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DOS REVIEWED 17-May-2007: DECLASSIFIED IN FULL

NOTES FOR MEETING WITH THE VICE PRESIDENT

*file
Foreign Policy
Brentford
file
(V.P. meeting
with W.C.
6/26/80)*

MIDDLE EAST

-- EC-9 Declaration

- Shares US goal of comprehensive peace, Israel right to exist and resolution of Palestinian problem.
- PLO must be "associated" with talks; Security Council should provide "guarantees."
- Call for Palestinian self-determination carefully hedged.
- US position is that it does not undercut Camp David and we are moving ahead.
- Hope to influence follow-up contacts to prevent disruption.

-- Meeting on Autonomy Talks Announced

- Washington July 2-3
- Linowitz/Burg/Ali
- To review negotiations and reach understandings for quick resumption.

-- Hussein Visit

- Frank but warm talks cleared the air.
- Progress in understanding how approaches might converge in future.
- Reaffirmation of common commitment to comprehensive peace.

-- US offer of medical assistance to one of West Bank Mayors accepted.

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- Begin says ten new settlements will be last but thickening of existing will continue.
- UNSC Resolution on West Bank
 - US abstains
- Saudis request F-15 modifications for offensive capability.
- 90-day deployment of F-4s to Egypt.
- OPEC meeting
 - \$32 p/barrel ceiling and \$5 surcharge set.
 - Saudis to keep \$28 price/no reduction in production.

SOUTHWEST ASIA

IRAN

New Parliament

-- Checking of credentials progressing well. Selection of new prime minister estimated within 1-2 weeks. Hostage issue could be taken up before July 20.

Internal Struggle

-- Bani-Sadr and the secular leadership squaring off against Beheshti and religious party. Experience suggests continuing unresolved conflict.

7- Khomeini's recognition of the Iranian origin of problems and his scolding of the revolutionary guards for lack of discipline seem to suggest that even he now recognizes something must be done to stop drift towards chaos.

Prospects for Hostage Release

-- Several prominent Iranians have called for release of hostages. Militants have been strangely quiet during recent weeks and hardly anyone mentions return of the Shah. Threat of a trial has receded somewhat. Current idea seems to be to put the US on trial. But still little grounds for optimism.

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Daoudi Mission

-- Daoudi has met with McHenry and Saunders. Little prospect for continuation of UN Commission or publication of its report, despite Ghotbzadeh's insistence. We would want definite link to release of hostages.

Location of the Hostages

-- We have heard from nine hostages since rescue mission. All but one of the letter writers are apparently in the Embassy.

Sanctions and the Economy

-- Clear the US, European and Japanese sanctions having an effect. Many spare parts are in critically short supply. Reduction in Iranian oil sales, together with the freeze of assets, is affecting the available revenues and forcing an austere budget. Inflationary pressures building. Unemployment remains high. Iranian moderates working to relieve problem.

Afghanistan Meetings

-- Ghotbzadeh, Agah Shahi and Chatti meeting this weekend in Geneva with Afghan Freedom Fighters and possibly representatives of the Babrak government.

AFGHANISTAN

-- Fighting reported between combined Afghan/Soviet forces and nationalist insurgents in Kabul suburbs and in Paghman mountains of Parwan. Still no confirmation that Soviets have increased troop levels above the 85,000 previously reported.

-- Soviets are rumored to be looking for replacement for Babrak Karmal. Those most widely mentioned are members of current regime.

-- We have no confirmation of possible suicide attempt by Babrak Karmal, which reportedly was thwarted by his Soviet chief. Karmal has been seen in public since the story appeared.

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-- Political feuding between Khalq and Parcham factions increasing. Assassinations of low-level Khalqi and Parchamist workers averaged over ten a day last week in Kabul alone. Three more cabinet ministers from Amin government probably have been executed.

-- Standing Committee of the Islamic Conference plans to meet in Geneva June 20 with Afghan nationalist representatives. Babrak regime continues to insist that it will not meet with committee unless it is recognized as legitimate government of Afghanistan.

EUROPE

GERMANY

-- Schmidt to go to Moscow 6/30. Promises to discuss Afghanistan and TNF along Western lines. Genscher to brief EC in Brussels and come to US in early July.

-- Schmidt upset over President's letter warning him on understanding with Soviets on LRTNF decision by NATO.

-- Senator Biden's meeting with Schmidt (6/11) - you have received report.

SOVIET UNION

-- Muskie met for first time with Ambassador Dobrynin on June 16. Expressed disappointment with Gromyko's negative reaction to letter on Afghanistan, which Ambassador Watson had delivered the week before. Secretary emphasized President's continued interest in SALT ratification but said votes were just not presently available. Dobrynin asked if that meant ratification is unlikely before next year -- Secretary said that was realistic view. Dobrynin said there would be problems with timing of Protocol if ratification came after Spring 1981.

