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# Reagan & Bush

Reagan Bush Committee

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*Jackie  
Fillmore  
International*

October 13, 1980

## NOTE FOR BRIEFING BOOK USERS

This book was prepared as of October 13. It contains international briefing materials promised in the domestic briefing book.

David Gergen  
Frank Hodson

## INTERNATIONAL AFFAIRS

1. Summary Statement
2. Summary Carter Vulnerabilities
3. Current Crises
  - Iran-Iraq
  - Iran-Hostages
  - Afghanistan
  - Poland
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5. China
6. Allies
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13. List of Political Leaders/Major Countries

Summary Statement

## INTERNATIONAL AFFAIRS

### Summary Paper

- RR's purpose is lasting world peace; the restoration of American leadership as a force for freedom, for economic progress, and for meeting basic human needs.
- Today peace, freedom, economic progress, fulfilment of basic human needs are in jeopardy. America's ability to lead the Free World is in doubt.
  - Friends and foes are baffled by constant shifting in policies, disparities between concepts and actions, oscillation between righteousness and political pragmatism.
    - Neutron bomb on, then off; Soviet brigade in Cuba serious then not serious; declaration of possible US use of military force in Persian Gulf, then **statement** would not have military strength; selective application human rights policy in Latin America, but not in Cambodia, in the Soviet Union (when they objected).
  - The resulting impression of unreliability and incompetence is universal -- among foreign governments, in Congress, and even in parts of Carter's own administration.
    - Secretary Vance resigned over failed Iran hostage rescue mission; Andy Young resignation after unauthorized meeting with PLO, direct contradiction with US policy.
  - Carter's lack of strategic sense has caused many to see a shift in the balance of power, encouraging Soviet gains in Africa, Asia and even in the Carribean.
    - He slashed the defense budget in 77; ignored Vietnam in Cambodia, Soviets and Cubans in Ethiopia, Soviets in S. Yemen, invasions of Zaire from communist-held territory, Libyan threats against Tunisia, Algerian threats against Morocco, Cuban interference in Caribbean.
    - A host of countries have gone Marxist since 76; the number of Cubans in other countries has increased from 20,000 to 40,000.
    - Has no real plan to protect Middle East oil supply and the vital sea lanes for its transport to the West.

-- Carter's economic policies have reduced America's underlying economic strength and its ability both to assure the peace and stimulate economic progress and stability throughout the world.

- Highest inflation rates since WW II.
- 40% increase in national debt.
- Highest trade deficits in history (in 4 years 12 x higher than GOP 8 years).
- Value of Dollar has declined 25% in comparison to Deutschmark and Yen.
- No international resource strategy; increasing dependence Middle East oil, African minerals; after 4 years US Strategic Petroleum Reserve has only 2 week supply; no sound stockpile policy for critical materials.

-- Carter's basic human needs policies high on rhetoric low on performance. Promising structural reforms, he in fact relied on piecemeal concessions -- embittering developing states, driving them toward radical camp in Non-Alligned Movement.

● A Reagan Administration will seek to restore American leadership; become once again a reliable partner in international affairs; develop a coherent strategy,

- Offer a clear and consistent sense of purpose to its allies and the world and to its own people.
- Restore the margin of safety as a key element in ensuring world stability.
- Develop, in consultation with our Allies, a comprehensive arms control strategy that leads to genuine arms reduction rather than a Soviet arms buildup.
- Explore new patterns of bilateral approaches to strengthen friends and deter enemies.
- Restore American economic strength and prosperity in a manner consistent with worldwide economic progress.
- Explore new ways to deal systematically with specific national problems of hunger, malnutrition, disease and poverty.

● There is still no match for America's reservoir of human talent, imagination; no match for America's economic potential; no match for America as the land of the free. RE would provide the vision and strategy to tap that human talent and economic potential in the cause of freedom.

Carter Vulnerability

## CARTER VULNERABILITY--FOREIGN POLICY

Because of Carter's weak and vacillating policy U.S. respect and prestige have fallen to their lowest levels since the U.S. became a world power.

1. No leadership
  2. No coherent strategy
  3. No consistency and predictability
  4. No reliability as an ally
  5. U. S. foreign and defense policy have been politicized
1. FRIENDS AND FOES BAFFLED: Carter has severely reduced our ability to lead the Free World.

### Examples:

- Andy Young, ambassador to the United Nations with Cabinet rank, termed Sweden a "racist" nation, the Cubans in Africa a "stabilizing force", and the Ayatollah a "saint".
    - His unauthorized meeting with PLO representatives was in direct contradiction with U. S. policy.
    - Relief did not come with Young's resignation: U.S. voted in UN Security Council to support resolution condemning Israeli West Bank settlement policy and then repudiated vote as foul-up.
  - Vance resigned; he could not support the Iran hostage rescue mission (Carter later dumped on Vance in public).
  - Muskie chosen "as being a much stronger and more evocative spokesman for our nation's policy" (5/9/80); but Muskie not informed re PD 59, a change in strategic weapons systems deployment; talked of resignation.
2. ENDANGERED NATIONAL SECURITY: Carter's lack of strategic sense has caused many to see a shift in the balance of power, encouraged Soviet expansion.
- It took Carter 3 years to begin to understand Soviet goals. In June 1978, (18 months into his presidency), Carter asserted his "deep belief" that "Mr. Brezhnev... wants peace and wants to have a better friendship." But on New Year's Eve 1979 (three years into his presidency), Carter admitted that the Afghan invasion had finally made him realize "what the Soviets' ultimate goals are."
    - This despite Soviet support for Cuban imposed solutions in two African countries; two invasions of Zaire from Communist-held territory; Libyan threats against Tunisia; Vietnamese occupation of Cambodia/Kampuchea.



- Loud talk with a little stick, encourages the Soviets in Africa, Latin America, the Middle East and South Asia. (See "Carter Doctrine" and "Cuban brigade" below).
  - Pursuit of arms control (SALT II) while unilaterally cancelling, cutting back and delaying military programs (in particular delays in upgrading our strategic defense capability) leaves us vulnerable.
  - Downgrading of CIA (termination of 816 operations directors including top experts on Iran, China, USSR and Middle East) followed by failed intelligence.
  - October 77 invitation to USSR to join Geneva Middle East negotiations disturbed both Egyptians and Israelis.
3. INCONSISTENCY AND UNPREDICTABILITY make the U.S. look incompetent; second rate/not a superpower; run the risk of backing us into a war that we don't want.
- In 1980 State of the Union, Carter announced (without consultation with Allies) the "Carter Doctrine"--"An attempt by an outside force to gain control of the Persia Gulf region will be regarded as an assault on the vital interests of the United States...and such an assault will be repelled by any means necessary, including military force." 6 days later he said he didn't "expect to have enough military strength...to defend the region unilaterally"
  - 9/7/79 Carter said Cuban brigade's presence "a very serious matter" "Status quo not acceptable". Three weeks later the "unacceptable status quo" became a benign presence
  - 3/1/80 Carter Administration failed to veto UN resolution condemning Israel's presence in Jerusalem; 2 days later Carter reacting to public outcry, reversed his position, blamed his Secretary of State.
  - 8/20/80 Muskie condemned another UN resolution on Jerusalem in a long speech for the voters; 3 minutes later he abstained, instead of vetoing the resolution. That was for the PLO and their friends.
  - On human rights, Carter bullied countries friendly to us, but pressed for normalization with Vietnam and Cuba (despite Vietnamese genocide against Cambodians, Cuban political prisoners). Avoided attacking Soviets for repression of religious and national minorities!
  - On refugees, announced "open heart and open arms" to Cuban refugees; then ordered halt 10 days later, saying U. S. cannot "be used as a dumping ground for criminals who represent danger to our society."

4. Under Carter, the U.S. is NO LONGER REGARDED AS A RELIABLE ALL

- 1978: Pressured Germany's Schmidt publicly to support deployment of neutron weapons on German territory. Two days later Carter decided to defer production of neutron arms, pulled rug from under Schmidt.
- During SALT II negotiations, did not keep NATO countries informed re concessions on weapons systems.
- Spring 80 editions of Time note Iranian hostage case considered by Europeans to be latest example of U.S. unreliability--U.S. policy tough/then soft/then tough again. European ambassador notes that had they supported U.S. at any turn "we would have been out on a limb and you would have sawed it off."

--Ranking official in Bonn: "it's been his lack of aptitude that undermined his reliability"

- In Korea, Carter decided to withdraw US ground forces at time when North Korean Government was carrying out an extensive military buildup -- without consulting Congress, senior US military leaders, Japanese or even South Korean Governments. Fortunately, withdrawal was so strongly opposed that Carter reversed himself quietly, postponed further action until 1981.

5. POLITICIZED FOREIGN POLICY TO UNPRECEDENTED DEGREE

- Carter sequestered himself for 178 days in the White House following 11/4/79 taking of hostages in Iran (no time to debate Kennedy); manipulated press morning of Wisconsin primary; Carter came out of White House after failed rescue attempt which he termed "incomplete success" saying "times change and a lot of the responsibilities that have been on my shoulders have been alleviated."
- In August 80, Carter administration leaked existence of "Stealth" technology, PD-59 revision strategic doctrine; this widely questioned as use of national security for domestic ends.
- Muskie has been giving overtly political speeches and Brown has stepped way over traditional line.

\* \* \*

WHAT HAS HAPPENED DURING CARTER YEARS:

- U.S. leadership of the free world in increasing doubt.
- Almost every significant change in the world during last four years has been produced by Soviet weapons, Soviet friendship treaties, Soviet proxy troops, or outright Soviet invasion.
  - A number of additional countries have become Marxist or Communist.
  - Cuban troops in other countries have increased from 20,000 to 40,000 under Carter.
- NATO allies are no longer responsive to US leadership (e.g., Schmidt and Giscard openly critical of Carter).
- No effective arms limitation treaties have been enacted.
- Detente has fallen apart.
- Our allies all over the world have been abandoned
  - Pakistan (aid package a joke)
  - Taiwan largely abandoned to get diplomatic exchange with mainland
- In Afghanistan, Carter ignored warnings when the NSC pointed to Soviet subversion of the Afghan government in 1978 .

WHAT OTHERS THINK

- Helmut Schmidt sought repeatedly to determine U.S. plans only to "read about it with newspapers." (Time reports Schmidt broke into tears over Carter's failure to understand his responsibility as leader of the U.S.)
- Singapore's P.M. Lee Kuan Yew: "a sorry admission of the limits of America's power", referring to Carter's vision of U.S. role (Time, August 18, 1980).
- Democratic Party Official: "He is like the Cheshire cat in Alice in Wonderland. He is disappearing into the trees, and there is nothing left but the smile."

- High-level British policymaker: "Consultation by the Americans with their European allies has been at its lowest ebb since Suez." (Time, June 30, 1980).  
  
--Carter in the campaign: "Time has come for us to seek a partnership between North America, Western Europe and Japan."
- Respected Washington Post columnist, Chalmers Roberts voted for Carter in '76; in 10/2/80 Post, citing weak and vacillating Carter foreign policy, Roberts calls Carter "the least competent of the eight Presidents I've seen since I first came to Washington."

CURRENT CRISIS  
IRAN - IRAQ

## IRAQ-IRAN

### A. Carter Vulnerable

- Middle East policy has been inconsistent.
- Fall of Shah, taking of hostages (now nearly a year in captivity) and abortive rescue attempt, Soviet invasion of Afghanistan with impunity -- all have contributed to decline of U.S. influence in region.
- Iraq-Iran conflict would not have happened had Shah still been in power.
- Weakened U.S. military position reduces viability of military options.

### B. Reagan Approach

- Cannot comment on current specific actions.
- But would have had geopolitical sense to make Iranian stability a priority; a stable Iran would not likely have been attacked by Iraq.
- The issue here is the USSR.
- Need stationed forces in area (Rapid Deployment Force alone inadequate).
- Work with allies and other Middle Eastern countries to insure uninterrupted flows of oil.
- Work to achieve a peaceful solution to current Iraq-Iran hostilities.

