

NATIONAL SECURITY COUNCIL MEETING

February 11, 1981

Time and Place: 12:00-1:30 p.m., The Cabinet Room, White House

Subject: Central America (U)

Participants:

The President

The Vice President

DECLASSIFIED

NLRR MOS-016 #19085

BY CU NARA DATE 3/26/07

State

Secretary Alexander A. Haig, Jr.
Deputy Secretary William P. Clark
Ambassador Lawrence Pezzullo, US Ambassador to Nicaragua

Defense

Secretary Caspar W. Weinberger

DCI

William J. Casey

JCS

General David C. Jones

White House

Edwin Meese, III
James A. Baker, III
Richard V. Allen

NSC

Roger Fontaine (notetaker)
James Lilly (notetaker)

~~Janet Poirson~~

Summary of Conclusions

Secretary Haig introduced the discussion regarding Central America by remarking that the Salvadorean guerrilla offensive had failed, but it had been supplied by air and sea from Nicaragua. That alone was justification to terminate our aid program to Nicaragua, but there were problems with that. He then introduced Ambassador Pezzullo. (TS)

Ambassador Pezzullo described the nature of the internal situation in Nicaragua. He said the Sandinistas were not men of great stature. They fell into power after a general insurrection against Somoza was started with all sectors of Nicaraguan society participating. The Sandinistas "waltzed in" with no experience in government, and consequently have been running the country into the ground ever since. (TS)

~~TOP SECRET/SENSITIVE~~

Review 2/11/2001

Classified by Richard Allen
Reason: NSC 1.13(e,f)

~~TOP SECRET~~

As far as El Salvador is concerned, the Sandinistas were grabbed by the romance of the revolutionary process as they saw it in Central America and were swept along into helping in El Salvador. They also saw a revolutionary El Salvador being a forward defense position for their own revolution, and they were probably convinced by Castro to get involved. (TS)

But the Sandinistas have got serious problems. Venezuelans and others are criticizing them for their actions. And they are beginning to realize the seriousness of their mistake. (TS)

In regard to the internal Nicaraguan situation: 1) The private sector remains in place and it looks to us for help. \$1.5 million of covert aid has been directly channeled to the private sector and the press. 2) Catholic Church and the Archbishop are progressive, non-revolutionary, and democratic. 3) La Prensa keeps a critical attitude toward the government. It does get help from us and the Venezuelans. Thus, the Sandinistas have the guns, but they don't have complete control. (TS)

The Ambassador then asked: "Can we get the Sandinistas to back off in El Salvador? Can we impress on them the high cost of continuing their efforts? Can we drive a wedge between them and the Cubans?" (TS)

The Ambassador recommended the following:

1. Avoid any precipitous act. Don't cut off aid for the moment. The evidence is there for such an action, but a sudden action on our part would lead to a very negative reaction in Managua, and have a cascading effect that would cool or terminate relations. (TS)
2. There is value to keeping our diplomatic and intelligence assets in place by not moving hastily. (TS)
3. Maintain the pressure with the help of the Venezuelans and the Mexicans. Thus, hold off making final decision and maintain the pressure. (TS)

Secretary Haig said in regard to Nicaragua a set of related issues have to be kept in tandem. First, there is the matter of Cuban involvement. Few, especially in Europe understand the extent of that country's involvement. The Swedish Foreign Minister attacked the US on its support of El Salvador's Junta, and the Foreign Minister has been set straight on the matter. There is foolproof evidence available from the CIA. We need to brief our friends and allies on the evidence. This is an educational job to be done over the next few weeks. (TS)

Second, we are preparing a massive study that will recommend specific measures we can take to bolster El Salvador. (TS)

~~TOP SECRET~~

Third, we must look to Cuba for a part of the solution. The American people won't support another Vietnam situation where US troops are stationed in Central America. Therefore, we must go to the source of the problem and we are preparing a program of actions in regard to Cuba. (TS)

The Secretary also pointed to the danger of ending relations with Nicaragua suddenly with 150 Americans in Managua. It is his advice that the US tell the Nicaraguan government it has 30 days to clean up its act. It is assumed the Sandinistas won't do that, but it will give us time to put the three parts of our overall program into operation. Thirty days is long enough -- ninety days is too long. As part of the recommendation, there should be a demand for the return of the other parts of the loan already extended. (TS)

Director Casey suggested that action be taken to strengthen El Salvador immediately -- especially so it can protect itself from illegal flights of arms into the country. (TS)

Secretary Haig agreed, but it would take until Monday to draw up a comprehensive program of military and covert action. (TS)

Secretary Weinberger said that illegal plane flights could be dealt with by anti-aircraft and radar. Mercenary pilots flying in arms would be discouraged by these facts alone. The Secretary wanted to expedite the paper work because he believed the military situation is worse than has been already described. (TS)

As far as the training teams are concerned, there are problems. If American military men are caught in the crossfire, there is the temptation to send in more men to protect them and we get into a Vietnam situation. There is a proposal to use the training teams outside El Salvador which would extend the time for it having a positive effect. (TS)

Mr. Meese asked if the Defense paper would be ready by Tuesday. (U)