-- Secretary reassured Dobrynin about false NORAD alert which Gromyko had raised with Watson. Dobrynin expressed interest in Soviet role in solving Middle East problems and regret that no formal response had been made to Brezhnev's proposal for TNF negotiation other than the NATO deployment decision.

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-- Defense Minister Ustinov reported to have cancer.

-- Instruction sent to "Novosti" to step up anti-US propoganda.

Venice Summit

-- To review policies for dealing with energy, inflation, slow growth, rising protectionist pressures. Political discussion for first time. First collective meeting of leaders since Soviet invasion of Afghanistan.

Ankara NATO Ministerial

-- Want to gain support of allies of accomplishments at Venice. Convince Allies that we have long term strategy in dealing with Soviets. Reach agreement on Western position for Madrid CSCE. (Our cautious position towards French CDE has us isolated within Alliance.)

LATIN AMERICA

Bolivia

- Military/far right anti-US campaign escalates.
- Santa Cruz Consular Agency gutted
- Ambassador Weisman's removal demanded by military

El Salvador

- Encouraged by reforms
- Right/left violence continues
- Christian Democratic Party asks for US assistance

Nicaragua

-- Encouraging developments: two moderates on Junta, municipal/national elections promised, private sector reforms accepted, La Prensa re-opens.

- FMS arrearages paid

Cuba

- Boat flow ceases
- 114,126 arrivals to 6/18
- 65,388 relocated

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- Castro rejects US note alleging hardened criminals sent to US. Says "patriotic undesirables" may stay.
- Working on excluding from US some hardened criminals.
- Impasse continues on 350 Cubans given temporary sanctuary in USINT.
- President Carazo agreed in principle to convene second conference on Cuban refugees in San Jose 6/27-28. Requests Tripartite group send letter requesting meeting before announcement. Awaiting British concurrence.

EAST ASIA

Japan

- Ohira death may help unify/strengthen LDP. Should not affect US/Japan relations.

ASEAN Meeting - 6/27 - 28

- To discuss regional security/Kampuchea refugee problems.

Korea

- Uneasy calm prevails throughout the country. Military group has moved to consolidate power through system of committees that cover all functions of government.
- We are working to determine how to persuade ruling group to move in a democratic direction without jeopardizing vital security interests.

AFRICA

South Africa

- Moose expressed to Ambassador concern over escalating cycle of violence and lack of policy restraint. Said repressive measures would inevitably affect relations.
- Unconfirmed police orders to "shoot to kill" matter of great concern.
- Largest South African attack on SWAPO in Angola in two years destroyed SWAPO headquarters and thirteen other bases.

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- US joined in Security Council unanimous vote condemning repression of opponents to apartheid. Provision for oil embargo dropped.
- Mondale met with Ambassador Edmonson 6/18.

Liberia

- New Government seems eager to have good relations with US.
- Has completed realistic budget, econ policy supports free enterprise, has severe payroll problem.
- Urging W. African governments to end Liberia's isolation.
- Tolbert's son removed from French Embassy and imprisoned - urging due process.

Angola

- Senate (Helms) attempting to remove teeth from Clark Amendment, modify to permit arms shipment. We wish to avoid any indication we are involved in arms shipments.

Famine in East Africa

- Aid to Uganda:

20,000 metric tons of emergency food this month and next.

Also financing air shipments of UN food.

Asking for \$1 million PL 480 supplemental.

- Somalia: 11,500 metric tons in food aid to arrive in July. 10,855 tons to arrive in August. \$11.9 million in non-food aid to date.

BASES

Diego Garcia - British accepted all US proposals for FY 82-85 expansion and greater flexibility in using island. PM Thatcher to give formal agreement to President at Venice. Diego-Trident package now in place.

Have signed agreement with Oman. Expect signature on agreement with Kenya by end of month. Negotiations with Somalia: You know status better than I.

Preparing positions for Fall negotiations with Spanish. Expect Greeks to ask for negotiations on security agreement shortly.

OLYMPICS

- 63 countries boycotting Moscow games. There will be no slippage among our major supporters (West Germany, Norway, Japan and Canada). Results of our boycott effort have been good in Asia and the Middle East, moderately good in Latin America and Africa and disappointing in Western Europe, where did better with governments than with Olympic committees.
- Schedule of post-Olympic games proceeding. Track and field, swimming, and gymnastics will be in the United States. Germans and Norwegians will host a shooting event. Boxing will be in Kenya and weightlifting in China.

NON-ALIGNED MINISTERIAL

- Extraordinary ministerial in Havana cancelled. 1981 ministerial moved up to January. Reflects Indian compromise.

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