### C. Facts

#### a. Iraq-Iran War

- 9/17 Iraq cancels 1975 agreement that gave Iran sovereignty over part of Shatt al-Arab waterway at confluence of Tigris and Euphrates Rivers that make up the Iraq-Iran border (see map).
- 9/18 **Fighting begins.**

- 9/23 Iraq attacks Iran's large oil refinery at Abadan; Iran bombs Iraqi capital of Baghdad.
- 9/25 Iraqi forces advance into Iran; oil from both countries cut off.
- 9/29 Dep. Secy. State Christopher says U.S. will do whatever necessary to keep Straits of Hormuz open in consultation with Gulf nations whose interests are at stake, particularly Saudi Arabia.
- UN Security Council unanimously calls for halt to fighting.
- 9/30 Iranian leaders threaten to attack other Gulf states and spread war throughout Persian Gulf.
- President Zia ul-Haq leads Islamic Mission in attempt to end fighting; failed.
- 10/1 U.S. and USSR both issue statements urging negotiations to end war.
- U.S. decides to send 4 radar aircraft (AWACs) to Saudi Arabia to help protect against any possible Iranian air attack.
- 10/2 Fighting continues with Iraq gaining ground in Iran and Iranians rejecting four-day cease fire declared by Iraq.
- 10/4 Iran launches counter-attack on four besieged Iranian cities, fighting centers around the critical Shatt al-Arab waterway. Hussein of Jordan offers support to Iraq.
- 10/7 Christopher says Gulf nations "deserve our help when they ask for it in deterring the possibility of unprovoked attack." U.S. ready to supply coverage for Gulf states from AWACs in Saudi Arabia. Also says U.S. could not condone Iraqi annexation oil producing Khuzistan in Iran.
- 10/8 Syria criticizes Iraq; Syrian President Hafez al-Hassad in Moscow to sign Friendship Treaty.
- 10/13 Iraqi forces claim control of Khorramshahr (vital port city), poised to capture oil refinery city of Abadan. Jordan fully backs Iraq, states is prepared to commit Jordanian army.

b. Iraq-Iran Military Capabilities

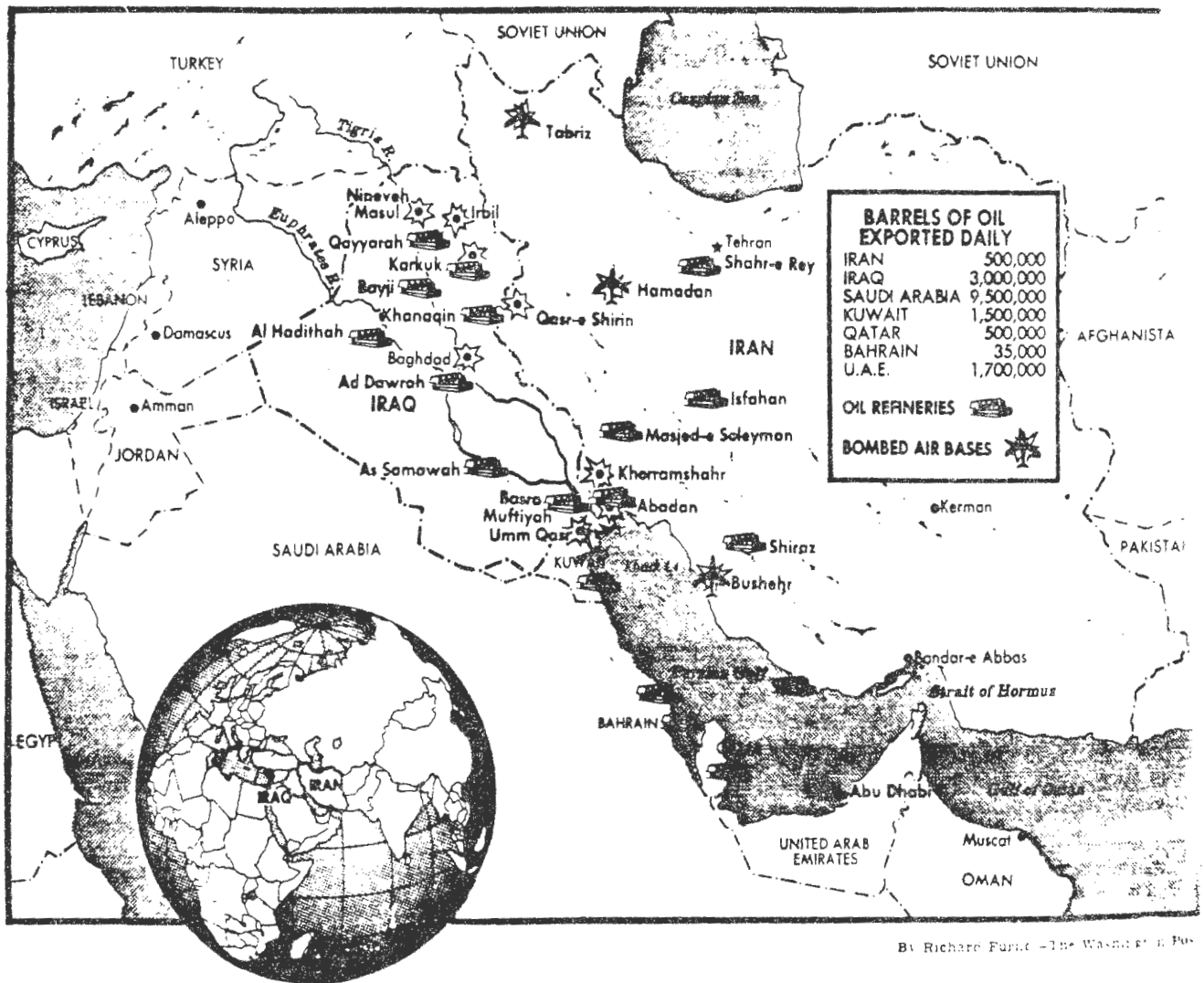
- Iraq (once supplied almost exclusively by Soviets, now supplied by a number of nations. (Iraqi President Saddam Hussein believes Western nations supply equipment of better quality.)
  - Japan, West Germany, Britain
  - France -- helicopters, Mirage fighter-bombers
  - Italy -- \$2 billion in warships and naval equipment
  - U.S. -- some companies have made agreements for airplanes and naval engines (engine production halted with the outbreak of hostilities between Iran and Iraq).
- Iranian military supply largely U.S., but limited replacement capability and disorganized military command. (Significant issue: who will Iran turn to for military supply replacement?)
- Iraq military generally considered to be in better shape than Iranian military (in disarray, purged of many of their officers after Shah's fall; but actual fighting shows resiliency, dedication of those fighting for homeland. Bani Sadr has recently strengthened control with Khomeini backing; brought back some Iranian military officers.

c. Oil

- Combined Iran-Iraq supply less than 10% Free World oil; but 25.2% of French and 21.8% of Japanese oil imports.
- Only 0.8% of U.S. supply comes from Iraq. Iranian oil supply to U.S. terminated after taking of hostages.
- Currently about a 100 day supply in non-communist world.
- Iraq-Iran situation expected to force up oil prices on spot market.



# IRAN - IRAQ WAR



By Richard Ford - The Washington Post

IRAN HOSTAGES

## IRAN--HOSTAGES

### A. Carter Vulnerable

- Lack of coherent strategy to gain release of hostages; ad hoc reaction to Iranian demands.
- Credibility weakened by flip flop from weak negotiations (sending Ramsey Clark), to no negotiations until hostages released, to willingness to negotiate.
- Twisting and turning in U.N. dissipated impact eventual strong U.S. reaction, real sanctions (seizure Iranian assets in U.S., embargo); this further undermined U.S. position.
- Seriously jeopardized relations with U.S. allies when initiated military rescue (without consultation) after assuring allies would avoid use of force in return for their agreeing to join in economic sanctions.
- Rescue mission flawed; Special Operations Review Group found (8/24/8 operation feasible but "ad hoc nature of the organization and planning" underlay most of major problems. Also inadequate command and control, back-up; lack of full training exercise. Secretary Vance resigned because of inability to support mission.
- Politicized crisis. Carter sequestered himself in White House for 178 days (no time to debate Kennedy); manipulated press morning of Wisconsin primary; Carter came out of White House after failed rescue attempt which he termed "incomplete success", saying "times change and a lot of the responsibilities that have been on my shoulders have been alleviated." (Note: A week later Carter said he didn't think the hostage question...any more manageable than... before."

### B. Reagan Approach

- Quiet but firm negotiations, avoiding discredited emissaries (like Ramsey Clark)
- Coordinated strategy with defined and agreed roles for both U.S. and allies, AND clear perception from outset regarding what was at stake:
  - American prestige
  - Long-term relations with Iran, other Persian Gulf nations and allies
  - Accepted norms of international law and order
  - Safety and release of hostages
- Would never have used national security issue and lives of American citizens as part of re-election strategy.

## C. Facts

### 1. General

- 1/16/79 Shah left Iran
- 2/14/79 Embassy seized for 2 hours ; shortly thereafter respected career Ambassador William Sullivan resigns.
- 10/22/79 Shah arrives in New York for medical treatment; no action taken regarding protection or return home of Embassy personnel despite ample evidence deteriorating position.
- 11/4/79 U.S. Embassy and over 100 hostages seized by students (including 60 Americans); demands made for U.S. to extradite Shah
- 11/17/79 Black and female hostages released
- 1/29/80 Canada assists in release of 6 Am Embassy personnel previously concealed in Canadian Teheran Embassy.
- 7/10/80 Richard Queen released for medical reasons.
- 7/27/80 Shah dies in Egypt

### 2. Efforts to Release Hostages

- First Phase: Bilateral Efforts
  - Ramsey Clark and William Miller sent on unsuccessful mission, not allowed in Iran (11/6).
  - Third party contacts (PLO, Vatican, UN Secretary General Waldheim) unsuccessful.
  - Muslim countries encouraged to use their influence.
  - Carter orders Iranian students in the U.S. to report to immigration offices (11/7).
  - U.S. halts shipments of military spare parts (11/9).
  - Carter ends oil imports from Iran (11/12).
  - Carter freezes Iranian assets in U.S. banks and their foreign branches (11/14).
  - Defense Dept. suspends training of Iranian military personnel in U.S. (11/23).
  - U.S. orders all but 35 of 218 Iranian diplomats in U.S. to leave (12/12).
  - Second naval force (one naval force already in area) ordered to Indian Ocean (11/20).

- Second Phase: International Actions

- U.S. charges Iran in International Court of Justice with violations of international law 11/29. Court issues report favorable to U.S. (12/15).
- Reversing initial position, U.S. supports UN Security Council meeting which unanimously passed resolution calling for release of hostages (12/4).
- U.S. raises economic sanctions at UN:
  - Security Council voted 12/31 (11-0) to give Iran one week to free hostages. Waldheim's visit to Iran yielded no concrete results.
  - U.S.S.R. vetoed Security Council resolution (passed 10-2) to impose economic sanctions (1/13/80); Carter stated U.S. would pursue sanctions on its own with like minded nations.
- Carter admits imposition of sanctions delayed pending diplomatic actions (2/7).
- 5 member UN commission arrives in Iran (2/23); mission declared failure with departure of commission from Iran (3/11)
- Various statements from Khomeini, Bani Sadr and "students" concerning transfer of hostages to Revolutionary Council control; results in Khomeini's 4/8 order to militants to continue control over hostages.

- Third Phase: Renewed Bilateral Efforts

- By authority of International Emergency Powers Act, Carter imposes economic sanctions and other actions (4/17).
  - economic sanctions excluded food and medicine. Iran depends on imports for 25-30% of its food needs (most from US). September shipments of corn reached record high of 94,000 tons.
  - ban on financial transfers to Iran
  - request for discretionary authority to draw on frozen Iranian assets to pay claims
  - release of ill-fated military equipment ordered by Iran for U.S. use or sale
  - ban on travel to Iran by U.S. citizens except journalists.
- Carter severs diplomatic ties with Iran (4/7).
- Failed Military Rescue Attempt (4/24)
  - 90 volunteers
  - 3 of 8 helicopters failed, Carter aborted mission
  - 8 servicemen killed in collision accident after mission aborted
- Hostages removed from Embassy and dispersed to various sites
- Cyrus Vance resigns because was unable to support decision to undertake mission (4/28)

- Allied Cooperation

- European Community EC agrees to reduce diplomatic representation in Iran (4/21). At same time, Western Europeans and Japan agreed to stop purchase of Iranian oil.
- EC votes to suspend all contracts signed with Iran since Nov. 4 (E 18)
- British parliament refuses to endorse EC measure; will only ban future contracts (E 19)

- Effects of economic sanctions begin to be felt in August.

- Bani Sadr says sanctions increasing costs of Iranian imports by 20 - 25%.
- Iran's Bank director Nohari speaks of deteriorating economic conditions.
- Oil Minister Munifar warns Iran could have \$10 billion deficit because of declining oil sales.

- Khomeini states four conditions for release of hostages: Cancellation of American claims against Iran; release of Iran's frozen assets; promise not to interfere in Iran's internal affairs; return to Iran of Shah's property (9/14).

- RR says US should agree to all, except last; this question of due process of law. (9/15)

- Iran-Iraq war begins 9/17; greatly complicates situation.

REGISTRATION

## AFGHANISTAN

### A. Carter Vulnerable

- Carter's weak and vacillating foreign policy and defense records undoubtedly reduced constraints on Soviet behavior in Afghanistan.
  - first time since WWII that Moscow has used significant numbers of its armed forces outside the Warsaw Pact.
- Carter totally ignored precursors of Soviet military take over (installing Soviet puppet Taraki; again interfering by replacing him with Amin). Toleration of Soviet interventions gave green light to military intervention in Dec. 79.
- Once invasion took place, Carter's response was weak and ineffective:
  - failed to take account of weaknesses of embargoes and boycotts without real agreement of other participants
  - lack of consultation with allies and others
- While Afghanistan may yet prove a Soviet albatross, fact remains Soviets continue occupation largely unhurt by sanctions, Third World black eye and partially attended Olympics of only momentary impact.

