitment to a free and independent Cambodia and to our POWs/MIAs is unshakable.

³ Shultz made an opening statement at the ASEAN postministerial conference on July 7. For the text, see Department of State *Bulletin*, October 1988, pp. 21–23.

The United States has welcomed the Republic of Korea's increased contact with China and the Soviet Union; and President Roh's recent statesmanlike initiative to encourage North Korea to reduce its isolation has our respect and support. Pyongyang's initial reaction has been to brush aside Seoul's sincere offer to reduce tensions and promote a North-South dialogue. We hope the North will reconsider its position. It should not squander this important opportunity. Today's positive atmosphere is a valuable asset for national reconciliation, and time is not on the side of those who obstruct dialogue. In the meanwhile, we remain solidly in support of the Republic of Korea's security.

The United States has responded positively to China's steps toward greater and more constructive interchange with its neighbors. We have remained firm in our one-China policy and have welcomed developments on both sides of the Taiwan Straits that contribute to a relaxation of tensions. Consistent with our longstanding interest in a peaceful resolution of the Taiwan question, we have sought to foster an environment within which such developments can continue.

We have urged China to join with us in an international effort to staunch the alarming traffic in ballistic missiles to strife-ridden areas of the world. We also believe that elimination of the remaining obstacles in the way of Sino-Soviet relations could be constructive to the extent that this strengthens an environment of security and stability for all the countries of Asia.

By the same token, we have noted Mr. Gorbachev's heightened interest in Asia and his declared willingness to improve relations in the region. Thus far, while we view as encouraging the restoration of some contacts with China, we have not seen any significant reduction of Soviet forces on the Sino-Soviet border. The Soviets still seek to undercut America's naval presence in the Asia-Pacific region through one-sided proposals for naval arms restrictions. Moscow still underwrites the Vietnamese occupation of Cambodia and operates naval and air forces out of Cam Ranh Bay. And the Soviets continue to enhance arms supplies to North Korea at a time when Pyongyang remains Asia's primary exporter of subversion, aggression, and terrorism. Finally, Moscow must agree to discuss Japan's Northern Territories, a matter that remains a fundamental obstacle to normalized relations.

The United States repeatedly has sent the message to Moscow that the greatest contribution the Soviet Union can make to reducing tensions and building confidence in Asia would be to end its support for Vietnam's occupation of Cambodia and to encourage Pyongyang to respond positively to constructive proposals such as those put forward by President Roh.

Thus, the peaceful resolution of conflicts and the reduction of tensions in Asia remains a high priority and a continuing concern for the United States and our partners in the region. Each situation presents a different set of barriers to peace; a different set of problems to confront and resolve. In each instance, we are searching for solutions that will advance the independence, freedom, and security of the peoples directly affected. Together with our allies, we will insist on settlements that involve the withdrawal of foreign troops, a cessation of hostilities, and the resolution of humanitarian problems caused by the conflicts.

Open Economies. Asia's economic dynamism is the most powerful argument for decentralized, market-based economic growth, and for an open international trading system. The region's emergence as a world-class performer in manufacturing, trade, and finance could not have occurred without an open international economy. Japan and the newly industrialized economies of the region have demonstrated how knowledge, adaptability, innovation, and openness can achieve high growth rates and advanced industrial power in a world of globalized sourcing, production, and manufacturing.

Japan is now the world's second largest economy. Korea, Taiwan, Singapore, and Hong Kong have enjoyed some of the highest growth rates anywhere; last year their real GNP [gross national product] growth rates, expressed in local currency, ranged between 8% and almost 14%. By the turn of the century, Thailand and Malaysia could be major success stories as well. And the Philippines and Indonesia have economic reforms underway which, if sustained, will enable them to capitalize on their impressive potential.

Yet Asian nations have in the past relied on export-led growth fueled by the U.S. deficit and our vast investment market. But the deficit that has characterized the climate of our trading relationship has started to shift. U.S. exports have begun to surge, particularly manufacturers. Our market is thus not likely to absorb rapid growth in exports of Asia's manufacturers to the extent that it did earlier in this decade.

Thus, another challenge of success that we and our Asian partners must meet is adjustment to a more balanced trading environment. Unless each of us pursues domestic and international policies which strengthen the role of the market and unleash forces that promote growth, all of us will face great strains in the years ahead.

That is why the United States has emphasized structural reform and domestic growth in all our international discussions, including on my recent travels in Asia. Since Asian nations have depended on export-led growth and the American market, they must plan now in order to ease the adjustments they will have to make as our deficit continues to decline.

The rewards and challenges of participating in the world market are apparent to all in Asia—including China and the Soviet Union.

In China, Deng Xiaoping's far-reaching economic reforms of the past 10 years have dramatically raised productivity and positioned China to participate in the world trading system. By opening up its doors to international commerce, China has gained recognition as a country capable of world-class economic performance. The impact of these policies is already evident in China's impressive rate of growth—on the average nearly 10% per year over the past decade—and in the rapid expansion of trade with the United States.

The Soviet Union is displaying a growing interest in sharing in Asia's economic boom. Its access to the region remains constrained by its political and military activities and by its own economic limitations. Vladivostok, the Soviet's one major port on the Pacific, remains a city closed to commerce and foreign travel. The Soviet Union will be able to participate in the economic dynamism of Asia as it makes the structural adjustments necessary for successful interaction with free markets and open societies.

Building Democracy. Nowhere in the world is the relationship between political and economic development clearer than in East Asia. The region's economic miracles are now being matched by political miracles. It was in postwar Japan that our policy of encouraging democracy had its earliest and most spectacular success in the region. Today's worldwide trend toward democracy has had its most recent breakthroughs in Korea and the Philippines. We have welcomed the democratic process in Thailand and are impressed with the political reforms now advancing in Taiwan.

But the advance of democracy is not guaranteed. Societies making the transition to open political systems are vulnerable to assault from the authoritarian right and the totalitarian left. The challenge for other democracies of the world is to remain engaged with all democratically oriented political forces and support their goals. We cannot dictate events, but we should offer ideas, assistance, and understanding in order to support the processes of democratic change.

So these trends of success all come together in Asia. Security, stability, prosperity, freedom—they are all interlinked. Throughout the region we find countries that, in distinctive ways and to varying degrees, are building modern, market-oriented economies increasingly integrated into a global trading system. They are opening up their political systems to popular participation, seeking to heal the wounds of national division and to bridge the chasm of military confrontation through dialogue and political accommodation.

The countries of the Asia-Pacific region are models for other nations to follow into the future. And along with the United States,

they are especially well positioned to meet the challenges and grasp the opportunities of the coming century. Let me explain why.

U.S. Leadership Remains Essential to Asia's Success

American leadership remains crucial to continuing success. But our leadership must be of a different cast than that of the postwar period. It must be a leadership suited to the times.

The Asia-Pacific region remains an area of high strategic importance and competing interest among powerful nations. Since the Second World War, the United States has been the indispensable stabilizing influence in the region. We are—and for the foreseeable future will remain—the fundamental guarantor of the balance of power in this vital area that spans fully one-half of the globe.

Our active engagement in the region ensures that countries great and small, developed and developing alike, can continue to advance economically and politically within a secure environment. U.S. security capabilities remain second to none, and we continue to provide to our friends and allies the most flexible and diversified military support available in the world.

Our economy is innovative; it is open; and, as a result, it is expanding. Our economic strength will continue to increase. Our trade deficit is declining as our exports continue to rise. And we are becoming more productive as we eliminate obstructions to domestic growth. America continues to be the largest source of investment capital and opportunity, high technology, and manufacturing capability in the world, and our service sector is poised for an ever greater role in Asian markets.

And, last, but not least, America's deeply held democratic values remain our greatest asset. They are a universal beacon to people of all countries and backgrounds, and they make profound practical sense in a world where individual initiative, ingenuity, and the free flow of information and people are key to progress.

Our strengths and our vision ensure that the United States will remain a leader in the Asia-Pacific region in the years ahead, just as it was in the immediate postwar era. In the next century, America's engagement with Asia must intensify because and not despite the fact that there is an ever growing number of capable countries coming onto the world scene. Our engagement must be more active than ever because the socialist powers are seeking to be more actively involved in the region as well.

Today's transformations in our relationships with allies, friends, and adversaries alike are leading to a healthy reexamination and renewal of our ties with the nations of the region. And, I am confident, our relations with our partners will be the stronger for it. The national

interests at stake—our own and theirs—are too weighty and jeopardize; the alternatives too troublesome in their implications.

Policy Guidelines for the Years Ahead

As we all engage in a collective reassessment of the relations among us, let me suggest some guidelines for shaping our future dealings.

- We are better together than apart; we can do much more collectively than separately. One nation's strategic location may prove advantageous to basing arrangements; another nation may possess a strategic capability; still another's thriving economy may permit it to exert influence in world affairs in order to achieve shared objectives. We must maintain our collective strength and vigilance in matters of defense, even as we seek opportunities for national reconciliation and the reduction of tensions with adversaries.

- We must seek to be inclusive, not exclusive, in our dealings with each other. The national or regional policies and institutional arrangements we adopt must not run counter to global trends toward integrated markets and collective security. Furthermore, we should welcome the participation of those socialist countries whose domestic reforms and foreign policies enable them to meet the security concerns and economic requirements of the market-oriented democracies.

- We must strive for ever greater openness—openness to markets, to the flow of people and ideas, to change itself. We and our Asian trading partners face the common challenge of keeping the international economy open.

- And, four, we must support democratic reforms as they develop naturally in each country. There is no set pattern for democracy and no standard or assured outcome to processes of political reform. But there is the common commitment to the value of the individual, even as the citizen makes a contribution to collective efforts.

Which brings me back to the beginning. The freedoms, the prosperity, and the security we and our Asian allies and friends have come to enjoy are possible only because of the relationships we have built together. Like the multi-tiered roofs of a pagoda, each country in the coalition of free nations adds its support to a worldwide structure. When one part of the edifice is weakened, the entire structure is weakened. When each element carries its share of the load, the entire structure is firm.

Thus, the ties America has formed with the other free nations of the Asia-Pacific region are ties of mutual interest, of shared responsibility, of partnership. They are ties of individual strength and common commitment. They are the building blocks of our foreign policy. They have been dramatically effective for more than 40 years in meeting our national interests, and they remain the most effective means for meeting the future challenges of our shared success.

329. Editorial Note

On October 10, 1988, Secretary of State George Shultz addressed the Financial Executives Institute in San Francisco. In his introductory remarks, Shultz stated: "This is a time of watershed events and watershed rearrangements in thinking. The flow is toward political and economic openness. The success of these ideas since World War II, with strong and creative leadership from the United States, has rearranged the political and economic map of the world. And an information age is here, where knowledge and the ability to create and use it is the source of comparative advantage and general progress. These developments reinforce the powerful thrust of the very same political and economic openness that has brought us our present good fortune. So I am here to talk about success—and the problems of success.

"Over the course of our history, America has seemed to swing between involvement and isolation. We have eagerly engaged with the world, or we have tried to look inward. You know that America no longer has that option; nor should we want it. Your financial world operates on, as Walt Wriston says, 'an information standard,' and it is global in scope. You know that from your own experience. So I want to take these few minutes together to tell you what is on my sketch pad for America: our success; the reasons why; the road ahead, with its opportunities, problems, and demands. Make no mistake about it: We are part of global developments which we did so much to create. With national will to stay engaged, to join in active and enlightened leadership, we can be confident of a free and productive future."

Shultz then outlined various global and U.S. achievements during the postwar era. He highlighted some of efforts made towards shaping the "new and open global economic order." The Secretary also anticipated future developments, asserting: "To build on our success and to stay on top of this exciting world ahead, we must be prepared and we must be engaged.

"What are some of the key issues to watch as indicators of our ability to deal with the problems and opportunities at hand?

"First, regional economic cooperation and prosperity: The global trends now underway are leading national governments to tackle broader issues that cannot be managed within a single nation state or national economy. Regional initiatives are playing an ever more important role in promoting freer trade, closer economic cooperation, and stronger growth. As such creative initiatives increase, we will all benefit.

"We saw this new reality some years ago. That is why I and others suggested the formation of a Pacific Basin Forum, where representatives

from like-minded economies could compare experiences, discuss ideas, and prepare analyses on subjects of mutual interest.

"We are also nearing completion of years of work that can make a giant step toward the goals of open trade and enhanced economic opportunity by removing the barriers to free trade and investment between Canada and the United States. Our two nations exchange more goods and services—\$166 billion worth last year—than any two countries in the world. If Canada's voters agree, the elimination of tariffs and most other barriers to trade and investment between the two countries under the U.S.-Canada Free Trade Agreement will increase economic growth, lower prices, expand employment, and enhance the competitiveness of both countries in the world marketplace.

"Another potentially magnificent example of regional cooperation is now underway. The acceleration of European economic integration, as embodied by the single-market program, clearly is a seminal step in the postwar economic and political development. Europeans increasingly see the benefits of cooperative engagement and the promise of openness. But this vision will be tested.

