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NATIONAL SECURITY COUNCIL WASHINGTON, D.C. 20506

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AUTHOR NICHOS - 732 #110

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National Security Council Meeting
October 30, 1984, 3:30-4:30 PM, Cabinet Room

SUBJECT:

NSC Meeting on Contadora Process (C)

PARTICIPANTS:

The President

The Vice President's Office Mr. Donald Gregg

State
Secretary George P. Shultz
Amb. Langhorne Motley

Defense
Secretary Caspar W. Weinberger White House
Mr. William H. Taft Mr. James Ba

OMB Dr. Alton Keel

Mr. William J. Casey
Mr. Robert Vickers

USUN Amb. Jeane J. Kirkpatric (

USIA

Mr. Charles Wick Mr. John P. Kordek

JCS Gen. John Vessey Adm. Arthur Moreau

White House
Mr. James Baker, III
Mr. Michael Deaver
Mr. Robert C. McFarlane
Adm. John Poindexter

NSC Jacqueline Tillman

Minutes

Mr. McFarlane: It has been several weeks since the state of play on Central America has been reviewed. Quite a number of things have happened. This meeting will be a 45-minute session to enable you, Mr. President, to hear about developments regarding the Contadora process and the Nicaragua elections. (S)

You will recall, in early September, the Contadora countries developed a draft treaty which was deficient in several respects. Essentially, the Core Four would have had to remove their pressure on Nicaragua without similar requirements for Nicaragua. Verification was not credible and the treaty did not have means of enforcement. Your public position has been supportive of Contadora, reinforced by the Secretary of State, and has led to working with the Core Four to develop a good treaty. (S)

The Core Four met on the 19th and 20th of this month and reduced their recommendation to a collection of improvements to the

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Contadora draft for a third document. It is expected that a final draft will be presented back to the Core Four at the OAS meeting two weeks from now in Brasilia. (S)

With the Nicaraguan elections, we have tried to get them postponed, but they will take place this Sunday. The opposition—those with credible memberships—have either pulled out or not participated. The PLI has pulled out, but it appears the small, Conservative Democratic Party will go ahead and participate. The elections will be a shell with virtually no credible opposition participating. (S)

We continue meetings between ourselves and the Nicaraguans. You will recall the first of June when the Secretary opened these talks. Ambassador Shlaudeman is meeting yesterday and today in Mexico with them. (S)

I thought it would be useful to begin with an intelligence report from Director Casey. Then the Secretary will give us a report on the Contadora process and the Nicaraguan elections. (S)

Director Casey: (Mr. Casey read his intelligence report verbatim which is attached at Tab II). (U)

Mr. McFarlane: Now we'll get the state of play on the substance of Contadora developments and the prospects for next steps. (S)

Secretary Shultz: But first, I'd like to give some background. We're involved here, Mr. President, as we are in many other places, with the interplay of strength and diplomacy. With our strength built up, we have something to negotiate with. If we had no diplomacy, it would erode our capacity to maintain our strength. (S)

Things are going cuite well. Our approach is working. Duarte has been a tremencous success; he is a winner. He has turned around Congress and Europe. In El Salvador, where I was just several weeks ago, you can feel it in the air. Duarte has captured the initiative. People are seeing that in a country where people have been killed for many years, peace, if not probable, is at least now possible. In Guatemala, since their July elections, things have opened up for the better. The new President in Panama is solid, and we will be working closely with him. And there are a fairly new President and Foreign Minister in Venezuela who I think are stronger there. (S)

Things are more mixed in Nicaragua, but the situation is not necessarily adverse. We, unfortunately, lost the funding for the Contras. Our policy has been to encourage the Sandinistas to hold elections, to hoist them up by their own petard (laughter). Cruz has enormous credibility. In Rio de Janeiro, he had discussions with the Sandinistas about the elections; and at the point where there was almost agreement, the Sandinistas walked out and everybody understands that. The Socialist International SECRET



is walking away from them; France is not sending observers to the elections. Our strategy is to see that the elections don't legitimize them, but do exactly the reverse. So, we're doing pretty well there. (S)