### E. Reagan Approach

- Consistent foreign policy backed by strong military capability to deter future Afghanistans. RR would talk less but ensure a larger stick.
- Knowledge of Soviet goals from the outset.
  - Unlike Carter, RR would know from 1st day that since the collapse of Vietnam and the Angolan fiasco, almost every significant change in the world has been produced by Soviet weapons, Soviet friendship treaties, Soviet proxy troops or outright Soviet invasion.
- RR would know what allies needed; never try to sell an ally like Pakistan on an inadequate program and then be publicly rejected.

### Responses to Possible Questions

- Afghan freedom fighters neither rebels nor insurgents. They are patriots. How the U. S. would help them is something RR would not want to discuss in public.
- Allied response to Afghan invasion has been disappointing; but Carter record of blowing hot and cold and acting without



- With or without American support of Afghans, Soviet invasion of Afghanistan is a threat to Pakistan; Pakistan now has no support over a million Afghan refugees, and is bordered by a hostile Soviet dominated state.
- U. S. has friendly relations with both India and Pakistan; Reagan would assure that needed assistance to Pakistan regarding Afghanistan in no way threatened India.

### C. Facts

- Soviet assisted communist takeover in Afghanistan in 1978, toppled pro-Western dictator.
- Attempted social/economic reforms in tribal Afghanistan resulted in 1979 revolt toppling Soviet protege Taraki; replacement (Amir), also communist, unable to control situation.
- Faced with choice of letting Afghanistan go or using force to install puppet regime, Soviets chose force (December 1979)
  - invaded Afghanistan with 50,000 troops, 1,000 tanks, 100 aircraft.
  - executed Amir
  - installed puppet Babrak Karmal
- Carter finally realized (after three years in office) "what the Soviets' ultimate goals are". Too late re Afghanistan; but Carter finally making at least some effort to improve U. S. defense capability.
- Carter's direct response:
  - Imposed grain embargo which damaged American farmers more than Russians who managed to fill 5/6 of their needs from other markets.

NOTE: In March 1980, senior State official quoted in TIME as saying "grain embargo has become symbolic."

  - Carter White House forgot to call Carter Agriculture Department to find out realities of grain trade before announcing embargo.
  - After announcement, Carter discovered 17 million tons of grain already committed through futures contracts; cancellation would have caused bank failures all over U.S.
  - Grain markets had to be closed for two days to permit creation of \$1 billion rescue package.
  - Carter also surprised that Argentina had 6 million tons in reserves; sent special envoy who was unable to extract real commitment due to US-Argentine controversies over human rights and nonproliferation.

- Embargoed U. S. high technology exports to Soviet Union; but lack of European and Japanese concurrence renders embargo ineffective; hurt U. S. industry more than Soviets.
- French (Creusot-Loire Group) decided to build Soviet steel mill (originally to have been built by Japan's Nippon Steel and U.S.'s Armco Co.).
- West German company decided to build aluminum plant (originally to have been built by ALCOA).
- Initially said he would prefer not to withdraw from Moscow Olympic games; then changed his mind. Urged other countries not to participate; of our Allies, only Canada, Germany and Japan joined in the Boycott.

- Third World, particularly Muslim, indignation

- In January, foreign ministers of 35 Islamic nations met and demand "immediate withdrawal; invited Muslim countries to withhold diplomatic ties (only 3 nations lodged reservations"; sever existing links to Kabul's Soviet govt (6 nations had reservations); cut off economic assistance; voted to suspend Afghanistan from membership."
- With noted exceptions, all attendees, including PLC and Libya, supported resolution. But by June, Islamic countries so divided on other issues that unable to mount unified reaction to Soviet move.
- In July UN General Assembly, US joined 100 nations in voting for resolution requiring "immediate withdrawal".

- Afghan resistance continues (in May 1980, 916 tribal delegations held "Grand Council," (7th in a century) to enhance resistance).

- Soviets bring in additional troops (estimated at 85,000 in June); reports of Soviet use of lethal and incapacitating chemical (as well as irritant) agents against villagers; Soviet divisions carrying gas masks.
- But Karmal government continues to disintegrate; more than 1 million Afghans (out of 27 million) seek refuge in Pakistan and 100-600,000 more seek refuge in Iran.
- In response, Karmal seeks to widen political base, giving nationalized land to peasants, allowing farmers to sell surplus grain, improving credits for business.
- Afghan invasion has exposed Soviet military weaknesses; reservists being replaced by regulars; Afghan insurgents have not succumbed; some regard Afghanistan as Soviet Vietnam.



POLAND

POLAND  
AND THE WORKERS' STRIKE

A. Carter Vulnerable

- In December 1977, Carter said "our concept of human rights is preserved in Poland."; but workers strike indicates that Administration fundamentally misunderstood the level of frustration there.

B. Carter Position

- Few official comments during crisis because might be destructive to workers' efforts.
- "Internal problems in Poland are for the Polish people and Polish authorities to resolve."
- Praises workers' victory as a step forward for the human rights movement.
- Has said (9/2, after crisis) that U.S. eager to mobilize aid from West to Poland, but no specific actions proposed.
- Has quietly taken credit for keeping Soviets out by private warnings during the crisis; statements seem politically motivated.
- Carter Administration has been leaning on AFL-CIO to dissuade them (unsuccessfully) from giving financial aid to independent labor unions.
- Muskie hastened to explain to Soviet Ambassador that Carter Administration opposed AFL-CIO aid to independent unions in Poland.

C. RR Position

- No official comments during crisis for same reasons as Carter.
- Praises Polish workers for demonstrating to world that economic and political freedoms are inseparable.
- Praises courage and spirit of workers.
- Condemns jamming of VOA broadcasts as violation of Helsinki accords.

## D. Facts

### 1. Polish Workers' Strike

- Following meat price increase in July, strikes spread throughout Poland. In mid-August, Interfactory Strike Committee made initial demands. Followed by arrests of dissidents and Soviet jamming of Western broadcasts
- Agreement between government and workers reached (8/30); Gierk replaced as party chief by Stanislaw Kania (9/5).
  - For first time, in Soviet bloc, free and independent trade unions (freedom not total, workers agree to "recognize Communist Party as leading force in Poland and not question existing system of alliances").
  - Right to strike
  - Easing of censorship
  - 10% increase in wages implemented in stages by June 1981
  - Equalization of pensions and family allotments (given for having children)
  - Freeze on meat prices for one year; on prices of other essential consumer goods
  - Televising of Catholic Mass

### 2. Poland's Financial Situation: Bleak

- 2nd largest economy in Soviet Bloc, but needs substantial additional foreign help to revive.
- Owes roughly \$20 billion in loans to West; roughly \$7 billion due this year to private and public lenders in West; probably will be paid through more borrowing. Could put pressures on Western bankers.
- Strike concessions will be further drain -- estimated cost approximately \$3.3 billion.

### 3. Polish Crisis Sends Shudder Through Eastern European Block

- Czech Government shares Soviet fear that Polish workers will set example for disgruntled population, has warned party officials in factories to maintain closer contact with workers, pay closer attention to grievances.
- East German apprehension reflected in cancellation of West German Chancellor Helmut Schmidt's trip; GDR unable to insulate people (receive West German broadcasts). While most prosperous East European economy, industrial growth dropping and its increasing reliance on Western high technology imports makes risk of breakdown in detente especially worrisome.
- Hungary has managed modest reforms; many industries freed from central control; labor relations good; but fear Kremlin crackdown in reaction to Polish crisis.

- Romania repressive domestically, but Ceausescu dealing with "shortages and general economic decline"; recent reports of strikes indicate serious discontent; "Must be worried about example of the Poles" - Romanian expert.
- Bulgaria (Moscow's most subservient satellite) apparently unconcerned; but worried about destabilization of Communist system generally.

4. AFL-CIO Involvement: Ticklish problem for Carter

- 9/3/80 - AFL-CIO president Lane Kirkland informs Sec. State Muskie of plans for Polish workers aid fund.  
-- Muskie informs Kirkland of his reservations and possible "deliberate misinterpretation" by Polish/Soviet hardliners wishing to renege on agreements.
- 9/4/80 - Polish workers' aid fund established with initial contribution of \$25,000 (from UAW) to "help provide food and other assistance to striking workers"; part of \$120,000 gift sent by several Western labor movements to workers; Russians declare gifts undermine Polish socialism.
- 9/9/80 - Polish government complains to U.S. about financial aid from American labor movement. Aid could be construed as "outside interference" and play into hands of those who want to suppress new unions. Muskie states nothing he can do.
- In 9/15/80 USN&WR, Kirkland states "cause of trade unionism was never advanced on little cat feet."

5. Ford gaffe in Poland in 2nd debate, 1976: Ford has recently said that strike vindicates him, showing that -- as he was trying to say -- that Communist domination has not broken Polish spirit.

6. Latest Developments

- 10/3 -- one hour symbolic strike re delays in implementation; first event of its kind in Communist nation.
- By 10/13 -- 13 party leaders (including several Giersek aides) dismissed; Kamia says crisis not over; many influential Poles worried Kamia may not be strong enough to manage situation.  
-- Country plunging further into debt; Polish workers have more money, but nothing to buy.  
-- Divided party bureaucracy anxious to retain power and perks.  
-- Roman Catholic Church and trade unions continue opposition.

Soviet Union



## SOVIET UNION

### A. Carter Vulnerable

- U.S. on defensive, losing ground. Carter definition of American security interests, if not contracting, at least uncertain.
  - Carter took three years to understand Soviet goals; declaration that Persian Gulf of vital interest followed Afghan invasion. No real notice taken of Soviet Cuban activities in Africa, Southeast Asia, Caribbean.
  
- RESULT: Perceiving little risk of countervailing power, Soviets began to define their security sphere in more expansive global terms; military component of Soviet involvement became more pronounced.
  - included sea lanes from Southeast Asia to Africa as part of Soviet security sphere.
  - Soviet military involvement increased -- in Angola, Mozambique, African Horn, South Yemen, Vietnam, Caribbean, all strategic locations.
    - African Horn/South Yemen astride European oil supply.
    - Southern Africa important source of strategic minerals (chromium, uranium).
    - Vietnamese movement into Cambodia increases pressure on U.S. allies in Southeast Asia, further encircles China.
    - Caribbean in U.S. backyard, vital sea lanes for Western Hemisphere.
  - Soviet equipped and transported Cuban proxies added new dimension, permitting low direct Soviet profile in Third World, especially in Caribbean and Africa.
  - Afghanistan first time since WW II that Soviet troops directly intervened outside Warsaw Pact.
  
- Carter inconsistency, blowing hot and cold, defense cuts, lack of geopolitical sense interpreted as US weakness.
  - European and Asian allies no longer confident in U.S. leadership.
    - Schmidt went out on limb to support neutron weapon deployment only to have Carter pull rug out with U.S. deferral.

E. Peagan Approach

- Define more clearly U.S. interests.  
-- not just rhetoric. A conscious pattern of actions to make clear U.S. sensitivities and needs.
- Rebuild America's defense capability to provide margin of safety in strategic forces and combat readiness for conventional forces.  
-- In particular improve projection and deployment capability.
- Systematically structure policies and actions to pre-empt and counteract Soviet efforts to coopt aspirations, grievances and instabilities in various parts of the world.  
-- costs of Soviet actions must be increased.
- Ensure Soviets not able to isolate particular crises from the totality of their relations with the West.
- Develop, in consultation with allies, comprehensive arms control strategy that leads to genuine arms reduction rather than codified arms race.  
-- SALT II didn't meet this condition.
- Develop with allies common approaches to East-West trade that increase Soviet dependence on West more than West's dependence on Soviets and minimize help to Soviet military capability.  
-- never attempt embargoes unless fairly sure will succeed; no more grain embargoes; end current embargo.
- Support Helsinki Accords on human rights.

C. Facts

- Soviets use targets of opportunity to expand influence and obtain strategic advantages.
  - Regional conflicts to establish military facilities for purposes broader than actual conflict (e.g., Soviet naval communications, air and intelligence facilities in or near Vietnam, Ethiopia).
  - Encouragement of Western Europe and Japan to develop major stake/dependence re East-West trade, reducing cohesion Western alliances.

- Soviet leadership aging; while 60 year olds not likely to be much different than 70 year olds, there is much uncertainty about the views of the next generation of Soviet leadership.
  - of 28 members Politburo and party Secretariat, 10 are over 70, another 7 more than 65, only one full Politburo member less than 60.
- Soviets face major problems during 1980's, especially in late 80's:
  - Population/nationalities - Russian and European percentages of the population decreasing rapidly. Problems will increase with the Asian populations.
  - Economics - Shortfalls Soviet and Eastern European economies create increasing requirements for capital, technology, machinery, agricultural products from abroad -- in particular, from U.S. and allies. Productivity not increasing and military spending placing burdens on the economy. Increasing demand for consumer goods.
  - Energy - Currently self-sufficient regarding oil; but Soviets and Eastern Europeans expected to need to import more than 500,000 b/d in 80's, causing loss in export earnings, additional needs for foreign financing, additional pressures on world oil markets.
  - Agriculture - No significant improvements in productivity despite major investments. U.S. grain embargo on Soviet grain purchases above 8 million tons (ineffective because of failure to get agreement other suppliers). U.S. turned down requests for additional 17 million tons in 80. Senate voted (9/29) to prevent further funding grain embargo; final action awaiting Congress' return in November. US-Soviet grain agreement expires 9/30/81.