"• There is a stifling regulatory overlay on much of Europe. Will it be applied on what might be called a 'worst common denominator' basis? Or will policies be adopted that are market oriented, that promote growth and efficient use of resources?

"• Protectionism everywhere must be defeated. It would be a tragic irony for a group of nations to create a common market amongst themselves and then to erect new trade barriers against countries outside its borders.

"• Economic and political change has been possible because strength and common purpose have deterred war and kept the peace. European integration must strengthen, not undermine, those commitments.

"European integration will bring substantial changes in the vast system of ties that forms the existing U.S.-European relationship. The impact will be felt well beyond trade and investment. If we all manage this well, the mutual benefits will be enormous.

"*Second, the U.S. deficits:* Before we get too carried away advising others what to do, we should take a good look in the mirror and at our budget and trade deficits. In order to ensure continued nation and global economic expansion, the U.S. budget and trade deficits must shrink—the sooner, the better.

"We have made important progress on both fronts. We need to continue our strong efforts, and we need to succeed quickly. Some believe that we can balance our internal and external books by turning inward and ignoring our international interests and obligations. They would

counsel isolation as a solution to both deficits. But that's a recipe for economic and political disaster, not success.

"Our budget and trade deficits are interrelated. Our Federal excess of spending over receipts absorbs savings that could otherwise be available for investment in the private sector. Financing from abroad has enabled us to fund our deficit while continuing to expand our investment and, therefore, our economy.

"But foreign capital flows—perfectly welcome on their merits and a sign of our strong attraction to investors—do build up foreign claims on public and private assets in the United States. As income generated from those foreign claims exceeds the income to the United States from American capital abroad, then the strain on our current account increases, with consequent pressure to attain a better balance of trade or even run a surplus. That is why we need to press ahead in reducing our budget and trade deficits. As we do, other countries will need to make important adjustments of their own. Our healthy trading partners with export surpluses must maintain open and growing markets at home. And to service their debt, the heavily indebted nations must seize opportunities to increase exports and to attract new foreign capital.

"It is essential, but not enough, for nations to fight off protectionist forces. The stakes for the economies of the United States and our trading partners are too high. We must all go on the offensive for freer trade. This is the true meaning and genuine necessity of the Uruguay Round of trade talks now well underway.

"Never forget: The wealth and size of our market are vital to many countries and to the world economy. American purchases of manufactured goods from developing countries nearly doubled between 1982 and 1986—from \$41 billion to \$81 billion. And markets abroad are vital to our own economic health. Our strong export performance—up \$96 billion between the third quarter of 1986 and the second quarter of 1988—has contributed mightily to growth at home.

"As we meet our own domestic challenges and global economic integration intensified, we see new opportunities for productive cooperation and engagement—bilaterally, regionally, and internationally. Wherever I go, that is the appeal I hear—sometimes publicly, but always privately; often from governments, but invariably from their citizens: 'America, stay engaged.'

"*Third, debt and development in the Third World:* The hard realities of the Third World debt situation must be faced. As thinking about this process continues to unfold, I have a word for debtors and a word for creditors.

"—To the debtors, growth remains the key and—today as in the past—growth requires investment. A country can test itself on the progress it is making in encouraging investment by looking at savings. Do

its policies encourage saving? Do its own savings stay home and get applied to its own capital needs? Is domestic and other private capital returning from abroad or is it continuing to flee?

"If the answers are positive, the country will find itself in good standing in what we might call 'the court of the allocation of world savings.' If the answers are negative, the country should take a hard look at how thorough and market-based its own process of economic reform has been.

"—To the creditors, time has given you a break. Major international efforts over the past 6 years have bought time during which private creditors have had the opportunity to put their own houses in better order. But harsh realities remain.

"As creditors continue to work with debtors, they and all of us must learn to take into account a fundamental economic idea: High marginal rates of taxation discourage effort, and confiscatory rates can turn effort off completely. I'm sure everybody in this room has preached that sermon. Now, turn it around. Reform is difficult. If all the gains from reform are taken by debt service, then the necessary actions may simply not be politically sustainable. Rescheduling packages must reflect this reality if they are to succeed.

"But succeed they can. Experience shows that economic expansion is possible almost anywhere with the right kind of economic policies. Economic success depends less on market size or national resource endowment and more on making the right policy choices. Technology has linked distant markets, lessened dependence on natural raw materials, and created new products and production processes. Global economic integration now enables countries to experience explosions of economic activity—if they adopt policies which encourage innovation and remove barriers between the individual and the marketplace.

"Regional efforts at economic cooperation—efforts which strengthen the role of market forces in the economies of the debtor nations—can be a powerful springboard for global economic activity and engagement. That is why the United States supports CARICOM [Caribbean Community and Common Market], the CBI [Caribbean Basin Initiative], and the recent trade agreements between Brazil, Argentina, and Uruguay—all outward-looking initiatives which remove barriers to the growth of trade. This type of cooperative effort between nations and regional groupings can help resolve the most difficult political and economic problems associated with debt and development in the Third World.

"Fourth, and finally, international economic institutions are due for a searching and square-one examination. The World Bank, the International Monetary Fund, and the GATT have played important roles in the postwar period of economic development. As the scene

has shifted, so have their activities, with some present activities happening almost as a matter of circumstance and convenience.

“As we consider the next decades, these roles and their interrelationships should be carefully considered. Trade, investment, and other capital flows interact in ways that the founders of these institutions could not have anticipated in the late 1940s. Established as independent organizations with separate responsibilities, they now face a world where the interaction of these global flows resembles a seamless web.

“Questions arise. Should, for example, the IMF really be a banker of last resort and the setter of conditions for access to its own resources? Should it be the stalking horse for the rescheduling and debt-management efforts of private lenders? Such a banker’s role is a far cry from what was originally intended for the IMF and for which it was designed. How, as national economies—including those of the Soviet Union and China—take steps to adjust to new realities, should they relate to the international economy? Can we ensure the continued relevance of the GATT by covering services and intellectual property rights and by dealing effectively with the runaway problem of subsidies to agriculture. So these institutions, designed to provide a framework for international economic transactions, must be tested for their capacity to respond to the promising, yet complex, world of the next century.

“The American philosophy is pragmatism. Pragmatism dictates that problem solving be a cooperative process. We will welcome the actions and ideas of others on the world stage—whether developed or developing, capitalism or communist—if they are geared to promoting openness and world economic growth.

“There is a lot of creative thinking going on out there. Japan and the European Community are large, vibrant, and important players, and we want to hear their ideas. The Soviet Union and China have launched upon processes of political rethinking and economic restructuring and, by doing so, seek to participate more fully in the global economy.

“All of this holds promise for the United States if we approach the future with confidence and vision. After all, our willingness to innovate, to engage, and to cooperate has been the secret of our remarkable progress. It is, if anything, even more needed at a time when others, too, have economic wealth and capability.

“We must build coalitions of common sense. We need patience, discipline, and staying power. We need openness and the swiftness to seize the opportunities openness creates.

“I have traveled over 1 million miles as your Secretary of State and received leaders from every part of the world as they visit Washington. During the past 2 weeks, I met, individually or in groups, with representatives of 132 countries. The atmosphere was, by general agreement, the best in many decades. The sense is that problems are there to be

solved rather than used to berate each other. Presidents Reagan and Gorbachev receive, and certainly deserve, great credit and praise.

“In these discussions, people can be critical or apprehensive but also constructive and even creative. There is the sense that something different and better is on the horizon. And the basic message to us is always the same: Stay engaged. America’s ideas, presence, and influence are essential.

“Enlightened engagement will take us into a free, rewarding, and productive future. That is the opportunity we face and the responsibility we bear.” (Department of State *Bulletin*, December 1988, pages 16–19; all brackets are in the original)

330. Address by Secretary of State Shultz¹

San Francisco, October 28, 1988

The Ecology of International Change

Next week we Americans will carry on, once again, one of history’s most remarkable developments: our nation’s electoral rite of self-renewal. It happens every 4 years, rain or shine.

Every presidential campaign season leads each of us, whatever our politics, to reflect on our society and our nation’s role in the world. This election year, more than almost any in recent recollection, requires our most serious attention. Why? Because we have come to a turning point in world affairs. Enormous changes are underway. As Shakespeare said:

There is a tide in the affairs of men, which, taken at the flood, leads on to fortune; . . . on such a sea we are now afloat, and we must take the current when it serves, or lose our ventures.

We have reached this moment in history not because of fate or forces beyond our control but because our own drive and creativity and commitment to freedom and openness brought us here and brought us success. Just look at what has been achieved.

- The shadow of a third world war has faded; for the first time ever, nuclear weapons have been reduced.

¹Source: Department of State *Bulletin*, January 1989, pp. 6–10. All brackets are in the original. Shultz spoke before the Commonwealth Club of California.

- The once-small handful of embattled democracies find themselves growing in strength and number and viewed around the world as the wave of the future.

- The tide of Marxism—and with it, communism as the model for development—is a tide that is going out.

- National economies—once thought destined to be buffeted by chance, disaster, and bitter rivalry—are finding new ways to cooperate and prosper in openness.

And, most significantly for the future, we have entered a new era of revolutionary change.

- Knowledge, and its rapid transmission as information, has become the key to progress; and

- A global process of economic integration is underway, with little regard for national borders and beyond the capacity of governments to control in familiar ways.

All these changes are in our interest—for Americans, as de Tocqueville noted 150 years ago, are eager for change and confident in their ability to master the future.

It is American political, scientific, technological, and commercial creativity and dynamism that has brought us to this point. This is our kind of world, and it presents our kind of challenge. It is a picture of stunning success. But with it have come enormous complexities, uncertainties, and difficulties.

About a year ago, at the World Affairs Council of Washington, I addressed the *scientific and technological dimensions* of the problems we now face [Department of State Bulletin, January 1988, pp. 3–7].² Six months ago, at an annual MIT [Massachusetts Institute of Technology] meeting, I spoke about the need to maintain American leadership in the *new global economy* [Department of State Bulletin, June 1988, pp. 18–22].³ Needless to say, these are “must reading” for all serious and responsible Americans. I just happen to have brought copies with me, which you can pick up at the back of the room today. We have called these speeches “Global Trends I,” and “Global Trends II.” You are now about to get “Global Trends III.”

New Political Complexities

So this is the third and final installment. It deals with the *new political complexities* we face as a result of our recent years of accomplishment.

I call this “the ecology of international change.” The relatively recent concept of ecology teaches us that our natural environment is

²See footnote 14, Document 316.

³See Document 322.

interrelated. Beneficial activity in one location can create unexpected problems in another. We increased dependence on coal and oil when people grew concerned about nuclear energy, but now we know that fossil fuels are producing the gases that lead to global warming problems.

We are beginning to realize that we do not live in a world of totally distinct phenomena. It is not a world of yes or no, up or down, this or that. In the past, Americans tended to believe that war and peace were two different situations: We were either in a happy state of tranquility, or we were embarked on a crusade for all-out victory, after which we hoped to retire into inward looking innocence, spurning "power politics" and all that represents.

In this decade, I believe Americans have come to recognize that we are not likely to face either an era of total war or of total peace. Nor does the future hold either an era of perpetual economic success or a destiny of economic decline. We face, instead, a spectrum of often ambiguous challenges, of uncertain possibilities, of fresh developments that overflow traditional lines of control.

I see three areas where new political developments will outstrip old approaches unless we identify what is happening and deal more flexibly with the difficulties involved. They are:

- The Soviet-American relationship: It will not, in the future, be the same kind of rivalry that has taken center stage in world affairs for the past 40-plus years.
- The politics of preventing war: The old diplomacy is not going to be sufficient to meet the novel threats to world security that have already begun to emerge.
- And the nature of nations, their peoples, and their associations is changing the international environment in ways not felt since the birth of the nation-state at the end of the Middle Ages.

U.S.-Soviet Relations

First, U.S.-Soviet relations: The vastly different histories, cultures, economies, governmental systems, force structures, geographical circumstances, and visions of the future held by the two superpowers have transfixed international politics since World War II. It has been not only a rivalry between giants but a contest between different models for progress for governments everywhere. Our achievement has been a product of open debate, deliberations, and political competition guided by constitutional processes; theirs, the dictate of a massive central authority marked by repression and hostility to free political, intellectual, or religious expression. A nation whose system is the legacy of Marx, Lenin, and Stalin bears scant resemblance to one that draws inspiration from Washington, Jefferson, and Lincoln.

Under President Reagan's leadership in this decade, we engaged our Soviet adversary with unprecedented vigor and effectiveness.

- We put human rights at the top of our agenda. We left them in no doubt that they could never be accepted as a responsible nation among nations for so long as they abuse their own people's hopes for justice.

- We restored America's military might; we reinvigorated the morale of our armed forces. We demonstrated the will to put power behind our diplomatic search for real solutions.

