

2/6/79

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THE PRESIDENT'S SCHEDULE

Tuesday - February 6, 1979

8:15 Dr. Zbigniew Brzezinski - The Oval Office.

9:30 Mr. Frank Moore - The Oval Office.

10:00 Mr. Jody Powell - The Oval Office.

10:30 Arrival Ceremony for His Excellency Kriangsak Chomanan, Prime Minister of the Kingdom of Thailand and Khunying Virat Chomanan.
The South Grounds.

11:00 Meeting with Prime Minister Kriangsak Chomanan.
(60 min.) (Dr. Zbigniew Brzezinski) - The Oval Office
and the Cabinet Room.

1:30 Mr. James McIntyre - The Oval Office.

7:30 State Dinner (Black Tie) Honoring His Excellency Kriangsak Chomanan, Prime Minister of the Kingdom of Thailand, and Khunying Virat Chomanan.

THE CHIEF OF PROTOCOL
DEPARTMENT OF STATE
WASHINGTON

February 2, 1979

MEMORANDUM FOR THE PRESIDENT AND MRS. CARTER:

SUBJECT: Proposed gifts for the Official Visit to the United States of His Excellency Kriangsak Chomanan, Prime Minister of the Kingdom of Thailand, and Khunying Virat Chomanan, February 4th - 16th, 1979.

I recommend that the official gift to Prime Minister Kriangsak and Khunying Virat be a personally inscribed photograph of the White House Arrival Ceremony on Tuesday, February 6th, placed in a blue leather frame with the Presidential Seal.

Following is a suggested inscription:

"To our good friends Prime Minister Kriangsak and Khunying Virat,

With very best wishes,

Jimmy Carter

Rosalynn Carter

February 6, 1979"

Relating to Mrs. Virat's special interest in orchid growing, I believe she would very much appreciate the limited edition sculpture of a "Blushing Orchid", six inches long, by Cybis Porcelains.

Joni D. Mark
Kit Dobbelle for Ambassador
Dobbelle

THE WHITE HOUSE
WASHINGTON

2/6/79

Tim Kraft
Frank Moore
Zbig Brzezinski

The attached was returned in
the President's outbox today
and is forwarded to you for
appropriate handling.

Rick Hutcheson

cc: Phil Wise
Fran Voorde



MEMORANDUM

THE WHITE HOUSE

WASHINGTON

February 2, 1979

MEMORANDUM FOR: THE PRESIDENT THROUGH: PHIL WISE PW
FROM: ZBIGNIEW BRZEZINSKI W.
FRANK MOORE J.M.
TIM KRAFT TK
SUBJECT: Discussion Before Your Trip to Mexico

As you know, Mexico has generated an enormous amount of interest in the U.S. in the last six months. Most of the press, public, and Congressional interest has focused on Mexico's new importance to the U.S. and to the world as a result of its massive discoveries of oil and gas. We have also been subject to a good deal of criticism for failing to complete an agreement on natural gas and for doing a poor job of managing our relations.

Everyone has become an expert on Mexico, and many -- Congressmen, Senators, labor, business, Mexican-Americans, etc. -- have offered their advice on ways to improve our relationship. Not a few have been critical of U.S. policy, in part because they feel excluded from the process and because they are unaware of the policy.

Our staff has met with those groups to assuage their concern and try to give them a sense that we are on top of the issues in U.S.-Mexican relations. We recommend that you continue (as you did Thursday night) to use part of your meetings with Congressmen and Senators to convey your interest in U.S.-Mexican relations and your interest in their views. Cy Vance will do the same.

RECOMMENDATION:

We also recommend that you have a meeting before your trip to Mexico with a group of businessmen, labor and cultural leaders, who have a deep interest in U.S.-Mexican relations as well as a group of Hispanic leaders which Stu Eizenstat has organized to advise us on immigration policy. We believe this is important -- for both policy and political reasons.