#### D. Specific Issues

- Effects of US-Soviet arms control efforts on reduced risks of war, reduced casualties and damage if war breaks out, reduced economic burdens defense not clear.
  - But by end 70s, arms control efforts all that left of detente; and public opinion generally expects such efforts as the political price for support for adequate military force.
  - Conventional force reductions in Europe (mutual and balanced force reductions, MBFR) stalled.
  - Use of arms supply to third countries for political gains makes restrictions on arms sales unlikely except where forced as part of regional security settlement.
  - US-Soviet collaboration on nonproliferation of only marginal effectiveness; 1980s may see emergence of one or two new states demonstrating capacity to produce a nuclear explosive.

- Soviets view US human rights emphasis as instrument of political warfare.
  - Demands for Soviet compliance with human rights aspects Helsinki accords have reinforced doubts of Kremlin about advantages of Helsinki re legitimizing post-WW II status Eastern Europe.
  - Carter backed off early 77 human rights stands re Soviets under pressure.
- Helsinki accords refer to Final Act of Conference on Security and Cooperation in Europe (1975); 35 signatories, not legally binding, but has moral authority because signed at highest level. Contain what are referred to as 3 Baskets:
  - (1) principles (including human rights endorsement) and confidence building measures (CBMs) relating to European military security.
  - (2) economic, scientific, technical, environmental cooperation; East-West trade.
  - (3) humanitarian cooperation including freer movement of ideas, information and people.
- Madrid Review Conference Helsinki accords (beginning 11/11/80) to assess progress.
- Cuba
  - Carter first said Soviet combat troops in Cuba not acceptable. Later argued that troops were not a threat.
  - During Carter tenure, USSR built submarine base and deployed MIGs in Cuba.

RR Approach

- Cost of Soviet use and support of Cuba must be increased.
- Must be made clear to USSR and Cuba that no steps toward normalization with Cuba will take place as long as Cuban troops are involved in other nations.

- Would RR approach lead to return of Cold War?
  - Soviet military build-up considerably more rapid during so-called "detente" than during Cold War.
  - Soviets continue to expand their sphere of influence.
  - Policy of strength will deter war, not enhance risk of it; e.g., Winston Churchill vs. Neville Chamberlain.
  - Weak, uncertain Carter policies more likely to lead to Soviet miscalculation of ultimate American resolve than steady policy of peace through strength.
- Is USSR/Eastern Europe changing?
  - Not in any fundamental way. Current generation Soviet leaders continue to exercise totalitarian powers. Most of Eastern Europe remains under totalitarian yoke.
  - On other hand, can expect continuing pressure, particularly in Eastern Europe, for additional liberties and improved economic lot (e.g., Poland).
  - Need to encourage in ways that don't provoke Soviet backlash or raise expectations in Eastern Europe US can't meet.

CHINA

## CHINA

### A. Carter Vulnerable

- In negotiations, Carter agreed to most of China's preconditions for "normalization" and conceded most US counter-conditions insisted upon by his predecessors -- unilaterally abrogating 30 year commitment to an ally.
- US reliability as ally, Taiwan's security and Western Pacific stability jeopardized.
- Proposed inadequate law for our relations with Taiwan which Congress had to correct. Taiwan Relations Act assures continuity in US defense and economic ties with Taiwan. Carter has failed properly to implement Act.

### B. RR Position

- China and US have common interest in expanded relationship and maintaining peace.
  - Hopes for expanding trade.
  - China's modernization program depends in a major way on Western and U.S. technology.
  - Along with many others, US and China share deep concern about the pace and scale of Soviet military buildup. China and Japan agree that US must be strong and vigorous defender of peace.
- Five Principles for Far East
  1. US-China partnership should be global and strategic. In seeking improved relations with People's Republic RR would extend hand of friendship to all Chinese, continue trade, scientific and cultural ties.
  2. RR pledges to work for peace, stability and economic growth in Western Pacific area in cooperation with Japan, the People's Republic of China, the Republic of Korea and Taiwan.
  3. Cooperation and consultation with all countries in area against aggression or search for hegemony.
  4. US relations with Taiwan in accordance with Taiwan Relations Act
  5. RR would not accept foreign interference with protection of **American interests** and carrying out our laws.

## C. Facts

### 1. US Relationship

- Trying to widen Sino-Soviet split, Nixon initiated historic visit in 1972.
- Resulting Shanghai Communique provided for:
  - Liaison office, cultural and economic relations with mainland China.
  - Continuation of Mutual Defense Treaty (1954) and longstanding friendship with Taiwan.
- Carter needing foreign policy accomplishment, reversed balanced 6 year relation with both China and Taiwan in secret negotiations with only China in 78. The result:
  - Full diplomatic relations with China.
  - Severance of diplomatic relations with Taiwan; end of Mutual Defense Treaty; no PRC guarantee it won't use force against Taiwan.
  - NOTE: Taiwan given 6 hours notice of unilateral termination of nearly 30-year relationship; Japan and South Korea kept in the dark.
- Carter Taiwan Relations Act sent up in January 79 made no reference to military relations with Taiwan; Congress rewrote to provide for arms and military services as determined by President and Congress. Nothing on public record indicates Act violates 78 agreement, but Chinese have strongly protested Act and early RR statement re upgrading "official relations."
- While dragging feet on Taiwan military assistance, Carter State Department authorized (3/80) commercial sales of military vehicles, transport aircraft and other dual purpose items for PRC. Secretary of Defense Brown called for "increasingly close relationship between American and Chinese military."
- Major China Card issue is degree to which US should be "even handed" as between China and Soviet Union on economic and defense issues.
  - US-China trade now approximately \$3.5 billion annually; can increase; no Jackson-Vanik inhibitions.
  - Limits to US-China defense alliance: China's equipment and technology 10-15 years behind US and Soviets (it is estimated to cost \$41-63 billion to help China update its defense structure); US has **no way to assure Beijing's long range strategic cooperation.**

## 2. China General

- Deng Xiaoping (1st Deputy) has been principal driving force behind (i) current Chinese modernization program and (ii) strategic triangle involving US; Deng prepared to accept continued existence of Taiwan for some time (next ten years).
- Fear that Deng opponents could use Taiwan issue to bring him down. Beijing hopes in time to create enclaves on mainland similar to Taiwan and Hongkong to reduce their fear of eventual absorption.



ALLIES

## ALLIES

### A. Carter Vulnerable

- Undermined credibility US strategic deterrent through cancellation/delay critical strategic programs (B-1, MX, Trident).
- Failed to consider European security needs in SALT II negotiations; accepted limitations cruise missile which Europeans consider essential to security.
- Vacillated on security decisions such as neutron warhead; pressured Germany's Schmidt publicly to support neutron bomb deployment in Germany; 2 days later pulled rug out by deferring neutron bomb.
- Unrealistic, inconsistent, unstable approach to Soviet Union (3 years to realize what Soviet goals were); Carter's ability to lead in doubt.
- Ignored disarray NATO's southern flank by failing to help resolve Greek-Turkish differences, achieve reintegration of Greece into NATO command.
- Weakened European and Japanese economies through failed US domestic economic policy; high inflation rates cause decline in Dollar.
- Failed significantly to reduce US oil imports despite promises at Economic Summit.
- Results
  - Independent European initiatives on Middle East and **detente negotiations.**
  - European hesitations on theater nuclear arms modernization.
  - Growing discussion "European neutralism."
  - Lack of European support for US embargos against Iran and USSR (including Olympic Boycott).

### B. Reagan Approach

- Consistent foreign policy and strong defense; restore US reputation in managing power.
- Develop, in consultation with Allies, integrated strategy for dealing with deteriorating military balance, Soviet incursions in Third World and Soviet detente tactics.

- Renew credibility US strategic deterrent; update NATO strategic doctrine in close consultation with Allies.
- Modernize theater nuclear weapons in Europe and develop updated doctrine regarding their use.
- Consider serious arms control proposals that might in fact advance Western security through reciprocal restraint.
- Real consultation with allies on entire range of issues -- not only in NATO area, but also in other areas of concern (e.g., Middle East).
- Work to resolve (as priority) current impasse regarding resolution of Southern flank issues.
- Review US nonproliferation policy with view to removing unnecessary interference with allied nuclear programs.
- Sound US economic policies to stabilize value of Dollar.
- Develop, in consultation with Allies, comprehensive international energy and strategic resource policies, with view to reducing as rapidly as possible dependence on unstable sources of supply.

C. Facts

1. NATO

- Two conflicting views
  - Western European and US security interests unchanging in NATO area, no serious threat to alliance. (Carter view)
  - Changed US-Soviet strategic balance, US domestic problems, chronic weakness Dollar, inward looking trends **both sides** Atlantic indicate continued erosion in alliance. (RR view)
- Europeans torn between desire to reduce dependence US leadership and lack of willingness to take on increased political/economic responsibility. US torn between habit of NATO domination and urge for more equal relationship.
- Western Europeans concerned by Carter's indecisive leadership, increasingly assertive unmanageable Congress, continuing debate on America's role in the world, failure to move forward with SALT II; but also fear excessively strong US reaction to perception of US weakness.
- Europeans agreed in '78 to much touted Carter proposed 5 year long-term defense program including 3%/year real increase in defense expenditures.
  - Even if program fully implemented, will not redress NATO conventional inadequacies.

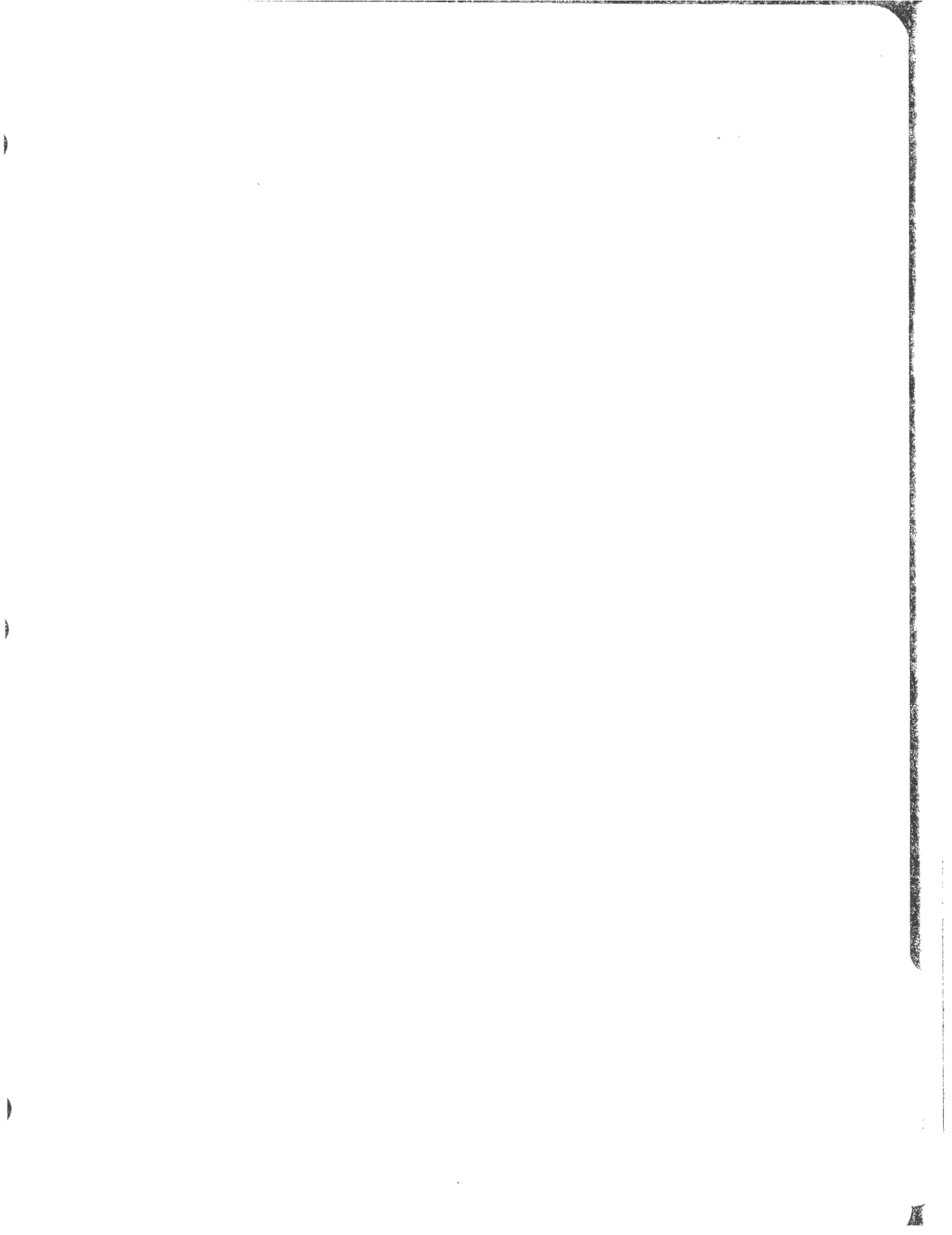
- Europeans have traditionally resisted expansion of alliance efforts beyond NATO area, are less likely to ascribe global significance to events in other parts of the world.
  - Europe not as inclined to see serious threat to Western interests in fall of Shah, Afghan invasion
  - Being dependent on African raw materials and Gulf oil, Europeans more likely to join U.S. or undertake independent actions to assure security of supply in these areas; but even here likely to avoid military action except as last resort.
  