The regional negotiations represent our biggest challenge. When this was first being discussed several years ago some counseled against this course because we couldn't control where it went. We saw that going in. We've averted one catastrophe, but there are plenty of problems ahead. Nicaragua pulled a pretty smart political move accepting the treaty. We had a diplomatic battle to get across that the Acta was not satisfactory. We won that battle, even with the Mexicans, with de la Madrid; the Mexican Foreign Minister said that last week in Madrid. We are trying to improve the Acta by working with the Core Four. Central Americans, particularly Honduras, have made good additions to a counter draft which is a big improvement. But in the Core Four, there are problems with Guatemala because of their drift to the Mexicans. Their guerrilla problem is connected with their interplay with Mexico. Also, the Honduran and Guatemalan foreign ministers don't get along--some sort of personal problem. I think we can really benefit from more intelligence about Guatemala. (S)

So the Contadora gambit failed. As Bud said, in the next go around we'll be on the edges of the OAS meeting. I'll be there, but I don't know exactly what will happen. Most feel that it won't be finished up by that time. Some think--even Mexico--a satisfactory treaty won't be completed until December. (S)

We are in the spot where we have a very delicate situation. If the Acta satisfactorily handles our main points, if these are taken care of, verification provided for, then the question will be, if that is something we can live with. But, the gist of what I gather from what Bill said is that there isn't an Acta we can live with. If we don't participate in these negotiations, it undermines our worldwide position as negotiators. It may be that Nicaragua won't sign it. My guess is they probably will. We need to point out their elections are a violation of the Acta's democratization position before it even goes forward. (S)

We have a judgment to make--a difficult and important one to make. If the situation can be brought about that peace and stability for the countries we care about, if the Contras can continue and if the Nicaraguan economy goes to pot, if the Soviet Ambassador thinks that Nicaragua's economy is a better showcase than the Cubans, then that is just pathetic. Time is on our side. We need to determine if we are going to follow through in a tough, strong way. (S)

Amb. Kirkpatrick: I've been observing this process from a different perspective at the UN. We were confronted with a move to support the second Acta. Mexico and Nicaragua went to work to SECRET

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get this through the Security Council. The Security Council decisions, of course, have the force of international law. At the time, all the Foreign Ministers of the Core Four countries were in New York along with the Colombian and Venezuelan ones who were key. It turned out that the Colombian foreign minister was new and didn't know that the Core Four had not approved the Acta—he thought they had—and didn't know that decisions of the Security Council and the General Assembly were different. The Venezuelan was somewhat better informed. Anyway, with substantial support from State, we were able to get information to them and prevent any Security Council action. During all this, I was able to have long conversations with the Core Four foreign ministers and President Duarte, whom I have known for a long time. (S)

My impression is that if we did not play a major role in preventing El Salvador, Honduras, Costa Rica, and Guatemala to sign, they would have signed. Costa Rica had submitted, and Guatemala (in correspondence in Paris) had indicated they would. Honduras and El Salvador were very critical of the draft. In my conversation with Honduras and El Salvador, each stressed their concern about Guatemala, about the great loss of Guatemalan support and solidarity. They, too, feel Guatemala has been wooed by the Mexicans and the Nicaraguans. The Hondurans believe the problem is Guatemalan Foreign Minister and that President Mejia is more inclined to be supportive. But, Duarte is convinced General Mejia is listening to the Mexicans, so it is difficult to have an impact on the Guatemalan position. The Costa Ricans felt that if a common front with Guatemala became more difficult, perhaps it could be achieved at the head of state level. Guatemala is a serious problem. In the General Assembly, Nicaragua submitted a resolution which was also turned back. Guate ala was unwilling to meet with us and the other three Core Four countries. The problem is serious and likely to be with us for some time. (S)