The Vice President asked if the Sandinistas deny they are involved? (TS)

Ambassador Pezzullo said they don't really deny it. They only say it's less than we assume it is. (TS)

Secretary Haig mentioned some 1,000 tons have gotten through. (TS)

Mr. Baker asked what the 30-day delay was for. (TS)

Secretary Haig said that we don't want a cause celebre. We don't want Managua to take punitive action against our people. We need time to develop our public case. (TS)

Secretary Weinberger said we must get to the Europeans and especially the Germans. They need to be prepared. (TS)

~~TOP SECRET~~

Deputy Secretary Clark stated such an effort can be ready in 72 hours. We will deal with Mexico, Brazil, Venezuela. Also Europe. Can leave Sunday and our people will give non-classified briefings to important parties and classified briefings for our NATO governments. (TS)

The President asked what we can do specifically about Cuba? (TS)

Deputy Secretary Clark said we've got the evidence of Cuban and Soviet complicity. Hill leadership will be notified and the press given an unclassified briefing. (TS)

Mr. Allen asked what about German involvement? CDU/CSU should be kept informed and the Schmidt government kept on the spot. (TS)

Secretary Haig said yes, but we must be careful. The German Chancellor is on the spot already with his party's leftwing. (TS)

Mr. Baker asked for a clarification on the 30-day grace period. Are we planning to tell them we intend to cut them off right away? (TS)

Secretary Haig said we will not flatly inform them of this. The remaining money should be held out like the Holy Grail. Of course, they will not get it. (TS)

The President wanted to know what specific pressures can be placed on Cuba -- the source of the problem. (TS)

Secretary Haig said there has been some discussion that the Cubans would pull another Mariel. We could announce any such action would have serious consequences and we would consider it an act of aggression. At the same time we will take 15,000 refugees provided they take back their rejects. The Secretary added that Castro is scared of Ronald Reagan, and that fear is an instrument for us. (TS)

Secretary Weinberger stated that clandestine operations could be considered. Economic pressures brought to bear particularly if we could peel away Cuba's western economic partners. There is a list of 6 or 8 other actions that might be considered. (TS)

The President asked what kind of military action specifically? (TS)

Secretary Haig said in case of a Mariel operation, it might mean using naval vessels and even mining the harbors. (TS)

Secretary Weinberger stated the problem with military action is that as it escalates, Congressional checks come into play. (TS)

Director Casey suggested helping Savimbi in Angola. Get radio broadcasts started up that detail costs of Cuban adventuring. (TS)

~~TOP SECRET~~

Secretary Haig said if the Soviets move into Poland, we must get them somewhere else first, and that means Cuba. (TS)

Secretary Weinberger said that we can threaten Cuba and we can sell military items to China. (TS)

Mr. Meese asked if we could accept the 30-day plan with the follow-up papers? (TS)

The President said yes. The President also stressed that if the Junta falls in El Salvador, it will be seen as an American defeat. We will go with the first plan, but we must not let Central America become another Cuba on the mainland. It cannot happen. As far as Lopez Portillo is concerned, he is caught between public positions and private beliefs. (TS)

Ambassador Pezzullo said Mexico's role is key. It wants a separate role and it wants to out do the Cubans. Mexicans will accept our determination to save Salvador. They key is to keep talking to them. And Mexico can influence the Sandinistas. (TS)

The President said that he understood and accepted the fact that Mexico has a role to play, and perhaps their image is better in Central America than ours is and was. (TS)

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MEMORANDUM

NATIONAL SECURITY COUNCIL

~~SECRET~~

February 19, 1981

MEMORANDUM FOR: RICHARD V. ALLEN
FROM: JIM LILLEY *[Signature]*
SUBJECT: 11 February NSC Meeting. (U)

Summary and Conclusions

The President stated it was his desire to treat Taiwan with dignity as an old friend of the U.S. He emphasized that the fall out in Peking should and could be minimized. He wanted specific actions carried out including reciprocal visits. The President then passed out copies of his 25 August policy statement containing his five principles for governing our relations with China. (S)

The Vice President agreed the President was committed to improving the operating atmosphere with Taiwan, but cautioned regarding Peking's extreme sensitivity on the issue of Taiwan. Peking had, however, blotted its copy book by its intemperate attacks on our Administration. (S)

Secretary Haig agreed the issue was manageable, but stated it should be handled with the greatest of caution because of the importance of maintaining the strategic relationship with Peking. (S)

Mr. Allen suggested the U.S. could carry out certain moves to strengthen the relationship with Peking prior to moves benefitting our relationship with Taiwan. These could include a Chinese ambassadorial call on the President, an invitation to the Chinese Premier to come to the U.S., release or sale of some military related equipment which the Chinese wanted. (S)

ACTION

State Department and NSC prepare plan of action including both Peking and Taipei to carry out President's desire to:

- Strengthen relations with Peking.
- Improve our operating position with Taiwan and start implementing the President's 25 August statement. (S)

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Review on 2/19/87

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Approved for distribution ✓

yes _____ *118*

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NLS MI 267 #6
BY LOS NARA, DATE 11/3/06