- Europeans remain committed to pursuit of detente, U.S. ratification SALT II; but recognize how little SALT, Helsinki accords, mutual and balanced force reductions (MBFR) process have done to moderate East-West competition, how difficult to devise further realistic steps.
  
- British-French nuclear forces no substitute in German and other European eyes for U.S. nuclear commitment.
  - French have ruled out for time being any contribution French nuclear forces outside France. (NOTE: French now engaged in independent neutron bomb effort.)
  - UK not prepared to integrate its nuclear force as part of European commitment (NOTE: British TRIDENT force with multiple independent re-entry vehicles will substantially increase British capability in 90s. RR has no problem with this development).
  - Despite 12/79 NATO decision to deploy Pershing II and ground launched cruise missiles in Europe, NATO lacks agreed employment concept.
  
- Mutual and Balanced Force Reductions (MBFR) stalled on a variety of fronts. Two major issues:
  - Parity: NATO wants to reduce military personnel to equal numbers on both sides; Warsaw Pact (with greater military manpower) wants reductions by equal numbers or equal percentages.
  - Collectivity: NATO wants reductions to apply collectively across the Alliance; Warsaw Pact wants ceilings specified in each reduction area (to assure ceiling on Germany).
  
- Economic issues have been among the most divisive elements in alliance relations.
  - From the European side, high levels U.S. oil consumption, U.S. nonproliferation policy, U.S. and Japanese domination of advanced information processing, a less promising outlook for European steel, auto and electronics industries in 80s, potential U.S. protectionist measures re steel and autos, U.S. inflation and weakness of Dollar.
  - From the American side, non-tariff measures inhibiting U.S. exports, European Common Agricultural Policy.

- French-German close collaboration likely to continue; have accepted fact that UK will not play balancing role in European Community (EC). Germany will remain dominant economic power; France, dominant political power.
- German Chancellor Schmidt (Social Dem.) recently won re-election with increased majority for his coalition with Free Democrats (271 -- of which 53 Free Democrats -- to Conservatives 226).
- French President Giscard d'Estaing up for re-election in 81; expected to win.
- Coming accession of Greece, Spain, Portugal and perhaps even Turkey to EC likely to further weaken EC institutions in favor of old bilateral relations.

## 2. Japan

- US obliged to defend Japan (Treaty of Mutual Cooperation and Security), but Japan has no commitment to respond to an attack on American territory (unlike mutual obligations in NATO).
  - Unlike elaborate NATO organization US-Japanese defense relationship has only just begun to extend beyond periodic consultation.
  - Japan not interested in regional defense arrangements.
  - Since early 70s (return of Okinawa, end of US involvement in Vietnam, US reconciliation with China), US-Japan defense relationship has become less troubling to Japanese left.
- US forces in Japan reduced from 260,000 in 52 to 46,000 in 79 (current cost \$1.2 billion/year); Japanese self defense forces very small and limited to strictly territorial defense.
  - Minimal Japanese commitment to defense (1% of GNP compared to US 5%) source of Congressional irritation in economic context; but US ability to get Japan to increase defense spending small. NOTE: Due to rapid growth Japanese economy, Japanese defense spending increases in real terms 8%/year. Also, there appears to be much greater willingness now on part of Japanese to bolster their defense efforts.
- Japanese economy has grown at phenomenal rate, emphasizes highly competitive exports, causing problems in Europe, US. US-Japan economic problems less during periods of Japanese economic weakness.

- Japan traditionally protectionist, but by mid-70s had eliminated most of its quotas on imports, foreign direct investment; on other hand, extra-legal "administrative guidance" widely believed to be non-tariff barrier; in fact used to restrict exports as well as imports.
- Japanese preference for bilateral dealings with US resulted in US-Japan negotiations parallel to MTN. Principal current problems involve autos, steel.
  - Autos: 8 out of every 10 imported cars Japanese (21.7% of US market in first half 80); Japan now moving to build auto plants in US (Honda in Ohio; Toyota-Ford negotiations)
- Japan largest single market for American farm exports (15% by value).
- Japan's oil dependence particularly sensitive.
  - After '73 oil crisis, when Japan labelled unfriendly country by OPEC, Japan shifted Middle East policy to pro-Arab position
  - Carter nonproliferation policy has caused major tension, unilaterally and retroactively reversing earlier understandings on reprocessing of American fuel.
    - Japanese nuclear program has made scant progress (currently only 2% energy); 1985 goal of 60 million kilowatts pushed off into 90s.
- Japanese saving rate one of world's highest (20% compared to 4.5% in US), outstrips investment demand, stimulates export surplus; in time this should give rise to greater capital outflow.
  - Japan has invested \$2.4 billion in U.S., mostly in automotive, electronics industries.



## MIDDLE EAST

### A. Persian Gulf-Iran

#### 1. Carter Vulnerable

- Carter policy inconsistent and reactive to events.
- Weakened conventional military capabilities erode Gulf state confidence in U.S. ability to influence events in area.
  - "Carter Doctrine" declaration that assault on Gulf will be repelled, if necessary, by force followed 6 days later by U.S. acknowledgement that it didn't expect to have enough military strength. Creates doubts as to US competence and resolve.
- Soviet expansion of Middle East naval force, strong positions in South Yemen and Ethiopia (base in Aden more than offsets loss of base in Somalia in '78), invasion of Afghanistan, supply of major armaments (accompanied by advisors and training programs) to Algeria, Libya, Ethiopia, South Yemen, North Yemen, Iraq, Syria, Afghanistan -- strengthen radicals, undermine moderates.
- Fall of Shah makes radical Iraq more influential, more aggressive; reduces confidence of friends like Saudi Arabia in U.S. capacity to lead. Carter crisis management poor:
  - Failed intelligence; 2 weeks before fall, Carter expected Shah to stay in power -- despite warnings from Amb. Sullivan (respected career official who later resigned).
  - Failed mission of General Huyser destabilized Iranian armed forces, leading to return of Khomeini.
  - Failure to advise Amb. Sullivan on keeping armed forces intact.
- Continuing humiliation of hostages and incompetence of failed rescue mission adds to perception of U.S. weakness and decline.
- Carter pursued illusory Indian Ocean arms control agreement; had Soviets accepted, our present naval deployment there would have been prohibited.



## 2. Reagan Approach

- Consistent foreign policy and strong defense
  - Assure clear definition of US interests in Gulf and clear understanding of those we consider vital.
  - Assure sufficient military capability to defend those interests (particularly strategic margin of safety and adequate personnel and maintenance policy to assure readiness armed forces).
  - Assure consultation and coordination with Allies (including parallel actions).
  
- Strategy towards change in terms of US interests
  - Strengthen moderates in relation to radicals.
  - Would not let short term US problems with Khomeini make us lose sight of US long term strategic interest in Iran.
  - Would not abandon friends.
  
- Develop wide network of political relations in region to insure against adverse change.

## 3. Facts

- Gulf absolutely vital to West because of oil production
  - Provides 40% of non-communist world's oil.
  - US gets 19% of oil imports from Persian Gulf.
  - Currently only 100 day supply of oil in non-communist world.
  
- Despite Khomeini and hostages issue, Iran remains of immense strategic importance to West
  - Iran will have shortly to decide with whom it will reopen its arms supply relationship -- US, USSR, Europe.
  
- Gulf area historically unstable; continuing conflicts over resources, territory.
  
- Nixon Doctrine relied on Shah's Iran as regional peacekeeper; regional instability argues for more active direct US involvement; not all eggs in one basket.
  
- Gulf states and Arab-Israeli conflict issues linked
  - 1973 oil embargo used against states supporting Israel.

## B. Arab-Israeli Problem

### 1. Carter Vulnerable

- No coherent strategy, inconsistent foreign policy actions in response to specific events, lack of consultation with allies -- erode capacity US to encourage Arab-Israeli settlement.
- Has failed to recognize strategic importance of Israel
- Despite long standing GOP policy to keep Soviets out of Arab-Israeli problem, Carter in 77 invited Soviets to Geneva talks; giving Russians stranglehold on negotiations, disturbing both Sadat and Begin (Sadat's historic trip to Jerusalem did not involve US).
- Carter Administration failed (3/1/80) to veto UN resolution condemning Israel's presence in Jerusalem; 2 days later Carter reacting to public outcry, reversed his position, blamed his Secretary of State.
- Muskie condemned (8/20/80) another UN resolution on Jerusalem in a long speech for the voters; 3 minutes later he abstained instead of vetoing the resolution. (That was for the PLO and their friends).
- Has failed to link Israeli withdrawal from West Bank to settlement of related issues -- fate of Palestinian autonomy, West Bank administration, Israeli security
- Ambiguities in Camp David documents have now brought negotiations to dangerous impasse.  
-- Autonomous Palestinian Arab regime for West Bank and Gaza was Israeli concession.
- Effort to solve West Bank issue in one grand negotiation (defining all frontiers and all relationships) bound to fail.
- Flirted with PLO in pursuing Arab-Israeli settlement, increasing Israeli distrust and stature of PLO (an avowed terrorist organization), violating 75 agreement with Israel.

### 2. Reagan Approach

- Develop comprehensive strategy (not necessarily single negotiation) to make progress on Arab-Israeli problem. Camp David important step, but only a step.
- Territorial issues must be decided on basis of UN Security Council Resolutions 242 and 338. Future utility Camp David accords must be weighed against this position.

- Camp David Agreements cannot, and should not, lead to fundamental changes in security of Israel until Jordan and other Arab states make peace with Israel (Jordan now recognized sovereign in some 80% of old territory of Palestine).
- Initiatives to solve tragic Palestinian refugee problem.
- Work to defeat any UN resolution to expel Israel; and if unsuccessful should suspend US financial contributions to UN and urge friends to do the same.
- Restore US military capability in Middle East.
- Restore Israel's trust in US as an ally, and region's confidence in US as a leader.

### 3. Facts

- Camp David Accords/Egypt-Israel Agreement provide:
  - Exchange of ambassadors Spring 80.
  - Israeli withdrawal from all Egyptian territory by Spring 82.
  - Negotiations for "self government" for West Bank and Gaza (originally to have been concluded by May 80).
    - Begin narrowed definition "self government" to preclude extensive authority for elected Palestinian body.
    - Indicated Israel would assert sovereignty over areas after 5 years.
- Arabs view Camp David as flawed
  - Israeli settlements in West Bank show no signs of decreasing; Arabs fear possible Israeli annexation West Bank -- unacceptable to Palestinians, Jordanians.
- UN Security Council Resolution 242 (1967)
  - Withdrawal Israeli armed forces from territories occupied in 67 war.
  - Termination of belligerency and recognition of sovereignty, territorial integrity, independence all states in area.
  - Freedom of navigation through international waterways.
  - Just settlement refugee problem.
  - Guarantees of territorial inviolability.

NOTE: Begin claims 242 doesn't apply to West Bank and Gaza; this position not accepted by most of international community.
- UN Security Council Resolution 338 (1973)
  - Calls for cease fire; implementation 242; negotiations for durable peace.

- Begin up for re-election in May 81; Labor Party could return to power. Labor:
  - Not overtly opposed to self government West Bank.
  - More inclined to negotiate territorial arrangement with Jordan.
- Critics of Camp David assert:
  - Removal of Egypt from confrontation means remaining issues (future Palestinians, Syrian front, southern Lebanon) will never seriously be addressed.
  - Egypt now isolated politically from Arabs.
  - Saudis have cut off aid to Egypt.
- US gave Egypt \$1 billion in economic assistance and over \$2.5 billion in credits in FY 80, promised as many as 80 F-16s.

#### 4. Special Questions

- Jerusalem: RR Position -- is now and will continue to be one city, undivided, with continuing free access for all. Problem of Jerusalem can be solved by men of goodwill as part of permanent settlement.
  - Eventual solution will determine location US embassy.
- Jewish West Bank settlement: RR Position -- this is question for the parties themselves to negotiate; RR would not pre-judge.
- US military bases in Middle East: RR Position -- not preclude it; but would want to know how base can help us, how it can be defended, how it can be supplied.

## C. Saudi Arabia

### 1. Carter Vulnerable

- Carter policies strain US-Saudi relations; cause Saudis to doubt "will of the US as either a protector of the Free World...or as a direct participant in the Arab-Israeli peace process." (senior State Department analyst in 4/80 Joint Economic Committee compendium)
  - As a result of US making military aid to Somalia conditional on its foresaking use of force in Ogaden in 77 and lack of meaningful efforts to save Shah in 79, Saudis began to question whether value US-Saudi special relation worth pro Western Saudi oil policies.
- Soviet penetration of region through use of Cuban and East German proxies, advances in Ethiopia and South Yemen directly threaten Saudi security. Failure to moderate Soviet influence in Syria and Iraq pose indirect threats to the stability of the Saudi government as does radical regime in Iran.
- US actions regarding Iran, Taiwan, Korea, undermine confidence in US will and commitment to allies.
- US defense policy in general and failure to prevent the weakening of our conventional forces undermines confidence in US ability to protect friends and US interests in the Middle East, including Saudi Arabia.
- US failure to neutralize increasing PLO terrorist forces Saudis to take lower profile re radical states due to large numbers of Palestinians in Saudi Arabia
- Carter's statement that Persian Gulf does not need policeman sent signal to Soviets, even though later reversed by Carter Doctrine which Carter admitted he couldn't implement.