I personally believe that if we leave the problem alone, Duarte and the Salvadorans, who are strong and serious people, will either work out a satisfactory agreement which protects their interests or they won't. The question is, who takes the rap? We're better off not being involved. If we try, we will be under pressure to produce. If we are not party to the negotiations, they can bind themselves, but we will not be bound. We should not seek to solve this diplomatic problem. When thinking about strength and diplomacy, it isn't necessarily helpful if we provide a solution to which we then can't provide a commitment. Nicaragua could have elections that fail; we can make other commitments at that stage. (S)

Mr. McFarlane: If I understand you, you would see us, in the future, in a less activist posture. (U)



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Amb. Kirkpatrick: My judgment is that if we don't work it out with our diplomacy and pressure, there won't be an agreement. There are endless negotiating processes all the time--Iran/Iraq, Afghanistan, Vietnam--a number just endlessly going on. Our goals are to keep helping the other countries, but we cannot accept proscriptions by signing on. If we sign, it will bind us because we are an honorable country. They won't be bound, and this is a dangerous course for us. If we are not in an activist mode, this could just go on and on and on. (S)

Secretary Weinberger: I agree with that. The first attempt with the Acta came close to being a disaster. We would have had to remove our forces first and would have left things at great risk. The second draft isn't much better than the first. We could hope that Venezuela and Panama would help, but failure still is a strong possibility. The Acta would prevent us from not doing what we should do for our national security, as Jeane said. From every point of view, it seems to me we ought to be staying out, keeping out, so we won't be bound by it. Staying in risks being tarred with failure. I think Jeane's on a sound course. (S)

Secretary Shultz: First of all, so far as I know, there are no plans for us to sign a document, unlike what was said in the newspapers here while I was in Central America. I don't believe we are inconsequential in Central America. We have a strong, large presence there and give lots of money to the region. We have been active in getting other people to do a variety of things for us. We have organized the Core Four to give them legitimacy, cohesion and solidarity; and, if we suddenly declare we're out.... (S)

Secretary Weinberger: We aren't suggesting that. (U)

Amb. Kirkpatrick: We do play an important role in Central America, and our policy has produced some good results. We should leave this to the Core Four and should not play an important role. We should go on helping in technical ways and be generally supportive. But if we don't work out a diplomatic solution to this diplomatic problem for them, we can simply continue pursuing our policy and go on doing what we've been doing. (S)

Secretary Weinberger: We shouldn't disassociate ourselves from Central America, just from this particular peace process which almost led to a complete disaster. In associating with it, we can bind ourselves from doing what we want to do. (S)

General Vessey met with Col. Blandon from El Salvador today. You may want to hear what he had to say. (C)





General Vessey: Well, he came up to tell us what Duarte's strategy is for the peace talks. Blandon tells a good story. He says that they are winning the war, and he seems convinced that there is a good deal of support for Duarte in the military. Not all of them believe in what he's doing, but they are beginning to see. Col. Blandon sent this painting to you by an artist from La Palma; it's the pyramid of peace with the equality, justice and understanding. It's the sign of their expectations of success. Blandon raised the Contadora process. He believes that the process has been useful because it has gained support from the moderates and the Socialist International and the French. Duarte's view is that Contadora should not become a process by which Cuba and the Soviets can remain dormant for awhile and then come back. (S)

Mr. McFarlane: I believe there is consensus that we are in a good position. Congressional support for resources has given confidence. Our policy--military, political, and, beginning now, economically--ought to continue with sustained support and resources. There seems to be some misgivings where negotiations for finite conclusions will lead us if we observe or are signatories to a treaty which then prohibits us but not the Soviets and the Cubans; that would be a bad outcome. Jeane and Cap seem to be saying (and I don't know where Bill is) that moving this to a conclusion is against our interests with Secretary Shultz against that. (S)

Secretary Shultz: Our strength feeds on our diplomacy. If we act like we are no longer interested in negotiations, it will become apparent.