- We took the accepted notion that "a country once communist can never again be free" and stood it on its head. Freedom fighters everywhere took heart.

- And we showed ourselves ready, with no illusions and no concessions to principle, to reach solid, negotiated agreements on the range of problems from strategic arms reductions to consular services.

Whatever the assessments of experts may be about what is now happening inside the Soviet Union, there are some undeniable realities.

- Marxism is discredited as a model for world development.

- Soviet troublemaking in regional conflicts has been reduced and even reversed, as in the current departure of the Soviet Army from Afghanistan.

- An arms control treaty has been signed with the Soviets, and our Senate gave its "advice and consent" to ratify it.⁴ And we have made real progress, as of this date, in the highly complex task of concluding an even farther-reaching agreement—START [strategic arms reduction talks]—that will serve our nation's security interests significantly.

- And major developments undeniably are taking place inside the Soviet Union.

How far those changes go, and what they will mean to the Soviet people remains to be seen. But real change can only come when an individual or a government faces up to the reality that: (a) it has a problem, and (b) it must change its ways of thought and action. So listen to what the Soviets themselves are saying.

On Human Rights:

The image of a state is its attitude toward its own citizens, the respect for their rights and freedoms and recognition of the sovereignty of the individual. . . . We must do a good deal to make certain that the principles of the presumption of innocence, the openness of a court trial, and ensuring the full right to defense become deeply rooted. (Foreign Minister Shevardnadze, address to senior Foreign Ministry and military officials, July 1988)

⁴See footnote 12, Document 326.

On Models for Third World Development:

The myth that the class interests of socialist and developing countries coincide in resisting imperialism does not hold up to criticism at all, first of all, because the majority of developing countries already adhere to, or tend toward, the Western model of development, and second, because they suffer not so much from capitalism, as from a lack of it. (Andrei Kozyrev, Deputy Chief of the International Organizations Bureau, Ministry of Foreign Affairs, in an article in *International Life*, October 1988)

On Regional Conflicts:

Our direct and indirect involvement in regional conflicts led to colossal losses by increasing general international tension, justifying the arms race and hindering the establishment of mutually beneficial, advantageous ties with the West. (Kozyrev)

On Military Power:

. . . the notion established in the minds and actions of various strategists that the Soviet Union can be as strong as any possible coalition of states opposing it is absolutely fallacious. (Shevardnadze)

On the Rule of Law:

The work of the judicial bodies is of enormous importance. The fate of many people, the defense of their rights, and the inescapable punishment of those who have broken the law, depend on how accurately the scales of justice function. . . . It is extremely important to restore the Leninist vision of the role of our court in a system of democracy and strictly to observe the principle of the independence of judges and their subordination to law. (General Secretary Gorbachev, speech to 19th Communist Party of the Soviet Union Conference, June 28, 1988)

On the Soviet Economic System:

It is well known, that from the late seventies, negative trends in our development began emerging with increasing clarity. Socialism found that it had lost its advantage over capitalism in terms of the pace of economic development. The essence of economic reform lies in the creation and an intensification of economic incentives. . . . In our conditions, the market is an irreplaceable instrument for the flexible economic coordination of production with the growing and constantly changing social needs. (Vadim Medvedev, Politburo member, in an October 1988 speech reported in *Pravda*, October 5, 1988)

These are communists talking. Their words are important words. Actions will be difficult, and results will take a while. But actions and results start from ideas and words, whether called "new

thinking," *perestroika* and *glasnost*, or just plain, pragmatic observation of what works.

Only one conclusion is possible from the facts and from the Soviets' own perceptions of them: The state that Lenin founded and Stalin built is being reconstructed. Soviet leaders deserve credit for recognizing problems and seeking to solve them. The outcome cannot be foretold with precision, but this we do know already—the environment for America's values of peace, freedom, and democracy is healthier than it has been in some time. We and our allies are the rising nations.

Some say we should change our approach because the Soviets are changing. I say we must keep to the course that has brought us success. There are plenty of reasons to be vigilant.

- Soviet military forces are as large as ever. Their defense spending has not decreased. The Soviets still knock on Europe's door with 30,000 tanks parked in the driveway.

- Soviet-supported forces and arms are still contributing to violence and tension, especially in Central America. Half of all the arms shipped to the Third World last year came from the Soviet Union.

- Human rights progress has been dramatic but disappointingly short of international standards, which even the Soviets themselves have accepted.

So the first principle to follow as we face the changes underway is to stay true to our principles. Realism, strength, and diplomacy have been our watchwords throughout the 1980s and will be just as valid for the rest of this century and beyond. We will continue to measure progress in U.S.-Soviet relations through a four-part test: progress on human rights, on regional conflicts, on arms control, and on bilateral relations. The worst thing we could do now, just as our policy is succeeding, would be to accept the *promise* of constructive Soviet policy without the *performance*.

The direction General Secretary Gorbachev has set is one we welcome. It aims to make the Soviet Union a more rational, more lawful and competitive society. Such an achievement, should it come, can benefit not only the Soviet people but all the nations of the world.

But if we are to catch this tide toward a new, more hopeful, and differently structured international scene, we need to look to other principles as well. For beyond the changing U.S.-Soviet relationship, we will encounter other new concerns in the next global era.

What guidelines are needed as we try to comprehend the changing picture before us?

First, we must build on the bulwark of our strength—our alliances with the other great democracies. That means unswerving attention to

our military capabilities: nuclear deterrence, conventional forces, and shared defense burdens.

Second, we must seek to widen our circle of like-minded friends. The world's nations increasingly are turning toward more open economies and freer societies, and they are banding together in new multilateral associations. There is no part of the world that I have been more interested in, or worked harder to cooperate with, than that represented by the Association of Southeast Asian Nations. Our ties to them have been immensely fruitful and filled with potential. We want to help create and tie together such networks all over the globe.

Third, and most important, we need to speak out for, and stand up for, the values that have made us great, that others now emulate, and that can further our success. That means a deepened commitment to the dignity and liberty of the individual, to open trade and market-based economics, and to government by the consent of the people. Let us not be shy about it; the world is catching on to the American way. It is not just our ship that will catch the tide, it's a whole fleet of ships—and America is the flagship of that fleet.

This means we must stay engaged. Those who talk protectionism or isolationism; those who say we should fear foreign competition or investment; those who say we have no business pursuing our interests abroad because we aren't yet perfect at home—those people couldn't be more wrong. This is the time to get out there and get going, for our sakes and for a better, safer tomorrow.

The Politics of Preventing War

Second, new dangers in weaponry: Such engagement is more needed than ever, for there are new dangers to the ecology of the world political body. Just at the point when we have begun to achieve greater strategic stability at lower levels of offensive nuclear arms, and just as we are getting a handle on the proliferation of nuclear weapons, we are seeing unexpected correlative dangers appear: the spread of sophisticated missile technology and the use of chemical weapons. These increase the potential for devastation in unstable regions of the Third World. And the conflicts themselves may become far more difficult to contain or isolate.

The availability of sophisticated weapons presents plenty of problems. But two dangers stand out.

The first is the increasing availability on the world arms market of relatively long-range surface-to-surface missiles. In the Iran-Iraq war, we have seen Soviet SCUD missiles employed by both belligerents. Across the gulf, Saudi Arabia is acquiring Chinese CSS-2 missiles with

a potential range exceeding 1,500 miles. Elsewhere in the Middle East, as in other regions, countries have acquired ballistic missiles. These weapons, which may be thought of as “obsolete” by the superpowers, are nothing of the sort when it comes to regional conflicts. And beyond the arms market, more and more nations will be able to build their own ballistic missiles. Weaponry of enormous destructive potential can reach the hands of parties with little regard for traditional inhibiting controls. With their minimal warning times and often substantial ranges, ballistic missiles will pose significant new threats to the stability of already tense regions. As a result, established doctrines designed to deter aggression and keep the peace may be undermined in more than one part of the world.

The other new danger is the recrudescence of chemical warfare—perhaps the most odious and despicable development of our day. Nations are now confronted by violations of the oldest and most widely observed arms control agreement, the 1925 Geneva protocol prohibiting poisonous gas and chemical warfare⁵—a terrible change for the worse. Yet that is the case. Since World War II, there have been hundreds of conflicts and more than two dozen significant civil wars. But until recently, only a few conflicts—those in Yemen, Afghanistan, and Laos—had seen the use of chemical weapons.

Now the scourge is spreading. The protocol has been repeatedly violated. We have stood up and criticized these violations and have sometimes been almost alone in doing so.

The worst nightmare of all, of course, would be the eventual combination of ballistic missiles and chemical warheads in the hands of governments with terrorist histories. To meet this danger we took the lead to establish, with the seven largest industrial democracies, a Missile Technology Control Regime in April 1987, putting limits on the transfer of missiles and the means to build them.⁶ We have identified this problem in its early stages and gone after it energetically. As a result, there is hope that the spread of such missiles can be curbed.

To ban all chemical weapons, we are working with 40 nations in Geneva on a treaty tabled by Vice President Bush in 1984.⁷ To further

⁵ See footnote 20, Document 106.

⁶ In an April 16, 1987, statement, Fitzwater announced that the United States, Canada, France, the Federal Republic of Germany, Italy, Japan, and the United Kingdom had adopted “a new policy to limit the proliferation of missiles capable of delivering nuclear weapons” featuring “guidelines to control the transfer of equipment and technology that could contribute to nuclear-capable missiles.” (*Weekly Compilation of Presidential Documents*, April 20, 1987, vol. 23, no. 15, p. 395)

⁷ See footnote 6, Document 192.

this effort, President Reagan has called for a conference to strengthen the 1925 Geneva protocol,⁸ and France has agreed to host that conference in January. Our aim will be to reverse the erosion of respect for the norms which have held the line against the illegal use of such hideous weapons.

Vice President Bush has announced a six-point action plan that combines international cooperation, tough penalties, and missile defense systems.⁹ A time when ballistic missiles are proliferating is no time to listen to those who cannot understand the need for defense against them.

The Imperative of Cooperative Effort

These new problems threaten the ecology of civilization and political reason. They call for:

- Engaged American *leadership*, to build
- Broad international *cooperation*, backed by
- Tough measures of *enforcement*.

These steps may sound obvious and simple. I can assure you they are not. We know this from the experience of our fight against the scourges of terrorism and drugs. Last year, terrorism claimed over 3,000 casualties in 80 countries. The terrorists, in all too many cases, work with drug traffickers, whose immense funds provide the money to finance the muscle of terror. Together, they assault civilized societies. We and other countries must and do apply strenuous and increasing effort to win the war against drugs and terror. For the United

⁸In his last address before the UN General Assembly on September 26 the President referenced the use of chemical weapons in the Iran-Iraq war, noting that their use “jeopardizes the moral and legal strictures that have held those weapons in check since World War I.” Continuing, he stated: “Let this tragedy spark reaffirmation of the Geneva protocol outlawing the use of chemical weapons. I call upon the signatories to that protocol, as well as other concerned states, to convene a conference to consider actions that we can take together to reverse the serious erosion of this treaty. And we urge all nations to cooperate in negotiating a verifiable, truly global ban on chemical weapons at the Conference on Disarmament in Geneva. It is incumbent upon all civilized nations to ban, once and for all, and on a verifiable and global basis, the use of chemical and gas warfare.” (*Public Papers: Reagan, 1988–1989*, Book II, p. 1224)

⁹Presumable reference to Bush’s comments made at the University of Toledo on October 21. In his remarks, the Vice President and Republican Presidential nominee indicated that he supported a complete and total ban on chemical weapons and outlined several steps to achieve such a ban, including multilateral and bilateral non-proliferation agreements, international condemnation of any nations deploying chemical weapons, establishment of a suppliers group, on-site inspections, and continued research and development of defenses against chemical weapons. For additional information, see Maureen Dowd, “Bush Assails Use of Chemical Weapons,” *New York Times*, p. 9, and Paul Taylor, “Bush: Ban Chemical Weapons,” *Washington Post*, p. A7; both October 22, 1988.

States, the sweeping Anti-Drug Abuse Act of 1988 marks a new level of commitment to say “no” to drugs.¹⁰ All aspects of the challenge are addressed: demand, education, law enforcement, and international cooperation.

But no country can deal with these problems alone. They respect no boundaries. So we take the lead to build international cooperation on intelligence and to apply pressure on states that use terrorism. We establish the conceptual recognition that terrorists and drug traffickers are criminals. We apply the rule of law and, through international cooperation, extend its reach so that there is no place to hide.

Cooperative international regimes are required. To build them takes immense energy, a worldwide effort, and heretofore unfound readiness to put aside old habits of thought and behavior limited to narrow nation-bound concepts.

From the first recorded treaty in 3100 B.C. between two Mesopotamian city-states, to the philosophic urgings of Grotius in the 17th century, to the efforts toward international law and cooperation of my predecessors—Elihu Root, William Jennings Bryan, Charles Evans Hughes, and others in the first part of this century—the hope that nations would cooperate for peace has sprung eternal and, just as eternally, has fallen short of the dream.