### 2. Reagan Approach

- Restore consistent foreign policy with credible defense effort; restore US image as Free World leader, reliable ally.
- Accelerate buildup naval, Rapid Deployment forces.
- Reassure Saudis of US resolve to protect friends in region.

### 3. Facts

- Saudi Arabia friendly toward US for four decades, produces 30% free world oil.
- Saudis hostile to Camp David Accords.
- Unlikely Saudi rulers will in near term be subject to fate of Shah; but potential for upheaval over time.
  - Saudi oil revenues spread over fewer people; less chance of recession undermining regime.
  - Islam provides legitimacy for Saudi monarchy.
  - Pace of economic development more measured.
- Two principal Saudi foreign policy goals; US essential to both in Saudi view.
  - Contain communism/radicalism in Muslim world.
  - Solve Arab-Israeli problem, particularly re Jerusalem.
- Saudi willingness to produce oil beyond immediate needs and moderate OPEC prices reflects desire to accommodate US in return for US protection and initiatives to solve Arab-Israeli problem.
  - Saudis' increased oil production in '79 and again during recent Iran-Iraq crisis to maintain Arab supply.
  - Unlikely to be able to continue to do this in 80s; constrained by lack of plans to increase production above 12 million bbd.



## NORTH-SOUTH GENERAL

### A. Carter Vulnerable

- Carter in 1977 emphasized "basic right of every human being to be free of poverty and hunger and disease and political repression." But US must be judged by actions, not rhetoric.
  - Piecemeal approach failed to develop constructive set North-South relations and strategy to achieve them
  - Rhetoric on meeting basic human needs unaccompanied by assessment of feasibility, financing (estimates of \$20 billion over next 20 years).
  - Impetus for US refugee effort came more from private organizations than Carter.
- Ford Administration in '75 indicated willingness to consider a number of measures to promote North-South cooperation; but accomodative phase in mid-70s turned into confrontation by early '79.
  - Industrialized countries' desire to include energy in North-South dialogue resisted until North gave serious attention to commodity, debt problems.
  - Negotiations on international wheat agreement collapsed over dispute about acquisition and release prices.
  - With exception Argentina, LDCs boycotted 4/79 initialling of Tokyo Round Trade Agreement; felt had given insufficient attention to their concerns.
  - 79 Manila UN Conference on Trade & Development castigated Northern protectionism.
  - 79 Havana Non Aligned Conference emphasized political confrontation. Castro elected as leader of so-called "non-aligned."
- Former Presidential National Security Advisor Brent Scowcroft notes our "Government is structurally incapable of thinking about national security and Third World policy at the same time"...dangerous gap in foreign policy.
  - long the province of economic officials at State and Treasury, political and security concerns have been left out.
- Andy Young's penchant for overstatement, overcommitment at UN re policies on which he was unable to deliver raised questions about seriousness of purpose behind US policy.



## B. Reagan Approach

- Strategy to deal effectively with Third World problems in relation to U.S. overall interests; need to bring political judgments to bear in decision-making process.
  - Havana Conference showed Non-aligned Movement taken over by radicals. Castro not a Non-Aligned leader; he is a tool of Soviet imperialism. Illustrates dramatically failure of Carter policy.
  - Need improved bilateral relations with selected countries; help them to help themselves. Mistake to try to lump all developing countries under one label.
  - At same time, third world moderates will be even more reluctant to side with West if North lacks real, not rhetorical, approach to problems of development, hunger, disease.
- Emphasize capacity private sector to bring real benefits to developing world, American success story; work to improve access US companies.

## C. Facts

### 1. North-South Dialogue

- North claims international economic system basically sound, does not discriminate; LDC problems can be attributed to domestic rather than international factors.
- South claims international disequilibria affect LDCs more than industrial countries; international system discriminates differences in wealth pose constraints; wants institutional and procedural reforms aimed at transfers of economic wealth.
- 1979 Non-Alligned Conference in Havana; Castro chairs.
  - Denounced U.S. policies in southern Africa; nary a word on Soviet/Cuban/Vietnamese aggression.
  - Passion reserved for remaining colonial issues (southern Africa); economic development/New International Economic Order (NIEO) rhetoric muted.
- Group of 77 (now 120 LDCs) focal point for advancing NIEO.
- NIEO adopted in 75 at UN 7th Special Session.
  - Stabilization ~~com~~modity prices.
  - Improvement industrial country preferences for LDC exports, reduction non-tariff measures

- LDC debt rescheduling on case-by-case basis and international monetary reform
- Codes of conduct re technology transfer, multinational corporations, increasing LDC industrial capacity
- Special measures to assist least developed.

2. Reasons why U.S. should give higher priority to North-South:

- Soviets/Cubans/Vietnamese continue to stir trouble in strategic areas in Africa, Asia, Middle East, Caribbean and central America.
  - North increasingly dependent on South for raw materials
  - Diffusion of military power and growing reluctance of North to use force will increase propensity medium and small powers (especially in South) to resort to violence.
- Economic performance South can slow or stimulate world growth; major markets; fastest growing sector for U.S. exports. (NOTE: mostly to OPEC)
  - One of every 20 U.S. manufacturing jobs exists to meet Third World demand; in '78, LDCs purchased 38% U.S. merchandise exports.
  - US services to LDCs showed \$17 billion surplus in 78.
  - At end '78, U.S. direct investment in LDCs \$40 billion (25% of total); LDCs account for 35% of total investment income.
  - In mid 79, US bank loans to LDCs amounted to \$74 billion (~~35%~~ total bank lending to foreigners).
  - In 70s, industrial nations grew at average rate 3.4%/year; South grew at average rate of 5.7%/year.
  - Despite official development assistance at half UN goal (0.7%) and LDC oil import costs at \$44 billion in '79, LDCs managed to finance most of their own development -- saving and investing nearly a quarter of their national incomes.
- Humanitarian reasons regarding world's poorest: 470-710 million will remain in "absolute poverty" over next two decades.
  - Poorest countries (1.3 billion people in South Asia, Sub-Saharan Africa comprise 61% LDC population, but account for only 16% total LDC GDP and 10% total LDC exports. Average per capita income less than \$300/year

- Of every 10 children born into poverty, 2 die within a year; another dies before the age of 5; only 5 survive to the age of 40
- Shocking reality: Third World oil bill could rise from \$67 billion this year to \$230 billion in 1990, increasing political turmoil in increasingly unstable world.
- Third World Debt has grown exponentially since '74 to over \$300 billion, while Northern commitment to development assistance is **weakening**.

### 3. Two Important Reports

- 1979 Presidential Commission on World Hunger Preliminary Report recommends U.S. make "elimination of hunger the primary focus of its relationships with the developing countries."
- Brandt Commission (comprising LDCs as well as developed nations, chaired by former West German Chancellor).
  - Near term proposals focusing on global food needs, greater levels economic assistance, international energy strategy.
  - Long term proposals: effective demand for LDC products, commodity price stability, reduction in trade barriers.

NOTE: Next few years bad time for increased attention to North-South problems. North (beset by its own domestic economic problems) looking inward.

### 4. Special Questions

- Has US in past provided sufficient assistance to LDCs?
  - No nation has provided more assistance than US -- over \$250 billion since 1945.
  - Need to increase effectiveness assistance and encourage greater private investment in LDCs.
  - Need to target assistance in way that encourages internal reforms, helping developing countries to help themselves.

12/14

## ASIA

### A. Korea

#### 1. Carter Vulnerable

- Without consulting South Korea, Japan, senior military leaders or Congress -- Carter announced in one of his very first foreign policy announcements in 1977, a 3-stage withdrawal of American ground forces in Korea -- this at time of North Korean buildup.  
-- Gen. Singlaub fired for protest
- Reversed decision in 1979 due to Korean and Japanese concerns, Congressional pressures and revised estimates of North Korean strength.
- Can be argued long period of uncertainty re U.S. troops in Korea contributed to recent Korean instability.

#### 2. RR Approach

- Make every effort to assist South Korea in developing greater internal stability which coupled with its economic prowess will further reduce likelihood of North Korean attack.  
-- Avoid reduction in US military commitments which could be perceived as a reduction in overall commitment.  
-- Avoid policies (e.g., unbalanced human rights approach) which could encourage North Korea, dissension in South, and weakening of US commitment. One thing clear; human rights much worse in North Korea than in South Korea.
- At appropriate point, offer a combination of pressures and incentives to North Korea and its Soviet and Chinese allies to accept a reduction of tension and 2-Korea accommodation.
- At all points, assure adequate consultation with key U.S. allies -- Japan and, of course, South Korea.

### 3. Facts

- Korean Internal Politics Unstable. Military coup in late 1979 put General Chon Doo Hwan in power following assassination of President Park Chung Hee.
  - Country now under martial law.
  - Uprising in May because military-backed transitional government didn't call elections.
  - Popular political rival, Kim Dae Jung, put on trial for conspiracy in connection with riots.
  
- Delicate situation.
  - How to put pressure on Chon to move toward more democratic political system, without giving North Korea the notion that we're backing down on defense commitments.
  - Pressure from private community, business, may work.
  - North Korean leader Kim Il Sun considered adventurist.

### B. Southeast Asia

#### 1. Indochina remains area of Soviet/communist aggression; human suffering beyond imagination.

- Continuing warfare increases Soviet influence in Vietnam; possibility of Soviet naval base at Cam Ranh Bay.
  - With 2-front security threat (China, sustaining puppet regime in Cambodia), Vietnam has become nearly totally dependent on Soviets.
  - Risk of insurgency spilling over to Thailand; could require US response.
  
- Carter vulnerable on refugee situation
  - Between 75 and 80, over 1 million Vietnamese, Laotians, and Cambodians fled communist oppression; another million predicted in 80.
  - Cambodian genocide has reduced Cambodian population from 8 million to 5 million. Hundreds of thousands remain in refugee camps. Thousands die in escape attempts.
  - US spending about \$350 million/year; doubled our immigration quota (to 14,000/month); appealed (with only limited success) to other countries, notable Japan, Brazil, China, Taiwan, South Korea, UK, West Germany.
  - Carter response totally inadequate.
    - did not criticize Cambodia until April 78; said then he could not "avoid the responsibility to speak out"; but he had avoided it; Cambodian practices known by end 75.
    - no real international strategy to deal with the refugee situation; efforts piecemeal, stop-gap; rhetoric not action. DIFFICULT PROBLEM BUT **MAGNITUDE HUMAN SUFFERING REQUIRES AMERICA'S BEST EFFORT.**

## RR Approach

- Work towards neutral regime in Cambodia
  - Priority effort and international strategy to encourage augmented international solution to Southeast Asian refugee problem.
2. Noncommunist Association of Southeast Asian Nations (ASEAN - Malaysia, Singapore, Phillipines, Thailand, Indonesia) don't want to be pawns of superpowers, BUT afraid US will abandon Asia to Soviets or Chinese. ASEAN is not officially military alliance, but seem willing to defend fellow members if pressed.
- All ASEAN countries except Singapore have serious internal problems with ethnic minorities (Malaysia, Philippines), guerillas (Thailand), or economy (Indonesia).
  - U.S. does not have military presence in Indonesia, Malaysia, Singapore.
    - Singapore has recently offered naval support facilities.
    - U.S. had bases in Thailand until 1976, new government wants American support again.
    - Have two bases in Phillipines.
  - U.S. close relations with repressive Marcos regime in Phillipines may have weakened chances for rise of democratic opposition.
    - U.S. has mutual defense treaty with Phillipines, but Carter has renegotiated treaty to reduce U.S. influence there.
    - Renegotiation included end to U.S. sovereignty over bases and exemption for Phillipines from the criteria of Carter human rights policy.

## RR Approach

- Support ASEAN countries
  - Economically, by opening markets for their exports.
  - Politically, by encouraging democratic regimes.
  - Financially, by helping to solve refugee problems.
- Encourage democratic systems in ASEAN countries without destabilizing present regimes.

C. Subcontinent: India, Pakistan, Bangladesh, Sri Lanka

- India (predominantly Hindu) ruled by Indira Gandhi, pro-Soviet, recently returned to power.
  - World's most populous democracy, 6½ million (three times U.S. population).
  - Only U.S. base in area of entire subcontinent is Diego Garcia.
  - Indian Ocean vital. Cannot be allowed to become Soviet Lake.
  - India has Friendship Treaty (1971) with Soviet Union; Soviet Union sells arms.
  