Director Casey: No one is suggesting that. (U)

Secretary Weinberger: We just want to back away from it. Let those countries work on their own peace. Let's just back away. (S)

Amb. Kirkpatrick: I have always felt to have these negotiations is important. They have support all over the world--159 countries just voted a consensus resolution in support of the process at the General Assembly. But no part of that resolution said the US had to sign anything, and this is very important. But I think we should continue our support. I'm very sorry, but I have to go. (S)

Secretary Shultz: Let me point out why I think putting our position out is important. The Acta, as drafted, would have restricted our ability to maneuver, and we worked to change that. I looked at de la Madrid straight in the eye and told him we are not going to accept restrictions and you wouldn't even want us to. The new Acta has been changed. The Joint Chiefs have found it reasonable. If any word of my conversation with the Mexican President leaks out.... (S)



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President Reagan: I'll lend you the gun (laughter). (U)

Mr. Wick: The analysis seems to be that if the Core Four and the Nicaraguans have an agreement, our group who is honorable, would observe it; but the others, with Cuba and the USSR, would ignore it. An ambiguous situation. (S)

Mr. McFarlane: The Core Four understands the unacceptability of an Acta which would prohibit them from taking our support. Mr. President, you have heard a variety of opinions and options, and we will get them to you on paper. (S)

President Reagan: I am concerned about what we face in Nicaragua, with the government established in Nicaragua which is as solidly doctrinaire as the Politburo in Moscow. There is no way that they can change or relinquish their power in a power-sharing arrangement. The Contras made them uncomfortable. There may not be another way out for them. (S)

MEMORANDUM.

NATIONAL SECURITY COUNCIL

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ACTION

November 1, 1984

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM:

JACQUELINE TILLMAN

SUBJECT:

Minutes of the NSC Meeting on October 30, 1984;

3:30-4:30 PM

The minutes of the NSC Meeting on the Contadora Process are at Tab I.

RECOMMENDATION:

That you approve the minutes.

Approve PMC Disapprove____

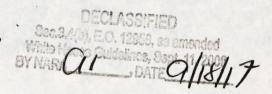
Attachments:

Tab I Minutes

Director Casey's intelligence report

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Collection Name EXECUTIVE SECRETARIAT, NSC: MEETING FILE

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ID D =		12		
ID Doc Type	Document Description	No of Pages	Doc Date	Restrictions
212056 MEMO	MENGES, TILLMAN TO MCFARLANE RE STATE PAPER FOR THE NSC MEETING		10/29/1984	
	OF 10/30			
212057 PAPER	BACKGROUND PAPER FOR NSC MEETING ON CENTRAL AMERICA 10/30	7	ND	B1
	(INCLUDING ATTACHED PUBLIC DIPLOMACY PAPER)			
212058 MEMO	KIMMITT TO CHARLES HILL RE NSC MEETING ON CENTRAL AMERICA 10/30	2	10/24/1984	B1
212059 PAPER	RE CONTADORA ACTA: REVISIONS AGREED TO AT OCT 19-20 CORE FOUR MEETING IN TEGUCIGALPA	4	10/25/1984	B1
212060 MEMO	MCFARLANE TO THE PRESIDENT RE NSC MEETING	4	10/29/1984	B1
212061 MEMO	TILLMAN, MNEGES, BURGHARDT TO MCFARLANE RE NSC MEETING ON CENTRAL AMERICA	1	10/26/1984	B1

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Freedom of Information Act - [5 U.S.C. 552(b)]

B-1 National security classified information [(b)(1) of the FOIA]

B-2 Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]

B-3 Release would violate a Federal statute [(b)(3) of the FOIA]

B-4 Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]

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15.5	12		
ID Doc Type	Document Description	No of Doc Date Restrictions Pages	
212063 LIST	OF ATTENDEES FOR NSC MEETING	1 10/30/1984 B1	
	708		
212062 TALKING POINTS	RE CENTRAL AMERICA	4 10/30/1984 B1	
D D	9/18/2017 NLR-750-6-7-7-8		

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