The clear fact is, however, that all nations face a new imperative. In a way, our global society of states is not unlike our early American states when Benjamin Franklin said: “We must all hang together or, most assuredly, we shall all hang separately.”

It is the *people* of the world who are telling us this. Their activities; their aspirations; their social, cultural, and spiritual associations are spilling out beyond the boundaries of conventional politics. They represent, in many respects, the most significant challenge of all.

The international political system we have today is several centuries old. Its key concepts are:

- The nation as a unit;
- The state as its political form;

¹⁰ The President signed the Anti-Drug Abuse Act of 1988 (H.R. 5210; P.L. 100–690) into law on November 18. Among other provisions, the Act established in the Executive Office of the President the Office of National Drug Control Policy (ONDCP), authorized \$1.5 billion in FY 1989 for alcohol and drug block grants, and allowed the death penalty for persons engaged in drug-related felonies, who killed or caused the killing of an individual. (*Congress and the Nation*, vol. VI, 1985–1988, pp. 748, 754, 761) At the signing ceremony, the President commented: “Eight years ago we set a course. We stuck to it. And the path we blazed is marked by the success of our accomplishments. Our ultimate destination: a drug-free America. And now in the eleventh hour of this Presidency, we give a new sword and shield to those whose daily business it is to eliminate from America’s streets and towns the scourge of illicit drugs.” (*Public Papers: Reagan, 1988–1989*, Book II, p. 1531)

- Well-defined borders as its geographical expression;
- The allegiance of its citizens to give it strength; and
- A patriotic focus to give them identity.

Today, people are pushing on this system from different directions. Sometimes it's through mass migratory movements. In other instances, people bewildered by change seek an identity beyond the state, such as religion or ethnicity. And what is happening to traditional concepts of national sovereignty in a world of instantaneous satellite communications and global financial networks? Human and corporate connections are being forged that transact more business in more unorthodox ways than governments can comprehend or catch up with.

But, at the same time, people whose dreams for national self-determination have been frustrated see new opportunities for self-assertion. Rigid governments face the alternatives of political pluralism and economic reform or violent resistance and rapid decline. The problems of managing these tensions can be seen all over the world, and they are difficult to handle. Look at Fiji. Look at Sri Lanka. Look at what's happening in Latvia, Lithuania, and Estonia.

What we see is a paradox. National borders are transcended by the forces of change, even as nationalism grows more intense. National sovereignty has never been more cherished, even as sovereign prerogatives must yield to new global realities.

Prime Minister Thatcher addressed this when she spoke at Bruges last month on the coming single market in Europe. She said that "willing and active cooperation between independent sovereign states" is the best way to build an international community.¹¹

Sooner or later, nations will orient themselves to a world grown too small for violent conflict and too big for rigid attitudes, wild ambitions, and self-centered policies. Sooner or later, governments will be forced to see that joining with others is the only way to meet the challenges of the future.

Our diplomatic imperatives must be to use what has worked, such as collective security, while recognizing that new tactics may be required. For most problems, the answer can only be found in a pragmatic working-out. There are no blueprints because we are, as yet, too unfamiliar with the terrain to know where or how to build.

¹¹ On September 20, Thatcher delivered an address at the College of Europe in Bruges on the future of the European Community. For additional information, see Julian Baum, "Thatcher attack on European unity: more bark than bite?," *Christian Science Monitor*, p. 9, and Craig R. Whitney, "Taking Stand For Europe, Thatcher Says," *New York Times*, p. A5; both September 22, 1988. In telegram 20388 from London, September 26, the Embassy transmitted the text of Thatcher's address. (Department of State, Central Foreign Policy File, Electronic Telegrams, D880859-0334)

This gives me heart. The American philosophy is pragmatism. Pragmatism dictates that problem-solving be a cooperative process—just as our pioneers came together to work as one when a prairie house had to be built.

This century has not been friendly to freedom, or to democracy, or even to peace. The environment for those values began to improve when America, so long content to cultivate its own garden, became fully engaged. Now, as we near the end of the century, the ecology is changing, and changing for the better—with critical help from our engagement.

When we have kept that in mind in the past, we have succeeded. My message is one of change, of hope, of the challenges of a bright new world. But it's also a call for continued American engagement with our allies and friends and, yes, our rivals to bring that new world to its promise. That's what we can give to ourselves, to our children, and to our grandchildren—the ecology of peace and freedom.

331. Talking Points Prepared in the Policy Planning Staff¹

Washington, undated

TALKING POINTS FOR SECRETARY'S INTERVIEW

Achievements of Reagan Administration

—America is back:

- During the 1970's, Soviet Union was on a roll: Vietnam, Cambodia, Afghanistan, Ethiopia, Angola and Nicaragua all entered Soviet orbit. Communism appeared to be wave of the future;
- America, by contrast, seemed paralyzed by doubt and guilt in the aftermath of Vietnam;

¹ Source: Department of State, Executive Secretariat, S/P Files, Memoranda and Correspondence from the Director of the Policy Planning Staff to the Secretary and Other Seventh Floor Principals: Lot 89D149, S/P Chrons DECEMBER 1988. No classification marking. Drafted by Shattan on December 6. John Kelly sent the talking points to Shultz under a December 6 information memorandum, writing: "You have agreed to be interviewed by the *New York Times* on December 14. We have prepared talking points covering: 1) The major achievements of the Reagan Administration, 2) The major failures, and 3) the major lessons." (Ibid.) For excerpts from the interview, see Elaine Sciolino, "Summing Up: Shultz Looks at His Tenure at State," *New York Times*, December 18, 1988, p. 22.

- Under President Reagan, America has recovered its self-confidence; American values of democracy and free-market economics are the most important political realities in the world today;

- By contrast, Soviet Bloc is undergoing a major ideological, economic and political crisis.

—Soviet-American relations in better shape than ever:

- We have vigorously pursued four-part agenda: human rights, regional issues, bilateral relations, arms control;

- Dramatic breakthrough in arms control: INF Treaty eliminates entire category of nuclear weapons;

- Substantial movement toward START Agreement;

- Progress on human rights;

- We have developed political dialogue sturdy enough to survive both highs and lows in US-Soviet relations;

- As a result, shadow of Third World War has faded.

—Democracy is catching on:

- In Latin America, 26 out of 33 countries are now democratic or in transition to democracy. Percentage of population living under freely-elected governments has grown from 30% in 1976 to 90% today;

- Democratic values have also taken root or have been reawakened in the Philippines and South Korea;

- In Afghanistan, Angola, Cambodia and Nicaragua, communist oppression has given rise to popular resistance movements;

- In South Africa, apartheid is under increasing pressure to change;

- Once it was said that Communism is the wave of the future; today, democracy is the most important political idea of our time.

—Free markets are wave of the future:

- When President Reagan, early in his term, went to his first international economic conference in Cancun and explained the link between free markets and economic development, people were sceptical; today, almost everyone agrees that market-oriented economies are the key to economic development;

- Japan and South Korea lead a Pacific Rim bursting with energy;

- Canadian voters recently endorsed a free trade agreement with U.S.;

- Formerly command economies in China and Eastern Europe are adopting free markets;

- The Marxist model of economic development is completely discredited.

—Soviets appear to be behaving somewhat more reasonably:

- Soviets are withdrawing from Afghanistan;
- Soviets are showing a more constructive attitude in negotiations on Southern Africa and Cambodia.

—Isolation of Vietnam is bearing fruit:

- It now appears that Vietnam has begun withdrawal from Cambodia;²
- U.S. will continue to work for free and independent Cambodia.

—Plans to get Cubans out of Angola are progressing:

- Under U.S. leadership, governments of Angola, Cuba and South Africa have made remarkable progress toward accord that will bring independence for Namibia and withdrawal of all foreign troops—primarily Cuban—from Angola.³

—Persian Gulf ceasefire has been achieved:

- Iran has finally accepted U.N. Security Council Resolution 598, which calls, among other things, for cease-fire between Iran and Iraq.⁴

² In late May, the Vietnamese Foreign Ministry informed the Western diplomatic representatives in Hanoi that the government planned to withdraw 50,000 troops from Cambodia, beginning in June and continuing throughout 1988. (“Hanoi Plans 50,000-Man Pullout from Cambodia,” *New York Times*, p. A18, and David B. Ottaway, “Vietnam Plans to Withdraw 50,000 Troops from Cambodia,” *Washington Post*, pp. A14, A16; both May 26, 1988)

³ Quadripartite negotiations on the Angola/Namibian conflict began May 3 in London, involving delegations from the United States, South Africa, Angola, and Cuba, in order to develop a framework for negotiations. (Karen DeYoung, “Four Parties Hold London Session On a Framework for Angola Talks,” *Washington Post*, May 4, 1988, p. A28) Following talks on Governors Island, New York, July 11–13, the governments agreed to general principles for the departure of Cuban troops from Angola and the establishment of an independent Namibia. (Fox Butterfield, “Tentative Accord on Angola, Namibia, is Reached in U.S.: Cubans Would Pull Out: But No Timetable is Specified and Savimbi’s Rebels Are Not Party to the Pact,” *New York Times*, pp. A1, A8, and Michael J. Berlin, “Angola Talks Yield Progress on Plan For Regional Peace: Parties Agree on Principles for Settlement,” *Washington Post*, p. A21; both July 14, 1988) For the text of the “Principles For a Peaceful Settlement in Southwestern Africa, approved by the respective governments and released publicly on July 20, see Department of State *Bulletin*, September 1988, pp. 5–6. On December 22 at UN headquarters in New York, the foreign ministers of Angola, Cuba, and South Africa signed agreements on Namibian independence and Cuban troop withdrawal. For the text, see Department of State *Bulletin*, February 1989, pp. 13–16.

⁴ In July, the Government of Iran accepted the terms of the UN Security Council peace plan, as outlined in UN Security Council Resolution 598, in a letter from Iranian President Hojatolislam Ali Khamenei to Perez de Cuéllar. (Fox Butterfield, “Iran, In Reversal, Accepts U.N. Plan for a Cease-Fire: A Surprise to Diplomats,” *New York Times*, July 19, 1988, pp. A1, A8) The text of Khamenei’s letter is printed *ibid.*, p. A9.

Failures of Reagan Administration

—Central America:

- Failure to convince Congress to provide adequate support for Contras;
- Failure to negotiate Noriega out of power and out of Panama.

—Middle East:

- Breakdown of Lebanese-Israeli Peace Treaty of 1983⁵ due to Syrian sabotage;
- Failure to move Arab-Israeli peace process forward.

—Terrorism:

- Iran-Contra scandal. Misguided attempt to exchange arms for hostages;
- More generally, failure to devise comprehensive anti-terrorist strategy and bring allies aboard.

—Difficulty in providing adequate resources for foreign affairs budget.

—Failure to head off protectionist, neo-isolationist sentiment in Congress.

Lessons

—Need to stand up for our principles:

- If we're serious about defending freedom, we must be willing to help those fighting for their freedom in Nicaragua, Afghanistan, Angola, Cambodia;
- If we're serious about promoting Third World development, we can't shut our market to their exports.
- If we're serious about putting a stop to terrorism, we have to be prepared to take tough decisions—either political (withholding U.S. visas to known terrorists) or military (bombing terrorist bases).

⁵ Reference is to the Agreement Between the Governments of Israel and Lebanon, signed by Director General of the Israeli Foreign Ministry David Kimche and Lebanese diplomat Antoine Fattal on May 17, 1983. For additional information, see David K. Shipler, "Israel and Lebanon Sign Agreement at 2 Ceremonies," *New York Times*, May 18, 1983, p. A16. In a May 13 address before the Business Council in Hot Springs, Virginia, Shultz praised Lebanese and Israeli acceptance of the agreement, stating: "The agreement provides for withdrawal of Israeli forces, which is the essential first step toward Lebanon's goal of withdrawal of all external forces. At the same time, Lebanon and Israel have agreed to security arrangements in the southern part of the country which supports Lebanon's ability to carry out its strong intention to keep the area free of terrorist activities." He asserted, "The agreement has many, many technical provisions, of course, but its real meaning is much more than technical. It offers hope that Lebanon, after more than a decade of civil war and external interference, will recover its sovereignty, independence, and security." (Department of State *Bulletin*, July 1983, p. 56)

—Need to negotiate from strength:

- Some call urgently for negotiations but deny that diplomacy requires strength to back it up; others assert that when we are strong, we need not negotiate;

- In reality, the pursuit of practical, political solutions calls for perseverance, understanding of ambiguity, and recognition of need to compromise;

- Diplomacy and military strength are not antithetical, but complementary. (The famous saying, “He who longs for peace must prepare for war,” is as true today as in Roman times.) Policy of being strong, being, realistic and being ready to engage in the quest for diplomatic solutions has paid off handsomely.