- Pakistan (Muslim) ruled by General Zia al-Huq.
  - Separation of eastern part of Pakistan to form Bangladesh (1971)
  - Worried about Soviet presence
  - Heavily impacted by Afghan refugees (1 million)
  - Zia has recently played leadership role in trying to mediate Iraq-Iran war; so far unsuccessful.
  - Key political point:
    - Prior to Afghan invasion, US had cut off foreign assistance (other than food) to Pakistan because of its nuclear activities; Carter sought special exception to assist Paks in light of Soviet threat; Zia considered insufficient and rejected.

RR Approach

- Need regional solution to India-Pakistan impasse.
- In U.S. interest to have friendly relations with both countries.
- Would work for accommodation which would reduce motivation of either country to pursue nuclear weapons option.

NOTE: India-Pakistan hostility and mutual suspicion complicates U.S. policy in area.

- Kashmir border problem remains unresolved.
- Creation independent Bangladesh after 71 war leaves remainder of Pakistan more isolated, defensive. Paks pursuing nuclear explosive capability to protect against India.
- India considers itself on par with China, Paks a lesser power. In 1974, Indians demonstrated nuclear explosion; at present not pursuing option, although Gandhi (unlike her predecessor Desai) will not relinquish option.



12/11/11

## AFRICA

### A. General

#### 1. Carter Vulnerable

- Vacillating, weak foreign policy left path open to Soviet/Cuban gains through 1979.
  - Soviets have military facilities in at least 9 countries including Ethiopia, Mozambique, Madagascar, Angola, Congo-Brazzaville, Benin, Guinea-Bissau, Guinea (Conakry), Cap Verde Islands and several Indian Ocean Islands.
    - Strongpoints: Angola, Ethiopia, Libya and to lesser degree Algeria.
- Military facilities on African Horn (Ethiopia) and in Yemen threaten vital oil sea lanes from Persian Gulf.
  - Carter made little or no effort to deter Soviet/Cuban efforts.
- Carter human rights policy castigates South Africa but makes no effort similarly to nudge black African totalitarian regimes towards greater respect for human rights.
  - Ignores Soviet and Cuban role in creating appalling refugee problems.

#### 2. RR Approach

- Deter further Soviet/Cuban incursions into Africa; put political pressures on Cuban mercenaries.
  - Link US movement in other areas of interest to Soviets to their restraint in areas such as Africa.
- Individualized approach to African nations based on their economic needs, potential and political situation. Avoid single issues or UN rhetoric.

#### 3. Facts

- Only unity in Africa (43 countries; 1/3 UN membership) is against:
  - external domination
  - white minority rule, racism, colonialism
  - South Africa as major symbol.
- Most states autocratic one-party or military regimes

- Although leaders use Marxist rhetoric, most permit foreign private firms to operate (exceptions: Tanzania, Ethiopia).
- Soviet momentum to 79 has ebbed with UK success in Zimbabwe. Soviets out of Zimbabwe, but still dominant patron at SWAPO in Namibia and crucial to Angolan MPLA regime.
- Africa more important to our European Allies than to us.
  - Africa has 10% of worldwide crude reserves and is dominant factor in non-fuel minerals, mostly in south (platinum, gold, cobalt, chromium, manganese, uranium, vanadium, industrial & gem diamonds, iron ore, coal, copper).
- US trade and investment scattered
  - 2/3 US exports to Nigeria, South Africa;
  - 1/3 largely to Cameroun, Kenya, Ivory Coast, Sudan, Zaire, Algeria, Libya, Egypt;
  - US exports mostly food, capital equipment; imports mostly oil and non-fuel minerals.
- US investment low; 50% Sub-Saharan investment in S. Africa, but expanding in Nigeria and US companies looking at investment potential in Zimbabwe.
- 50% of US worldwide trade deficit is due to African trade (Nigerian/Libyan oil imports).
- 1/3 of African countries going nowhere economically. Some doing well: Cameroun, Botswana, Kenya (with short-term setback), Ivory Coast, Nigeria, Malawi, Niger, Gabon, South Africa. Others with potential if stability restored/assured are Namibia (SW Africa), Zimbabwe, Zaire, Uganda, Sudan.

## B. AFRICAN HORN: Ethiopia and Somalia

### 1. Carter Record

- Cuban mercenaries (Afrika Korps) have steadily increased (now 12,000 troops) in Ethiopia. In past 8 months, Moscow has sent \$1 + billion in arms. Carter call for troop withdrawals not serious. He:
  - continued to negotiate normalization of relations with Cuba (including trade mission).

advocated a policy of self-determination for African nations, non-interference from developed nations.
- Suggested Soviet military build-up in Horn might jeopardize SALT II, then stated SALT should not be linked to Soviet actions in Africa.

- Advocated deal with Somalia (shelved by Appropriations Subcommittee) for US access to military facilities, despite Somalia non-compliance with fundamental OAU principle on sanctity of inherited borders.

-- Most African nations oppose Somalia's expansionist actions

-- Somalis have withdrawn some troops from Ethiopia.

## 2. RR Approach

- Encourage refugee assistance from other nations and private sources for the one million plus refugees in Somalia.
- Refrain from trade and normal relations with Cuba until all Cuban mercenaries withdrawn. Broadcast to Cuban people in Cuba and to Cuban mercenaries in Africa to explain to them that Castro policy serves only Soviet imperialism.

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## C. SOUTH AFRICA/ZIMBABWE

### 1. Carter Record

#### South Africa

- Repeatedly protested human rights violations.
- Imposed US arms sales embargo and supported 1977 mandatory UN Security Council arms embargo.
- Will continue nuclear cooperation only if South Africa becomes party to Nuclear Nonproliferation Treaty.
- Refused to support UN economic sanctions.
- Refused to permit US involvement in synfuels cooperation.

#### Zimbabwe

- Supported 1977 embargo of Rhodesian chrome until Zimbabwe-Rhodesian final agreement (12/79). Worked with British for black majority settlement. Did not recognize Muzorewa regime when Patriotic Front refused to participate. US now has embassy and provides foreign assistance to help Mugabe.

## 2. RR Approach

### South Africa

- Will not endorse situations or constitutions, in any society, which are racist in purpose or in effect.
- Remain open and helpful to all parties.
- Press for, recognize and support progress toward genuinely multi-racial society; preaching, bluster and threats of economic boycotts tend to be ineffective.
- On mandatory UN economic sanctions: no US leader should place himself in position of ruling out future actions in hypothetical circumstances. It is unclear in this case who would be doing the most harm to whom.
- Re Namibia, continue to work, in cooperation with Allies, to bring peaceful solution to Namibia problem based on UN resolutions. (Negotiations now at key stage).

### Zimbabwe

- Supports aid and continuing progress towards multi-racial, democratic nation with free economy.
- Must give British settlement agreement chance to work, not undermine stability and play into hands of Soviets.

## 3. Facts

### South Africa

- Excellent naval facilities which US hasn't used since 1967. (Suggested public posture: US might have to reconsider in a crisis; not aware of need for change at this time).
- White politics showing limited flexibility and openness to change; trying to lose as little power as can.  
-- Effectiveness of 1980 reforms subject to question.
- S.A. attempting economic confederation with others in area to increase interdependence; hopes this can help head off sanctions which would hurt whole area.

## Zimbabwe

- Mugabe (self-professed Marxist-Leninist elected PM 3/4/80) has so far followed moderate line
  - refused to allow USSR and Soviet allies to open embassies.
  - turned to West for support.
  - recently broke diplomatic relations with South Africa; but will maintain trade representation.
- Economic Outlook: post-independence turn-around predicted; highest potential of regional states for rapid economic growth predicted that white population will level off at 120,000.

## D. SUB-SAHARAN AFRICA

### 1. Carter Vulnerable

- Carter has offered little economic aid or leadership in a region that is desperate for both.

### 2. Reagan Agenda

- Work to improve regional security.
- Encourage economic development and increase trade.
- Encourage multinational investment.

### 3. FACTS ON LARGER COUNTRIES

#### ● Nigeria

Nigeria (largest oil producer and largest trading partner in Africa) becoming powerful African leader.

-- Nigeria with 10% of worldwide crude reserves (current production 2.1 mbd) is second largest US oil import source (about 12.5% of US imports).

--- Two-thirds of US exports to Africa go to Nigeria or South Africa (US has \$11 billion trade deficit with Nigeria).

#### ● Kenya

-- Kenya very pro-American, buys all of its military supply from the US.

- Has allowed US to use its harbor and airfield facilities.

- Zaire: ruled by Mobutu since 65; very impoverished, corrupt; rich in mineral resources (copper, cobalt)

-- Soviets may have designs on mineral rich Shaba province. In 1977, Angolan troops invaded Shaba; invasion generally thought to be initiated by Cuban/Soviet interests; eventually thwarted. US, Belgians, Egyptians and French supported ~~Mobutu~~ in varying degrees.

## E. WESTERN SAHARA STRUGGLE

- Conflict between Algeria and Morocco over Western Sahara at relatively low level until recently; now seems to be picking up. Algeria makes no formal claims but backs guerilla raids by POLISARIO (provides Soviet equipment); France supports Morocco. Morocco now threatening war over Algerian support of POLISARIO.
- Carter Administration has kept low profile -- doesn't want to get involved.
- Algeria: US-Algerian relations have improved steadily since 67-74 period of no relations after 6-day war. Algeria remains leading state in Arab movement against Egypt as result of Camp David/Egypt-Israeli accords. US imports Algerian gas.
- Morocco: Oldest and one of most reliable US allies. Widespread anti-American feeling in summer 79 due to Carter refusal to sell them military aircraft. Carter 80 reversal puts relations on friendlier footing (due to foreign policy reassessment and events in Iran).

## F. Libya

- Oil
  - World's third largest supplier of oil (after Saudi Arabia & Nigeria).
    - 10.8% of US oil from Libya (\$9 billion/700,000 bd); despite cool political relations, Libya a reliable supplier.
  - In OPEC, Libya works to push price up (\$37 per barrel); advocates production cutbacks to maintain high price levels.
- Col. Qadhafi (in power since 1969) ambivalent and self-contradictory.
  - Supports anti-Israel and revolutionary causes; opposes Camp David accords.
    - Finances IRA, Japanese Red Army, Moro insurgents in South Philippines.
    - Provides sanctuary to terrorists.
    - US Embassy in Libya mobbed while Carter in office.
  - Sees value in cooperation with American companies in oil production and marketing, and has made efforts to improve ties to nonofficial Americans.
    - Billy Carter tie is, of course, an Achilles heel for Carter, especially in US Jewish community.
  - Criticized Iranian hostage taking; then called for Arab boycott against US for freezing Iranian assets; then sent Carter message saying he'd try to help release hostages.



Longitude West of Greenwich

Longitude East of Greenwich

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*Latin America*

## LATIN AMERICA, CENTRAL AMERICA, CARIBBEAN

### A. Carter Vulnerabilities

- Carter policy has created serious vulnerabilities; challenges to our vital strategic interests.
  - Hostility toward US government by major nations.
  - Destabilization of friendly governments.
  - Spread of Cuban influence.
  - Steady loss of ground in trade and investment to European and Asian competitors.
  
- USSR, through Cuban surrogate, has become a major military power in Western Hemisphere.
  - Has access to naval facilities at Cienfuegos for nuclear submarines; airstrips that can accommodate Backfire bombers; Soviet combat brigade.
  - Continues to finance, train and staff Cuban military establishment (cost: \$3 billion a year).
  - Electronic surveillance, naval reconnaissance and network of intelligence activities.
  
- Carter policy characterized by:
  - Neglect; dismantling "special relationship"; hemispheric policy incorporated into "global framework."
  - Reduction of US assistance
    - One-half as much aid requested in 1980 as a decade earlier; military assistance declined even more.
    - Arms sales curbed; by 1978, US accounted for only 10% of arms sales (Carter to OAS: "We have a better record in this hemisphere than is generally recognized. Four other nations of the world sell more weapons to Latin America than does the U.S.").
  - Unbalanced human rights standards. Attacks on our friends despite much worse problems in Vietnam, Cambodia and Cuba.
    - Reduced opportunity to support democratic succession to Somoza in Nicaragua.
  - Ignored Cuban readiness to train, equip and advise revolutionaries and other agents of "change."

### B. RR Approach

- Develop and implement comprehensive strategy recognizing Western Hemisphere as vital to our interests; action not words.
  
- Seek to improve strained relations with Brazil, Argentina and Mexico (for Mexico, see "Neighbors" section).

## C. Facts

### 1. General

- LA policy traditionally emphasized Monroe Doctrine and "special relationship." (Good Neighbor Policy, Alliance for Progress). Recently more words than action.
- Several disturbing trends: military control continues in many countries; Cubans/Marxists making inroads, especially in Baribbean; greater tendency toward neutralism.
- Carter nonproliferation and human rights policies have particularly impacted Latin America
  - Attempts to break German and Swiss nuclear deals with Brazil and Argentina caused major upsets in relations (Note: Brazil and Argentina not parties to Nonproliferation Treaty; sensitive technologies being provided not really needed; questions could be raised as to motivations--prestige or movement towards weapons capability). But Carter heavy handed approach showed absolutely no sensitivity to rights of both LA's and Western European allies.)
  - Unable to impact Soviets, Vietnamese, Cambodians -- Carter applied human rights provisions U.S. law with vengeance to LA's, disrupting relations with friends in Argentina, Brazil; again no sensitivity as to what can be accomplished in this area.