—Need for continued vigilance toward Soviets:

- Some say we should change our approach because Soviets are changing. I say we must keep the course that has brought success. Many reasons to be vigilant;

- Soviet forces are as large as ever. Defense spending unchanged. Soviets still have 30,000 tanks parked on Europe’s doorstep;

- Soviet-supported forces and arms still contributing to violence and tension, especially in Central America;

- Human rights progress has been dramatic, but disappointingly short of international standards.

—Need to combat new dangers in weaponry:

- The most odious and despicable development of our day is the recrudescence of chemical warfare. Nations today are confronted by violations of the oldest and most widely observed arms control agreement, the 1925 Geneva Protocol prohibiting poisonous gas and chemical warfare;

- Chemical weapons were used extensively in Iran-Iraq war by both parties. CIA Director has publicly stated that Libya has capacity to produce chemical weapons;⁶

- Combination of chemical warfare capability and ballistic missiles is especially ominous. Yet today we see the increasing availability on the world’s arms market of relatively long-range, surface-to-surface missiles;

⁶ In an October 25 speech to the World Affairs Council in Washington, Webster “said tonight that Libya is developing ‘the largest chemical plant I know of for chemical warfare.’” (Stephen Engelberg, “C.I.A. Chief Says Libya Develops A Huge Chemical Weapons Plant,” *New York Times*, October 26, 1988, p. A10)

- To meet these dangers, we took the lead to establish, with the seven largest industrial democracies, a Missile Technology Control Regime in 1987,⁷ putting limits on the transfer of missiles and the means to build them;

- To ban all chemical weapons, we are working with 40 nations in Geneva on a Treaty tabled by Vice President Bush in 1984.⁸ To further this effort, an international conference will be held this January in France.

—Need for a new diplomacy:

- Our time is characterized by a paradox: on the one hand, nationalism appears to be stronger than ever (e.g., Armenia, Fiji, Sri Lanka); on the other hand, global economic, environmental, medical and social problems transcend national borders;

- Sooner or later, governments will recognize that joining with others is the only way to meet challenges of the future;

- We need to find our way to a new kind of diplomacy that increasingly looks to alliances to work out problems that transcend national borders

—Need for competence:

- What is sometimes called a “crisis of confidence” in our institutions may more truly be a “crisis of competence.” One person, or one organization, cannot do everything. The more any organization attempts, the more the limits of its competence will become apparent;

- That’s why we have different departments in government. No department, agency, or council should fall into the error of thinking it can do everything;

- So the State Department shouldn’t tell the Defense Department how many aircraft carriers we need. The Defense Department shouldn’t tell State how to negotiate with Soviets. The CIA shouldn’t find policy-making more fun than objective analysis. And the NSC shouldn’t try to do what the departments and agencies do because that throws its job of coordinating off balance;

- In sum, there’s a need for a little more humility all around. Even in Congress.

⁷ See footnote 6, Document 330.

⁸ See footnote 6, Document 192.

332. Memorandum of Conversation¹

New York, December 7, 1988, 3:15–3:35 p.m.

PARTICIPANTS

US side:

President Reagan
Vice President Bush
D. Zarechnak, interpreter

USSR side:

General Secretary Gorbachev
P. Palazhchenko, interpreter

As the party got into the car, the President remarked that he was glad to have the opportunity to have the General Secretary drive around the island with him in his car, and Gorbachev replied that he was always glad to get “a freebie” (“na durniak”).

The President remarked that the windows on the car were three inches thick, although this was not noticeable until one opened the door.

As the car drove by the policemen on guard, the Vice President remarked that they were known as “New York’s finest”, and the President remarked that many of them were of Irish background. Gorbachev noted that this was the same as the President’s own background, and that perhaps the President could be accused of staffing the New York police department with people of his own kind? The President replied that he couldn’t be accused of that since the Irish background of the police went way back. His father used to tell him how it was the Irish that had built most of the jails in the US and had filled them as well, and that he was very proud of this. He couldn’t understand why his father could be proud of such a thing until he realized that by “filling” jails his father had meant “putting people in jails”, i.e., the work that policemen do.

The Vice President asked Gorbachev about the USSR’s relations with China, and Gorbachev noted that that was the country where the Vice President had served.² He went on to say that the visit by the Chinese Foreign Minister had been a very good one. The Chinese had their own, independent foreign policy. They did not wish to have instability and they did not wish to be secretive. They wished to have normal relations with both the United States and the USSR, and this was as it should be.

¹Source: Department of State, EUR Files, EUR/RUS Special Collection: Lot 00D471, New York Power Lunch 12/7/88. Secret. Drafted by Zarechnak. The meeting took place during a drive around Governors Island to escort Gorbachev to the ferry. Gorbachev was in New York December 7 to address the UN General Assembly and meet with the President and Vice President. See *Foreign Relations, 1981–1988*, vol. VI, Soviet Union, October 1986–January 1989, Documents 180 and 181.

²Bush was the head of the U.S. Liaison Office in Beijing from October 21, 1974, until December 7, 1975.

The Vice President remarked that it was good that there would be a meeting with Deng Xiaoping.

The President recalled that when Vice President Bush had been ambassador to China, they had been concerned about the different kind of diet that the Chinese had, and as a result would not let their dog wander the streets there.

The Vice President remarked about the great assistance the President had given him in his campaign, noting that the last time a vice-president had been elected president was in 1836.³ The President added that if Governor Dukakis had been elected, everything that had been built up between the two countries would have returned to the starting point. Gorbachev remarked that the USSR had taken the position that the US election was an internal matter for the American people to decide.

At this point the car drove up to the platform for viewing the Statue of Liberty, and everyone got out.

After viewing the Statue of Liberty, the President was a bit delayed in getting into the car because he was talking to correspondents. He jokingly told Gorbachev that he told them that Gorbachev had given in to everything the President had asked for. On a more serious note, he said that he had said that he and the General Secretary had agreed to continue the work they had begun. Gorbachev agreed that this was what should be done.

The President noted the school children waving to them, and Gorbachev remarked that he was sure that they were happy to be out of school.

After noticing two Coast Guard cutters going by, President Reagan mentioned that his present military assistant was a woman from the Coast Guard—the first time that anyone had been appointed to that post from the Coast Guard. He said that he had teased her, passing on what some Navy people had said, and she had replied very quietly that in times of crisis, it was the Coast Guard that all the other branches of the armed forces gathered around.

By this time the car had arrived at the departure point. Gorbachev expressed his thanks to the President for all the accomplishments they had made together, and expressed the hope that they might meet again. The President agreed, and said that he hoped the meeting would be in California.

³ Bush and his Republican Vice Presidential nominee Senator J. Danforth Quayle (R-Indiana) defeated Democratic Presidential nominee Michael Dukakis and Democratic Vice Presidential nominee Senator Lloyd Bentsen (D-Texas) on November 8.

333. Remarks by President Reagan¹

Charlottesville, Virginia, December 16, 1988

Remarks and a Question-and-Answer Session
at the University of Virginia in Charlottesville

[Omitted here are the President's introductory remarks and his comments about President Thomas Jefferson, the founder of the University of Virginia.]

Well, that was politics in 1800. So, you see, not all that much has changed. [*Laughter*] Actually, I've taken a moment for these brief reflections on Thomas Jefferson and his time precisely because there are such clear parallels to our own. We too have seen a new populism in America, not at all unlike that of Jefferson's time. We've seen the growth of a Jefferson-like populism that rejects the burden placed on the people by excessive regulation and taxation; that rejects the notion that judgeships should be used to further privately held beliefs not yet approved by the people; and finally, rejects, too, the notion that foreign policy must reflect only the rarefied concerns of Washington rather than the common sense of a people who can frequently see far more plainly dangers to their freedom and to our national well-being.

It is this latter point that brings me to the University of Virginia today. There has been much change in the last 8 years in our foreign relations; and this September, when I spoke to the United Nations,² I summarized much of the progress we've seen in such matters as the human rights agenda, arms reduction, and resolving those regional conflicts that might lead to wider war. I will not recite all of this here again today, but I do want you to know I found in the delegates afterward a warmth that I had not seen before—let me assure you, not due to any eloquence on my part but just a simple perception on their part that there is a chance for an opening, a new course in human events. I think I detected a sense of excitement, even perhaps like that felt by those who lived in Jefferson's time: a sense of new possibilities for the

¹ Source: *Public Papers: Reagan, 1988–1989*, Book II, pp. 1631–1638. All brackets are in the original. The President spoke at 10:35 a.m. at Cabell Hall at the University of Virginia. The text of the question and answer session following the President's remarks is *ibid.*, pp. 1638–1641. In his personal diary entry for December 16, the President wrote: "The old school abounds with tradition & the spirit of Thomas Jefferson who founded the U. I addressed about 700 students in an historic old hall introduced by the U. Pres. Sen. John Warner, Cong. man Slaughter & Gov. Baliles were on the Dais. After my speech which was carried live by CNN & outside to the whole Student body—I took 6 Q's. It was a tremendous success." (Brinkley, ed., *The Reagan Diaries*, vol. II, November 1985–January 1989, pp. 995–996)

² See footnote 8, Document 330.

idea of popular government. Only this time, it's not just a single nation at issue: It is the whole world where popular government might flourish and prosper.

Only a few years ago, this would have seemed the most outlandish and dreamiest of prospects. But consider for just a moment the striving for democracy that we have seen in places like the Philippines, Burma, Korea, Chile, Poland, South Africa—even places like China and the Soviet Union. One of the great, unnoticed—and yet most startling—developments of this decade is this: More of the world's populace is today living in relative freedom than ever before in history; more and more nations are turning to freely elected democratic governments.

The statistics themselves are compelling. According to one organization, Freedom House, in the past 15 years the number of countries called not free declined from 71 to 50. And the countries classified as free or partly free increased from 92 to 117. When you consider that, according to the Freedom House count, 70 percent of those not living in freedom are in China and the Soviet Union—and even in those nations, as I say, we see glimpses of hope—the picture is even brighter. The most dramatic movement of all has taken place: More than 90 percent of the people are now living in countries that are democratic or headed in that direction.

This democratic revolution has been accompanied by a change in economic thinking comparable to the Newtonian revolution in physics, and that is no accident. Free-market economies have worked miracles in several nations of East Asia. A U.N. General Assembly special session on Africa has called for more market-oriented structural reform in that region.³ In Europe the tide is against state ownership of property. And even in China and the Soviet Union the theoretical underpinnings of Socialist economics are being reexamined.

In this atmosphere, we've continued to emphasize prudent but deepening development of economic ties which are critical to our economic health in the conduct of our foreign policy. In our own hemisphere, we're about to implement an historic free trade agreement between the United States and Canada that could well serve as a model for the world.⁴

³ See footnote 7, Document 275.

⁴ See footnote 2, Document 316. On September 28, the President signed into law P.L. 100-449 (H.R. 5090), the United States-Canada Free Trade Agreement Implementation Act of 1988. In remarks made during a Rose Garden signing ceremony, the President stated: "This is a moment future historians will cite as a landmark, a turning point in the forward march of trade, commerce, and even civilization itself. That's a dramatic statement, I know, but I think everyone here is aware of the historical import of what we do today." (*Public Papers: Reagan, 1988-1989*, Book II, p. 1232)

These democratic and free-market revolutions are really the same revolution. They are based on the vital nexus between economic and political freedom and on the Jeffersonian idea that freedom is indivisible, that government's attempts to encroach on that freedom—whether it be through political restrictions on the rights of assembly, speech, or publication, or economic repression through high taxation and excessive bureaucracy—have been the principal institutional barrier to human progress.

But if this remarkable revolution has not been obvious to many, certainly one other eye-opening change has been self-evident. Consider for just a moment the sights we've seen this year: an American President with his Soviet counterpart strolling through Red Square and talking to passers-by about war and peace; an American President there in the Lenin Hills of Moscow speaking to the students of Moscow State University,⁵ young people like yourselves, about the wonder and splendor of human freedom; an American President, only last week, with a future American President⁶ and the President of the Soviet Union standing in New York Harbor, looking up at Lady Liberty, hearing again the prayer on the lips of all those millions who once passed that way in hope of a better life and future—a prayer of peace and freedom for all humanity.

And, yes, even this week in the devastation of Armenia, Americans and Russians making common cause,⁷ as we once made common cause against another terrible enemy 44 years ago. But it's not the visuals and the sound bites that matter. Behind all of this is a record of diplomatic movement and accomplishment.

One of those visuals you've seen in the last year is the signing of accords between Mr. Gorbachev and me and the destruction of American and Soviet missiles. It was more than just good television, more than just action news. The INF treaty is the first accord in history to eliminate an entire class of U.S. and Soviet nuclear missiles. And the START treaty, which deals with far larger arsenals of long-range—or

⁵ See Document 326.

⁶ Reference is to President-elect Bush. On December 7, Reagan and Bush met with Gorbachev at the Commandant's residence on Governors Island, New York, following Gorbachev's address before the UN General Assembly. For the memoranda of conversation held at the residence, see *Foreign Relations, 1981–1988*, vol. VI, Soviet Union, October 1986–January 1989, Documents 180–181. For the memorandum of conversation during Gorbachev's car ride back to the ferry, see Document 332.

⁷ At the beginning of the December 7 luncheon held on Governors Island (see footnote 6, above), Gorbachev indicated that an earthquake had struck Armenia. According to the memorandum of conversation, Gorbachev explained that "on the ferry over to the island, he had had a telephone conversation with Moscow. The earthquake had also affected Azerbaijan and Georgia, but with many fewer casualties. In Armenia there had been vast destruction." (*Foreign Relations, 1981–1988*, vol. VI, Soviet Union, October 1986–January 1989, Document 181) Gorbachev subsequently decided to curtail his trip to the United States, in addition to his visits to Cuba and the United Kingdom, and return to Moscow. The morning of December 8, President and First Lady Nancy Reagan telephoned Gorbachev and Raisa Gorbachev to express their sympathies for the loss of life. For the memorandum of conversation of the telephone call, see *ibid.*, Document 182.

what the experts call strategic—weapons, calls for 50-percent reductions in such weapons.

In Geneva, where the portions of the draft treaty disputed by one side or the other are put in brackets, we are slowly seeing those brackets disappear. So, the treaty is coming closer. And so, too, there's progress on nuclear-testing agreements and chemical weapons, and we're about to begin new negotiations on the conventional balance in Europe. Mr. Gorbachev's recent announcement at the U.N. about troop reductions was most welcome and appreciated, but it's important to remember this is a part of and the result of a larger disarmament process set in motion several years ago.⁸

Another area where the achievements are visible is that of regional conflicts. In Afghanistan, we've seen a settlement leading towards Soviet withdrawal. In Cambodia, the first steps have been taken toward withdrawal of Vietnamese troops.⁹ In Brazzaville, just this Tuesday, an American-mediated accord was signed that will send some 50,000 Cuban soldiers home from Angola¹⁰—the second reversal of Cuban military imperialism after our rescue of Grenada in 1983.

In the matter of human rights, we've also seen extraordinary progress: the release of some political prisoners in the Soviet Union, initial steps toward a reduction of state economic controls and more politically representative forms of government, some greater scope to publish and speak critically, an increase in emigration, and visible steps toward greater religious freedom.

And finally, in our bilateral exchanges, we're seeing more Soviet and American citizens visiting each other's land and a greater interchange of scientific, cultural, and intellectual traditions. The summits themselves are indications of the progress we've made here. I look to the day when the meetings between the leaders of the Soviet Union and the United States will be regular and frequent and maybe not quite so newsworthy.

Where we're strong, steadfast; we succeed. In the Persian Gulf, the United States made clear its commitment to defend freedom of

⁸In his December 7 address before the UN General Assembly (see footnote 6, above), Gorbachev announced troop reductions of half a million soldiers, including divisions based in Eastern Europe. (Michael Dobbs, "Soviet Leader Speaks of Hope, Meets With Reagan and Bush," *Washington Post*, December 8, 1988, pp. A1, A30) In remarks made before the American Enterprise Institute for Public Policy that evening, the President referenced the announcement, commenting: "About the Soviet unilateral troop reduction, I can only say that if it's carried out speedily and in full, history will regard it as important, significant." (*Public Papers: Reagan, 1988-1989*, Book II, p. 1595)

⁹See footnote 2, Document 331.

¹⁰December 13. Reference is to the Protocol of Brazzaville, signed by representatives of the governments of Angola, Cuba, and South Africa. The text of the agreement is printed in Department of State *Bulletin*, February 1989, p. 11.

navigation and free world interests. And this helped hasten an end to the Gulf war. And the country stood firm for years, insisting that the PLO had to accept Israel's right to exist, sign on to Resolutions 242 and 338, and renounce terrorism. And now that resolve has paid off.

Now the democratic revolution that I talked about earlier and all the change and movement and, yes, breakthroughs that I've just cited on the diplomatic front can be directly attributed to the restoration of confidence on the part of democratic nations. There can be little doubt that in the decade of the eighties the cause of freedom and human rights has prospered and the specter of nuclear war has been pushed back because the democracies have recovered their strength—their compass.

Here at home, a national consensus on the importance of strong American leadership is emerging. As I said before the Congress at the start of this year: No legacy would make me more proud than leaving in place such a consensus for the cause of world freedom, a consensus that prevents a paralysis of American power from ever occurring again.¹¹

Now, I think much of the reason for all of this has to do with the new coherence and clarity that we've brought to our foreign policy, a new coherence based on a strong reaffirmation of values by the allied nations. The same idea that so energized Mr. Jefferson and the other founders of this nation—the idea of popular government—has driven the revival of the West and a renewal of its values and its beliefs in itself.

But now the question: How do we keep the world moving toward the idea of popular government? Well, today I offer three thoughts—reflections and warnings at the same time—on how the Soviet-American relationship can continue to improve and how the cause of peace and freedom can be served.

First, the Soviet-American relationship: Once marked by sterility and confrontation, this relationship is now characterized by dialog—realistic, candid dialog—serious diplomatic progress, and the sights and sounds of summitry. All of this is heady, inspiring. And yet my first reflection for you today is: All of it is still in doubt. And the only

¹¹ Reference is to the State of the Union address; see footnote 2, Document 318. The full statement reads: "We've seen such changes in the world in 7 years. As totalitarianism struggles to avoid being overwhelmed by the forces of economic advance and the aspiration for human freedom, it is the free nations that are resilient and resurgent. As the global democratic revolution has put totalitarianism on the defensive, we have left behind the days of retreat. America is again a vigorous leader of the free world, a nation that acts decisively and firmly in the furtherance of her principles and vital interests. No legacy would make me more proud than leaving in place a bipartisan consensus for the cause of world freedom, a consensus that prevents a paralysis of American power from ever occurring again." (*Public Papers: Reagan, 1988–1989*, Book I, p. 90)

way to make it last and grow and become permanent is to remember we're not there yet.

Serious problems, fundamental differences remain. Our system is one of checks and balances. Theirs, for all its reforms, remains a one-party authoritarian system that institutionalizes the concentration of power. Our foreign relations embrace this expanding world of democracy that I've described. Theirs can be known by the company they keep: Cuba, Nicaragua, Ethiopia, Libya, Vietnam, North Korea. Yes, we welcome Mr. Gorbachev's recent announcement of a troop reduction, but let us remember that the Soviet preponderance in military power in Europe remains, an asymmetry that offends our Jeffersonian senses and endangers our future.

So, we must keep our heads, and that means keeping our skepticism. We must realize that what has brought us here has not been easy, not for ourselves nor for all of those who have sacrificed and contributed to the cause of freedom in the postwar era.

So, this means in our treaty negotiations, as I've said: Trust, but verify. I'm not a linguist, but I learned to say that much Russian and have used it in frequent meetings with Mr. Gorbachev: "*Dovorey no provorey.*" It means keeping our military strong. It means remembering no treaty is better than a bad treaty. It means remembering the accords of Moscow and Washington summits followed many years of standing firm on our principles and our interests, and those of our allies.

And finally, we need to recall that in the years of détente we tended to forget the greatest weapon the democracies have in their struggle is public candor: the truth. We must never do that again. It's not an act of belligerence to speak to the fundamental differences between totalitarianism and democracy; it's a moral imperative. It doesn't slow down the pace of negotiations; it moves them forward. Throughout history, we see evidence that adversaries negotiate seriously with democratic nations only when they knew the democracies harbor no illusions about those adversaries.

A second reflection I have on all this concerns some recent speculation that what is happening in the Soviet Union was in its way inevitable, that since the death of Stalin the Soviet state would have to evolve into a more moderate and status quo power in accordance with some vague theory of convergence. I think this is wrong. It's also dangerous, because what we see in the Soviet Union today is a change of a different order than in the past.

For example, whatever the Khrushchev era may or may not have represented in Soviet internal politics, we know how aspirations for greater freedom were crushed in Poland and Germany and, even more bloodily, in Hungary. We also saw the construction of the Berlin Wall. We saw Cuba become an active client state, a client state spreading

subversion throughout Latin America and bringing the entire world to the brink of war with the “missiles of October.”

And let me assure you, Mr. Khrushchev gave no speeches at the U.N. like that recently given by Mr. Gorbachev. As one British U.N. official said about Khrushchev appearances there: “We were never quite sure whether it was, indeed, Mr. Khrushchev’s shoe being used to pound the Soviet desk or whether Mr. Gromyko’s shoe had been borrowed or whether there was an extra shoe kept under the Soviet podium especially for banging purposes.” [*Laughter*]

Now, all of this was hardly encouraging for the growth of freedom and the path to peace. We know too what happened in the Brezhnev era: greater and greater expansionism; Afghanistan; economic decay and overwhelming corruption; a greater and greater burden on the peoples of the Soviet Union, on all the peoples of the world.

Now this is changing. How much and how fast it will change we do not know. I would like to think that actions by this country, particularly our willingness to make ourselves clear—our expressions of firmness and will evidenced by our plain talk, strong defenses, vibrant alliances, and readiness to use American power when American power was needed—helped to prompt the reappraisal that Soviet leaders have undertaken of their previous policies. Even more, Western resolve demonstrated that the hardline advocated by some within the Soviet Union would be fruitless, just as our economic successes have set a shining example. As I suggested in 1982, if the West maintained its strength, we would see economic needs clash with the political order in the Soviet Union. This has happened. But it could not have happened if the West had not maintained—indeed, strengthened—its will, its commitment to world freedom.

So, there was nothing inevitable about all of this. Human actions made the difference. Mr. Gorbachev has taken some daring steps. As I’ve said before, this is the first Soviet leader not to make world revolution a priority. Well, let us credit those steps. Let us credit him. And let us remember, too, that the democracies, with their strength and resolve and candor, have also made a difference.

And this is the heart of my point: What happens in the next few years, whether all this progress is continued or ended—this is, in large part, up to us. It’s why now, more than ever, we must not falter. American power must be exercised morally, of course, but it must also be exercised, and exercised effectively. For the cause of peace and freedom in the eighties, that power made all the difference. The nineties will prove no different.

And this brings us to my third point: the relationship between the Executive and the Congress. It’s precisely where Congress and the President have worked together—as in Afghanistan and Cambodia, or

resolved differences, as in Angola, the Persian Gulf, and many aspects of U.S.-Soviet relations—precisely there, our policies have succeeded, and we see progress. But where Congress and the President have engaged each other as adversaries, as over Central America, U.S. policies have faltered and our common purposes have not been achieved.

Congress' on-again, off-again indecisiveness on resisting Sandinista tyranny and aggression has left Central America a region of continuing danger. Sometimes congressional actions in foreign affairs have had the effect of institutionalizing that kind of adversarial relationship. We see it in the War Powers Resolution,¹² in the attempted restrictions on the President's power to implement treaties, and on trade policy. We see it in the attempt to manage complex issues of foreign policy by the blunt instrument of legislation—such as unduly restrictive intelligence oversight, limits on arms transfers, and earmarking of 95 percent of our foreign assistance—denying a President the ability to respond flexibly to rapidly changing conditions. Even in arms reduction, a President's ability to succeed depends on congressional support for military modernization—sometimes attempts are made to weaken my hand.

The Founding Fathers understood the need for effectiveness, coherence, consistency, and flexibility in the conduct of foreign affairs. As Jefferson himself said: "The transaction of business with foreign nations is Executive altogether. It belongs, then, to the head of that department, except as to such portions of it as are specially submitted to the Senate. Exceptions are to be construed strictly."

Well, the President and the Vice President are elected by all the people. So, too, is the Congress as a collegial body. All who are elected to serve in these coordinate departments of our National Government have one unmistakable and undeniable mandate: to preserve, protect, and defend the Constitution. To this—this foremost—they must always be attentive. For a President, it means protecting his office and its place in our constitutional framework. In doing that, the President is accountable to the people in the most direct way, accountable to history and to his own conscience.

The President and Congress, to be sure, share many responsibilities. But their roles are not the same. Congress alone, for example, has the power of the purse. The President is chief executive, chief diplomat, and commander in chief. How these great branches of government perform their legitimate roles is critically important to the Nation's ability to succeed, nowhere more so than in the field of foreign affairs. They need each other and must work together in common cause with all deference, but within their separate spheres.

¹² See footnote 5, Document 191.

Today we live in a world in which America no longer enjoys preponderant power, but must lead by example and persuasion; a world of pressing new challenges to our economic prosperity; a world of new opportunities for peace and of new dangers. In such a world, more than ever, America needs strong and consistent leadership, and the strength and resilience of the Presidency are vital.

I think if we can keep these concerns in mind during the coming years public debate and support will be enhanced and America's foreign policy will continue to prosper. All of us know the terrible importance of maintaining the progress we've made in the decade of the eighties. We're moving away from war and confrontation toward peace and freedom, and today toward a future beyond the imaginings of the past. These are the stakes. Some may find such prospects daunting. I think you should find them challenging and exciting. And I think you can see that in all of this you and your country will have a special role to play.