### 2. South America

- Brazil
  - With 120 million population (doubling every 25 years), \$200 billion GNP (world's 10th largest), Brazil of major importance to US. Current President Figueiredo (5th general since '64) friendly to US; has pledged to make country a democracy when his term ends in '85.
  - America's generally good relations with Brazil have been marred by Carter nonproliferation policy (attempting to break Brazil-German nuclear deal), human rights policy (cutoff of military assistance).
  - Current Brazilian problems include lack of significant energy resources to support industrial development, \$10 billion annual oil import expense, 60% inflation rate, \$54 billion foreign debt (making it difficult for Brazil to borrow for additional development).
  - Need to encourage Brazil to continue move toward mature and stable democracy.
  - Support recent 1980 Brazil-Argentine rapprochement
  - result of first Brazil state visit to Argentina in 45 years.
  - provides for joint river project, communications satellite launching, nuclear cooperation.
  - NOTE: nuclear cooperation reduces proliferation risk in these countries.

- Argentina
  - Argentine relations strained; refused to cooperate with U.S. grain embargo; Carter human rights and nonproliferation policies have been major contributors to strain.
  - Current Argentine problems include continuing political weakness (Vidella military regime up for election in '81); political repression; high inflation; approx. 20% unemployment.
  - USSR (steadily declining to criticize Argentina's repressive policies) induced Argentina to become a major source of grain and meat.
    - Argentina willing to make good the grain shortfall caused by US embargo.
  
- Venezuela
  - World's largest oil exporter from 1929-69; Venezuela (OPEC member) now struggles to keep oil fields flowing.
  - Is developing huge reserves of heavy oil in Orinoco River Valley.
  - Gives aid to Caribbean and Central American neighbors, trying to broaden scope of OPEC Special Fund to benefit more Latin American nations.
  - Has proposed hemispheric energy development program.
    - US to provide financial/technological know-how in exchange for share of oil from program.
  
- Bolivia's Coup
  - Right-wing military coup threw out civilian govt (7/17/80).
  - US response uncharacteristically harsh; Carter had favored leftish leaning regime:
    - withdrew ambassador.
    - embassy staff reduced by half.
    - cancelled US aid.
    - terminated Drug Enforcement Agency activities.

### 3. Central America

- "Modernizing" nations with economic growth rates above Latin American average; things getting better slowly.
- Many political differences: Costa Rica a democracy since 1948; Honduras in constant turmoil; Nicaragua (under Somoza) once most stable, but no longer.
- Cuban-backed communist inroads being made in Nicaragua, El Salvador, Guatemala.
- Nicaragua
  - Carter pressured Somoza (repressive but incompetent) to reform in '77; but made no effective effort to encourage reasonable alternative.

-- Result:

- When Somoza left Nicaragua in '79, 40,000 Nicaraguans lost lives; 100,000 left homeless; \$2 billion in destruction.
- Leftist Sandanistas consolidated power; formed Cuban trained revolutionary army, new internal police force, used Cuban propaganda.
- Sandanista foreign policy pro Soviet: four top leaders issue joint communique in Moscow (3/80) concerning trade and cooperation, support Afghan invasion; PLO opens embassy (7/80).

-- Despite above Carter Administration continues to believe non-ideological; Congress passed \$75 million aid bill (8/80).

● El Salvador

- Country torn by violence with cycles of escalating terror and repression from extreme left and extreme right.
- U.S. attempt to avoid "another Nicaragua" involves support for most extensive land reform program in Western Hemisphere: providing ownership for 350,000 of El Salvador's 300,000 peasants; but few former owners to receive compensation
- Administration has not pressured for elections nor offered arms or advice necessary to turn back insurgency.

● Guatemala

- Guatemala also experiencing violence, tyranny; US abruptly transferred US Ambassador Frank Ortiz because of his lack of enthusiasm for human rights policy.

4. Caribbean

- Caribbean of strategic importance; oil shipments to US and others pass through here.
- Many political differences: Costa Rica a democracy since 1948
- 32 countries; all but 4 of which island states; 2/3 English speaking; 32 million population, 83% of which in Cuba (10 million) Haiti (6 million), Dominican Republic (6 million), Puerto Rico (3 million), Jamaica (2.1 million)
  - All but 5 (Cuba, Haiti, Grenada, Guyana, Surinam) practicing democracies, market economies; Jamaica moving toward becoming centrally planned economy.
- Caribbean experiencing economic and political instability; agricultural export prices stable, but oil import costs threaten to wipe out gains.
- Castro seeks back door interference/infiltration through Jamaica and Grenada; boasted at 1979 Non-aligned Conference in Havana: "Now there are 3 of us." (Cuba, Jamaica, Grenada)

● Carter Record

- U.S. policy basically one of containment, using economic assistance and diplomatic pressure. Economic assistance roughly doubled (to \$148 million in FY 81).
- Caribbean Task Force in Key West a joke: a tiny command operation without ships or aircraft.

● Cuba

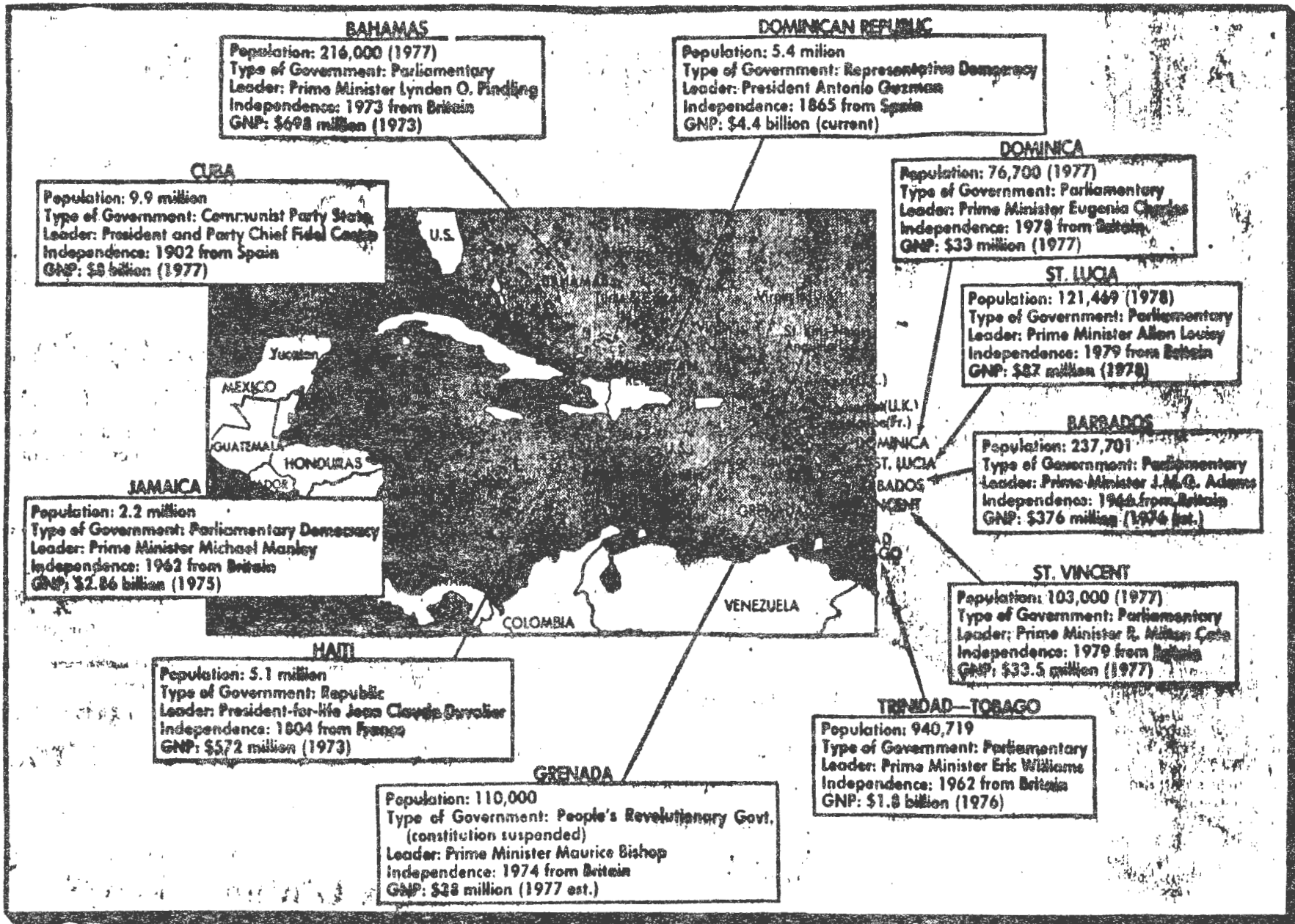
- Carter's policy toward Cuba has included: ending overlights, fishing and maritime agreements, anti-hijacking agreement which has not been renewed, limited cultural agreement; Castro has released all American prisoners (supposedly).
- Cuba has approx. 40,000 troops in other countries (maybe more), receives approximately \$8 million a day from USSR in economic aid.
- Carter has indicated U.S. would consider recognition if
  - Castro loosened ties with Soviets
  - Brought back troops from other countries
  - Released political prisoners
  - Stopped interfering in internal affairs of other countries.
- But Carter vulnerable on Soviet (2-3,000) Combat Brigade in Cuba.
  - 9/7/79, Carter said Cuban brigade's presence "a very serious matter"; "status quo not acceptable."
  - "Highest levels of Soviet government" assured Carter that "unit is a training center" and that "they will not change its function or status as a training center"
  - Carter responded by: concluding "brigade issue is certainly no reason for a return to the Cold War.;" telling Soviets unit cannot be used as combat force, establishing permanent Caribbean Joint Task Force in Key West, expanding military maneuvers in region, increasing surveillance of Cuba, increasing economic aid to Caribbean
- Cuba experiencing internal problems:
  - shake up in Cabinet led to Castro taking direct control of armed forces, interior, public health, cultural affairs (Jan. 1980)
  - Exodus of Cuban refugees started April 7.

● Jamaica

- a "socialist democracy" under Prime Minister Michael Manley with close ties with Cuba.
- 60% of aluminum used in U.S. aircraft and housing industry from Jamaica.

● Grenada

- 1979 coup brought People's Revolutionary Government to power under Prime Minister Maurice Bishop; constitution suspended.
- strong diplomatic, technical and military links with Cuba
- Grenada voted in UN (1/80) to support Soviet invasion of Afghanistan.



**BAHAMAS**  
 Population: 216,000 (1977)  
 Type of Government: Parliamentary  
 Leader: Prime Minister Lynden O. Pindling  
 Independence: 1973 from Britain  
 GNP: \$698 million (1973)

**DOMINICAN REPUBLIC**  
 Population: 5.4 million  
 Type of Government: Representative Democracy  
 Leader: President Antonio Guzman  
 Independence: 1865 from Spain  
 GNP: \$4.4 billion (current)

**CUBA**  
 Population: 9.9 million  
 Type of Government: Communist Party State  
 Leader: President and Party Chief Fidel Castro  
 Independence: 1902 from Spain  
 GNP: \$8 billion (1977)

**DOMINICA**  
 Population: 76,700 (1977)  
 Type of Government: Parliamentary  
 Leader: Prime Minister Eugenia Charles  
 Independence: 1979 from Britain  
 GNP: \$33 million (1977)

**ST. LUCIA**  
 Population: 121,469 (1978)  
 Type of Government: Parliamentary  
 Leader: Prime Minister Allen Louey  
 Independence: 1979 from Britain  
 GNP: \$87 million (1978)

**BARBADOS**  
 Population: 237,701  
 Type of Government: Parliamentary  
 Leader: Prime Minister J.M.C. Adams  
 Independence: 1966 from Britain  
 GNP: \$376 million (1976 est.)

**ST. VINCENT**  
 Population: 103,000 (1977)  
 Type of Government: Parliamentary  
 Leader: Prime Minister R. Milton Cato  
 Independence: 1979 from Britain  
 GNP: \$33.5 million (1977)

**JAMAICA**  
 Population: 2.2 million  
 Type of Government: Parliamentary Democracy  
 Leader: Prime Minister Michael Manley  
 Independence: 1962 from Britain  
 GNP: \$2.86 billion (1973)

**HAITI**  
 Population: 5.1 million  
 Type of Government: Republic  
 Leader: President-for-life Jean Claude Duvalier  
 Independence: 1804 from France  
 GNP: \$572 million (1973)

**TRINIDAD-TOBAGO**  
 Population: 940,719  
 Type of Government: Parliamentary  
 Leader: Prime Minister Eric Williams  
 Independence: 1962 from Britain  
 GNP: \$1.8 billion (1976)

**GRENADA**  
 Population: 110,000  
 Type of Government: People's Revolutionary Govt.  
 (constitution suspended)  
 Leader: Prime Minister Maurice Bishop  
 Independence: 1974 from Britain  
 GNP: \$28 million (1977 est.)

CARIBBEAN

Neighbors