The issue before the world is still the same as the one that Jefferson faced so squarely and so memorably: Can human beings manage their own affairs? Is self-determination and popular, representative government possible? Mr. Jefferson's work and life amounted to a great, mighty assent to that question. So, too, will yours and America's if we can keep in mind the greatest and last lesson of Jefferson's life. And it has something to do with what I just spoke to—about the Executive and Congress.

I'm fond of recollecting that in the last years of their lives John Adams and Thomas Jefferson, who had worked so hard and well together for the Nation's independence, both came to regret that they had let partisan differences come between them. For years their estrangement lasted. But then, when both retired, Jefferson at 68 to Monticello and Adams at 76 to Quincy, they began through their letters to speak again to each other, letters that discussed almost every conceivable subject: gardening, horseback riding, even sneezing as a cure for hiccups—[laughter]—but other subjects as well: the loss of loved ones, the mystery of grief and sorrow; the importance of religion; and, of course, the last thoughts, the final hopes of two old men, two great patriarchs, for the country that they had helped to found and loved so deeply.

"It carries me back," Jefferson wrote about his correspondence with his cosigner of the Declaration of Independence, "to the times when, beset with difficulties and dangers, we were fellow laborers in the same cause, struggling for what is most valuable to man: his right to self-government. Laboring always at the same oar, with some wave ever ahead threatening to overwhelm us and yet passing harmless we rowed through the storm with heart and hand."

It was their last gift to us, this lesson in tolerance for each other, in charity, this insight into America's strength as a nation. And when both died on the same day, within hours of each other, the date was July 4th, 50 years exactly after that first gift to us: the Declaration of Independence.

A great future is ours and the world's if we but remember the power of those words Mr. Jefferson penned not just for Americans but for all humanity: "that all men are created equal, that they are endowed by their Creator with certain inalienable Rights, that among these are Life, Liberty and the pursuit of Happiness."

Thank you, and God bless you.

334. Letter From Peggy Noonan to President Reagan¹

Washington, undated

Dear Mr. President,

These are my thoughts. The two things we absolutely have to do on this speech² are:

1.) We have to say OLD THINGS in a NEW WAY to make people listen, and

2.) We have to remember that this is a tonal speech—a tone poem aimed at subtly reminding the people of what a giant you are, what a phenomenon your career has been, what you have stood for, and how much they will miss you. This is not a speech that argues and it is not a speech that defends; it is not a speech that feistily asserts that the deficit is the fault of Congress (you've already argued that successfully the past few weeks.)

This speech is bigger than that.

This speech puts the past 8 years in context by, in simple and clearly understood terms, summing up for the people of America what we have accomplished, what we have yet to do, what you're proud of, what you regret, and how you feel upon leaving them.

¹ Source: Reagan Library, WHORM: Subject File, Speeches (SP), SP 1314 589277 [8 of 8]. No classification marking.

² Reference is to the President's farewell address, printed as Document 335.

For make no mistake about it, the American people are being “left” by the first President they could manage to love since John Kennedy a quarter century ago.

II

They love you, Mr. President, but you’re still a mystery man to them in some respects. We’re going to reveal more of you than they’ve seen in the past, mostly by talking about big things in a personal and anecdotal way.

For instance: You told me, and you should say in your Farewell Address, that the twin triumphs of your presidency are the economic turnaround the people created, and the fact that America is once again admired in the world. To illustrate both assertions you are going to tell the story you told me about your first economic summit—that wonderful story about Helmut and Margaret and your saying, ‘My name is Ron’—and how, two years later, they turned to you and said, ‘Tell us about the American miracle.’

That little anecdote is a beauty; and it has the added benefit of subtly telling people “I’m just like you, I’ve had my uncomfortable moments too.”

In the same way, in the section on How We Should Deal With The Soviets, you will be saying a lot just to tell the story of what happened to you on Arbat Street—how the people reached out, but the KGB was still there and that’s a police state.

III

There will be a lot of people pressing you to be hyper-emotional in this speech. “Make us cry!” they’ll be thinking. (I think the show business phrase is “Eating the furniture.”) Well, I’m pretty good at making people cry and I promise that by the end half the people of our nation will get a small lump in the throat. But let’s try to resist the tendency to use over-emotional language and words that just about scream “Please, be moved!”

This speech shouldn’t be an emotional slob; it should be calm and clear and concise and warm as the man who’s giving it.

Some people will tell you this is the speech of your life. No it isn’t. The 800 speeches of the past 8 years were “the speech of your life.” This isn’t even the icing on the cake—this is a little nice pink flower in the corner.

Actually this is what I mean: This speech can do nothing to dim your luster, but yes, it can put a little extra high gloss finish on the shine that’s already there.

IV

We should, in this speech, go back to first principals like “City on a hill”. That’s your signature phrase, and you ought to leave the stage saying it. But beyond a few careful repetitions we shouldn’t keep saying the same old thing in the same old way because if we do, no one will listen. To grab and keep their attention we’ll have to reinvent a little. The way to do it is simply to say what you feel in a new way, with new words. This is the difference between “I love you” and “My God, I adore you”, a phrase which in my experience really catches the object’s attention, though it would probably be wrong to use it in this address.

V

The speech then:

We should open simply
briefly review the past eight years
mention the triumphs and the disappointments
talk about the future regarding the Soviets
talk about how leaving is bittersweet

say that in keeping with the tradition set by Washington and Eisenhower you have a warning to offer, and that it is that our children are not getting the grounding in love of country and understanding of democracy that we did, and how a little more attention to this matter would be in order,

and wrap it up.

I don’t know what the ending is.

VI

The speech runs only 20 minutes. Ten pages. We can’t gluck it up with a lot of extraneous matter, and shouldn’t. Everyone in government will lobby to get you to mention their pet thing. You’ll have to fight to resist.

But you’ll also have to make some tough calls of your own. For instance: I know you’re interested in the problem of gerrymandering, but that’s an issue that takes roughly two minutes to set up adequately and include the argument for a remedy. Do you really want to give ten percent of your farewell to gerrymandering? I don’t think you do.

We don’t have to include in this address everything you’ll be saying on the mashed potato circuit a year from now. You’ll want THAT speech to have something new too.

These are my thoughts.

One more word: in my experience speeches get invented at odd moments. All of a sudden it comes, and you write. Until that happens what's in your mind just percolates. I'm still percolating. I'm not really ready to pour yet.

Peggy

335. Address by President Reagan to the Nation¹

Washington, January 11, 1989

Farewell Address to the Nation

My fellow Americans:

This is the 34th time I'll speak to you from the Oval Office and the last. We've been together 8 years now, and soon it'll be time for me to go. But before I do, I wanted to share some thoughts, some of which I've been saving for a long time.

It's been the honor of my life to be your President. So many of you have written the past few weeks to say thanks, but I could say as much to you. Nancy and I are grateful for the opportunity you gave us to serve.

One of the things about the Presidency is that you're always somewhat apart. You spend a lot of time going by too fast in a car someone else is driving, and seeing the people through tinted glass—the parents holding up a child, and the wave you saw too late and couldn't return. And so many times I wanted to stop and reach out from behind the glass, and connect. Well, maybe I can do a little of that tonight.

People ask how I feel about leaving. And the fact is, "parting is such sweet sorrow." The sweet part is California and the ranch and freedom. The sorrow—the goodbyes, of course, and leaving this beautiful place.

You know, down the hall and up the stairs from this office is the part of the White House where the President and his family live. There are a few favorite windows I have up there that I like to stand and look out of early in the morning. The view is over the grounds here

¹ Source: *Public Papers: Reagan, 1988–1989*, Book II, pp. 1718–1723. All brackets are in the original. The President spoke at 9:02 p.m. from the Oval Office. His address was broadcast live on nationwide radio and television networks.

to the Washington Monument, and then the Mall and the Jefferson Memorial. But on mornings when the humidity is low, you can see past the Jefferson to the river, the Potomac, and the Virginia shore. Someone said that's the view Lincoln had when he saw the smoke rising from the Battle of Bull Run. I see more prosaic things: the grass on the banks, the morning traffic as people make their way to work, now and then a sailboat on the river.

I've been thinking a bit at that window. I've been reflecting on what the past 8 years have meant and mean. And the image that comes to mind like a refrain is a nautical one—a small story about a big ship, and a refugee, and a sailor. It was back in the early eighties, at the height of the boat people. And the sailor was hard at work on the carrier *Midway*, which was patrolling the South China Sea. The sailor, like most American servicemen, was young, smart, and fiercely observant. The crew spied on the horizon a leaky little boat. And crammed inside were refugees from Indochina hoping to get to America. The *Midway* sent a small launch to bring them to the ship and safety. As the refugees made their way through the choppy seas, one spied the sailor on deck, and stood up, and called out to him. He yelled, "Hello, American sailor. Hello, freedom man."

A small moment with a big meaning, a moment the sailor, who wrote it in a letter, couldn't get out of his mind. And, when I saw it, neither could I. Because that's what it was to be an American in the 1980's. We stood, again, for freedom. I know we always have, but in the past few years the world again—and in a way, we ourselves—rediscovered it.

It's been quite a journey this decade, and we held together through some stormy seas. And at the end, together, we are reaching our destination.

The fact is, from Grenada to the Washington and Moscow summits, from the recession of '81 to '82, to the expansion that began in late '82 and continues to this day, we've made a difference. The way I see it, there were two great triumphs, two things that I'm proudest of. One is the economic recovery, in which the people of America created—and filled—19 million new jobs. The other is the recovery of our morale. America is respected again in the world and looked to for leadership.

Something that happened to me a few years ago reflects some of this. It was back in 1981, and I was attending my first big economic summit, which was held that year in Canada. The meeting place rotates among the member countries. The opening meeting was a formal dinner for the heads of government of the seven industrialized nations. Now, I sat there like the new kid in school and listened, and it was all François this and Helmut that. They dropped titles and spoke to one

another on a first-name basis. Well, at one point I sort of leaned in and said, “My name’s Ron.” Well, in that same year, we began the actions we felt would ignite an economic comeback—cut taxes and regulation, started to cut spending. And soon the recovery began.

Two years later, another economic summit with pretty much the same cast. At the big opening meeting we all got together, and all of a sudden, just for a moment, I saw that everyone was just sitting there looking at me. And then one of them broke the silence. “Tell us about the American miracle,” he said.

Well, back in 1980, when I was running for President, it was all so different. Some pundits said our programs would result in catastrophe. Our views on foreign affairs would cause war. Our plans for the economy would cause inflation to soar and bring about economic collapse. I even remember one highly respected economist saying, back in 1982, that “The engines of economic growth have shut down here, and they’re likely to stay that way for years to come.” Well, he and the other opinion leaders were wrong. The fact is, what they called “radical” was really “right.” What they called “dangerous” was just “desperately needed.”

And in all of that time I won a nickname, “The Great Communicator.” But I never thought it was my style or the words I used that made a difference: it was the content. I wasn’t a great communicator, but I communicated great things, and they didn’t spring full bloom from my brow, they came from the heart of a great nation—from our experience, our wisdom, and our belief in the principles that have guided us for two centuries. They called it the Reagan revolution. Well, I’ll accept that, but for me it always seemed more like the great rediscovery, a rediscovery of our values and our common sense.

Common sense told us that when you put a big tax on something, the people will produce less of it. So, we cut the people’s tax rates, and the people produced more than ever before. The economy bloomed like a plant that had been cut back and could now grow quicker and stronger. Our economic program brought about the longest peacetime expansion in our history: real family income up, the poverty rate down, entrepreneurship booming, and an explosion in research and new technology. We’re exporting more than ever because American industry became more competitive and at the same time, we summoned the national will to knock down protectionist walls abroad instead of erecting them at home.

Common sense also told us that to preserve the peace, we’d have to become strong again after years of weakness and confusion. So, we rebuilt our defenses, and this New Year we toasted the new peacefulness around the globe. Not only have the superpowers actually begun to reduce their stockpiles of nuclear weapons—and hope for even more

progress is bright—but the regional conflicts that rack the globe are also beginning to cease. The Persian Gulf is no longer a war zone. The Soviets are leaving Afghanistan. The Vietnamese are preparing to pull out of Cambodia, and an American-mediated accord will soon send 50,000 Cuban troops home from Angola.

The lesson of all this was, of course, that because we're a great nation, our challenges seem complex. It will always be this way. But as long as we remember our first principles and believe in ourselves, the future will always be ours. And something else we learned: Once you begin a great movement, there's no telling where it will end. We meant to change a nation, and instead, we changed a world.

Countries across the globe are turning to free markets and free speech and turning away from the ideologies of the past. For them, the great rediscovery of the 1980's has been that, lo and behold, the moral way of government is the practical way of government: Democracy, the profoundly good, is also the profoundly productive.

When you've got to the point when you can celebrate the anniversaries of your 39th birthday you can sit back sometimes, review your life, and see it flowing before you. For me there was a fork in the river, and it was right in the middle of my life. I never meant to go into politics. It wasn't my intention when I was young. But I was raised to believe you had to pay your way for the blessings bestowed on you. I was happy with my career in the entertainment world, but I ultimately went into politics because I wanted to protect something precious.

Ours was the first revolution in the history of mankind that truly reversed the course of government, and with three little words: "We the People." "We the People" tell the government what to do; it doesn't tell us. "We the People" are the driver; the government is the car. And we decide where it should go, and by what route, and how fast. Almost all the world's constitutions are documents in which governments tell the people what their privileges are. Our Constitution is a document in which "We the People" tell the government what it is allowed to do. "We the People" are free. This belief has been the underlying basis for everything I've tried to do these past 8 years.

But back in the 1960's, when I began, it seemed to me that we'd begun reversing the order of things—that through more and more rules and regulations and confiscatory taxes, the government was taking more of our money, more of our options, and more of our freedom. I went into politics in part to put up my hand and say, "Stop." I was a citizen politician, and it seemed the right thing for a citizen to do.

I think we have stopped a lot of what needed stopping. And I hope we have once again reminded people that man is not free unless government is limited. There's a clear cause and effect here that is as neat

and predictable as a law of physics: As government expands, liberty contracts.

Nothing is less free than pure communism—and yet we have, the past few years, forged a satisfying new closeness with the Soviet Union. I've been asked if this isn't a gamble, and my answer is no because we're basing our actions not on words but deeds. The *détente* of the 1970's was based not on actions but promises. They'd promise to treat their own people and the people of the world better. But the *gulag* was still the *gulag*, and the state was still expansionist, and they still waged proxy wars in Africa, Asia, and Latin America.

Well, this time, so far, it's different. President Gorbachev has brought about some internal democratic reforms and begun the withdrawal from Afghanistan. He has also freed prisoners whose names I've given him every time we've met.

But life has a way of reminding you of big things through small incidents. Once, during the heady days of the Moscow summit, Nancy and I decided to break off from the entourage one afternoon to visit the shops on Arbat Street—that's a little street just off Moscow's main shopping area. Even though our visit was a surprise, every Russian there immediately recognized us and called out our names and reached for our hands. We were just about swept away by the warmth. You could almost feel the possibilities in all that joy. But within seconds, a KGB detail pushed their way toward us and began pushing and shoving the people in the crowd. It was an interesting moment. It reminded me that while the man on the street in the Soviet Union yearns for peace, the government is Communist. And those who run it are Communists, and that means we and they view such issues as freedom and human rights very differently.

We must keep up our guard, but we must also continue to work together to lessen and eliminate tension and mistrust. My view is that President Gorbachev is different from previous Soviet leaders. I think he knows some of the things wrong with his society and is trying to fix them. We wish him well. And we'll continue to work to make sure that the Soviet Union that eventually emerges from this process is a less threatening one. What it all boils down to is this: I want the new closeness to continue. And it will, as long as we make it clear that we will continue to act in a certain way as long as they continue to act in a helpful manner. If and when they don't, at first pull your punches. If they persist, pull the plug. It's still trust but verify. It's still play, but cut the cards. It's still watch closely. And don't be afraid to see what you see.

I've been asked if I have any regrets. Well, I do. The deficit is one. I've been talking a great deal about that lately, but tonight isn't for arguments, and I'm going to hold my tongue. But an observation: I've had my share of victories in the Congress, but what few people noticed

is that I never won anything you didn't win for me. They never saw my troops, they never saw Reagan's regiments, the American people. You won every battle with every call you made and letter you wrote demanding action. Well, action is still needed. If we're to finish the job, Reagan's regiments will have to become the Bush brigades. Soon he'll be the chief, and he'll need you every bit as much as I did.

Finally, there is a great tradition of warnings in Presidential farewells, and I've got one that's been on my mind for some time. But oddly enough it starts with one of the things I'm proudest of in the past 8 years: the resurgence of national pride that I called the new patriotism. This national feeling is good, but it won't count for much, and it won't last unless it's grounded in thoughtfulness and knowledge.

An informed patriotism is what we want. And are we doing a good enough job teaching our children what America is and what she represents in the long history of the world? Those of us who are over 35 or so years of age grew up in a different America. We were taught, very directly, what it means to be an American. And we absorbed, almost in the air, a love of country and an appreciation of its institutions. If you didn't get these things from your family you got them from the neighborhood, from the father down the street who fought in Korea or the family who lost someone at Anzio. Or you could get a sense of patriotism from school. And if all else failed you could get a sense of patriotism from the popular culture. The movies celebrated democratic values and implicitly reinforced the idea that America was special. TV was like that, too, through the mid-sixties.

But now, we're about to enter the nineties, and some things have changed. Younger parents aren't sure that an unambivalent appreciation of America is the right thing to teach modern children. And as for those who create the popular culture, well-grounded patriotism is no longer the style. Our spirit is back, but we haven't reinstitutionalized it. We've got to do a better job of getting across that America is freedom—freedom of speech, freedom of religion, freedom of enterprise. And freedom is special and rare. It's fragile; it needs production [protection].

So, we've got to teach history based not on what's in fashion but what's important—why the Pilgrims came here, who Jimmy Doolittle was, and what those 30 seconds over Tokyo meant. You know, 4 years ago on the 40th anniversary of D-day, I read a letter from a young woman writing to her late father, who'd fought on Omaha Beach. Her name was Lisa Zanatta Henn, and she said, "we will always remember, we will never forget what the boys of Normandy did." Well, let's help her keep her word. If we forget what we did, we won't know who we are. I'm warning of an eradication of the American memory that could result, ultimately, in an erosion of the American spirit. Let's start with

some basics: more attention to American history and a greater emphasis on civic ritual.

And let me offer lesson number one about America: All great change in America begins at the dinner table. So, tomorrow night in the kitchen I hope the talking begins. And children, if your parents haven't been teaching you what it means to be an American, let 'em know and nail 'em on it. That would be a very American thing to do.

And that's about all I have to say tonight, except for one thing. The past few days when I've been at that window upstairs, I've thought a bit of the "shining city upon a hill." The phrase comes from John Winthrop, who wrote it to describe the America he imagined. What he imagined was important because he was an early Pilgrim, an early freedom man. He journeyed here on what today we'd call a little wooden boat; and like the other Pilgrims, he was looking for a home that would be free.

I've spoken of the shining city all my political life, but I don't know if I ever quite communicated what I saw when I said it. But in my mind it was a tall, proud city built on rocks stronger than oceans, windswept, God-blessed, and teeming with people of all kinds living in harmony and peace; a city with free ports that hummed with commerce and creativity. And if there had to be city walls, the walls had doors and the doors were open to anyone with the will and the heart to get here. That's how I saw it, and see it still.

And how stands the city on this winter night? More prosperous, more secure, and happier than it was 8 years ago. But more than that: After 200 years, two centuries, she still stands strong and true on the granite ridge, and her glow has held steady no matter what storm. And she's still a beacon, still a magnet for all who must have freedom, for all the pilgrims from all the lost places who are hurtling through the darkness, toward home.

We've done our part. And as I walk off into the city streets, a final word to the men and women of the Reagan revolution, the men and women across America who for 8 years did the work that brought America back. My friends: We did it. We weren't just marking time. We made a difference. We made the city stronger, we made the city freer, and we left her in good hands. All in all, not bad, not bad at all.

And so, goodbye, God bless you, and God bless the United States of America.

Appendix

A. Handwritten Notes by Secretary of State Shultz¹

Washington, June 6, 1986

NLR-775-22-76-2-2

GEORGE P. SHULTZ



US - USSR R

June 6, 1986

- I. Relative position the two countries
- A. Freedom works and is spreading
 - B. Free markets, entrepreneurship superior the way to go - even China
 - C. Their only forward positions are based on military force -
 - D. Even on basic ability to project force, we are in drivers seat
 - buses
 - projection capability
 - E. Only one area of true comparative advantage = land-based, mobile, ballistic missiles
 - nuclear ~~the world~~ and ballistic ~~the world~~ free world would be at our advantage
 - in fact of chemistry

II.

ii. The concept of linkage

- A. Nixon era need beyond advocacy = point where that the rising tide will lift all the boats
 - didn't work

Declassified
A/GIS/IPS
Department of State
EO 13526

Date:

¹ Source: Reagan Library, George Shultz Papers, Arms Control (12/09/1984-07/15/1986); NLR-775-22-76-2-2. No classification marking. For the transcribed copy of these notes, see Document 272.

NLR-775-22-76-2-2

GEORGE P. SHULTZ



- ii. B. Reagan concept
- illustrated by sending negotiators to Geneva at peak of losses over Korean air lines
 - will work on areas where we stand to gain
 - corollary - we will pursue interests wherever it is to our advantage
 - RAND speech & Soviet attitude conditioned by Afghan

Why the shift?

- C. Soviet problem with "spirit of Geneva"
- Libya

- (ii) Post-summit notes
- see notes

- (v) Fork in the road - we have choices to make

- A. For them
- provide - wait
 - our budget, Europe, next will be small unblockable, they are young
 - at least time
 - But chance to reduce with min. what can carry his country *West*
 - military - block economic flows

Declassified A/GIS/IPS Department of State EO 13526 Date:

NLR-775-22-76-2-2

GEORGE P. SHULTZ



③

IV. A. - moves suggest he is probing

B. For US

- main objectives =
 - deep cuts in strategic systems
 - SDI somehow built into the system of the 1990's
 - strong alliances
 - strong defense
- need to get going this year if we are to get to strategic systems

V. Our priority actions

- Restore funding for defense and foreign affairs
- Shore up alliances
- Advance positions that can lead to good agreements

Declassified
A/GIS/IPS
Department of State
EO 13526
Date:

B. Handwritten Talking Points Prepared by the Executive Assistant to the Secretary of State (Hill)¹

Washington, November 20, 1986

NLR-775-19-11-4-5



EXECUTIVE ASSISTANT
TO THE SECRETARY Nov 20
0815

Talking Points

1. You were extraordinarily badly prepared for the press conference. You made wrong and misleading statements. Here is a list.
2. I can only conclude that you are not getting the full flow of facts. This operation has been a fiasco. Those who conducted it are now concerned with protecting themselves, so they are not telling the full story.
3. Congress is going to tear the NSC -- and all our foreign policy -- to shreds unless we make changes before Congress comes back.
4. Here is a course of action:
 - A new draft NSDD (no need to rescind the old)
 - No sales et al. much on the (fixing) front.
 - personnel changes in the NSC
 - The Secretary of State to concurrently occupy the position of National Security Advisor (with Tom Howe as Deputy) until the State of the Union Address, at which time a new NSC Advisor would be named.
 - operations such as this must never be conducted period -- but certainly never from the NSC
 - o zero insulation from the President.
 - o No clear demarcation between intelligence and operations towards the facts and director's judgments.

Declassified
A/GIS/IPS
Department of State
EO 13526

¹ Source: Reagan Library, George Shultz Papers, Secretary's Meetings with the President (11/12/1986 & 11/14/1986 & 11/19/86 & 11/20/86 & 11/26/86); NLR-775-19-11-4-5. No classification marking. For the transcribed copy of these talking points, see Document 282.

C. Handwritten Talking Points Prepared by the Executive Assistant to the Secretary of State (Hill)¹

Washington, undated

NLR-775-19-11-4-5

2
2

The problem with the President's press conference last night was that it was oriented to the past. He needs to correct what has gone wrong in the past and turn to deal with the future. He will have to make some sharp decisions. It is good that he said that arms to Iran would be stopped. Now he has to go beyond that. We have to actively discourage arms sales by third countries. Some we can only influence by our example; others we have some muscle with -- Israel. The Israelis need to be convinced that we are serious about this or every Israeli arms transfer to Iran is going to be attributed to us.

Second, the President has to deal decisively with this enormous threat to the achievements of his Administration. It is not pleasant to say this, but John Poindexter -- an able, admirable, fine man -- has been used up by this episode. So he has to go. Here is my suggestion:

- For the next month or so, on a temporary basis, I will sit in as National Security Advisor in addition to my other duties. I will ask Tom Howe to come in as my Deputy. The President knows him, likes him, trusts him. What the NSC can expect is some housecleaning. Not much, but a rearranged set-up is required. Their charter will be to carry out a coordinating function. No operations.

John Poindexter is so outstanding that the Navy certainly will offer him a good berth. We need to tell them that is what is expected of them.

Declassified
A/GIS/IPS
Department of State
EO 13526

Date:

¹ Source: Reagan Library, George Shultz Papers, Secretary's Meetings with the President (11/12/1986 & 11/14/1986 & 11/19/86 & 11/20/86 & 11/26/86); NLR-775-19-11-4-5. No classification marking. For the transcribed copy of these talking points, see Document 283.