APPROVE

DISAPPROVE

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BUSINESS

Gerald J. Van Heuven, Executive Vice President of the
U.S.-Mexico Chamber of Commerce, Washington, D.C.
and Mexico City

Al R. Wichtrich, President, American Chamber of Commerce,
Mexico City

Henry Geyelin, President of Council of Americas

Ralph Pfeiffer, Chairman of IBM World Trade

J. Irvin Miller, Chairman, Cummins Engine

Edgar Molina, Vice President of International Affairs, Ford

LABOR

Lane Kirkland, Secretary-Treasurer, AFL/CIO

Ernest Lee, Director for Latin American Affairs, AFL/CIO

CHURCH AND CULTURE

Monsignor George Higgins, U.S. Catholic Conference

John J. Jova, Meridian House, former U.S. Ambassador to
Mexico

Roger Stone, Center for Inter-American Relations

HISPANIC LEADERS

Ed Pena, LULAC

Don Pacheco, GI FORUM, Denver

Vilma Martinez (or Al Perez), MALDEF

Jorge Batista, Puerto Rican Legal Defense Fund (PRLDEF)

Andres Hernandez, National Coalition of Cuban Americans

Al Montoya, Labor Council of Latin American Associations (LCLAA)

Juan Patlan, Mexican American Unity Council, San Antonio

Tom Espinoza, Chicanos por La Causa, Phoenix

David Lizarraga, The East Los Angeles Community Union (TELACU)

Ed Romero, Hispanic Chambers of Commerce, New Mexico

Jesse Ramirez, Chicano Federation, San Diego

Lorenzo Patino, La Raza Lawyers Assn, Sacramento

Richard Alatorre, Chairman, Chicano Caucus, California

Paul Moreno, Chairman, Chicano Caucus, Texas

Juan Maldonado, Mayor, San Juan, Texas

Raul Martinez, Mayor, Parlier, California

Robert Mondragon, Lt. Governor, New Mexico

Ray Salazar, Mayor, El Paso, Texas

THE WHITE HOUSE
WASHINGTON

2-6-75

Has

Invite Mass. Gov.
King to some event

J

THE WHITE HOUSE
WASHINGTON

January 19, 1979

P

MR. PRESIDENT:

Since Wednesday when you approved the two-week schedule for January 22 - February 4, additional requests have been submitted by Frank Moore and the NSC on Deng's schedule, necessitating shifting some appointments - including a news conference. You will still have 2 in January and 2 in February, but I thought you should approve the changes. They are in pencil.

all ok
J

PHIL

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THE WHITE HOUSE
WASHINGTON

2/6/79

Zbig Brzezinski
Jim McIntyre

The attached was returned in the
President's outbox today and is
forwarded to you for appropriate
handling.

Rick Hutcheson

cc: The Vice President

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ESDN: NLC-126-167-15

BY KS NARA DATE 7/9/13

~~SECRET~~



THE VICE PRESIDENT
WASHINGTON

February 6, 1979

ok
J

MEMORANDUM TO THE PRESIDENT

FROM: THE VICE PRESIDENT *WJ*

SUBJECT: MAP Program

I have reviewed the attached memoranda discussing the MAP program. I recommend Option 2, which would continue MAP on an exceptional basis for a small number of countries. I would add two arguments to those appearing in the memos.

First, I believe that the Executive branch is restrained too much already in its authority to deal with the problems of nations around the world needing assistance. The MAP program provides grant aid which, in some cases, is a crucial advantage over FMS sales. At a time when we are consistently fighting against restrictions on Executive authority, I don't see why we should close the door forever on a modest program which can be used selectively in ways described in the memo.

Secondly, while we may have budgetary reasons to justify termination of MAP, I believe it will be perceived as a further weakening of our capability to support vulnerable nations at a time when so many nations have seemed to go sour--Afghanistan, Yemen, Ethiopia, Iran, etc. I believe an absolute termination of MAP would be perceived as an additional sign of American weakness. We simply don't need that now. The Russians can do any damn thing they please.

As a matter of fact, I think the President should have more authority to move assistance around, both in terms of amount and in terms of flexibility, not less, but I agree that the environment now doesn't permit it.

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EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

FEB 2 1979

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MEMORANDUM FOR: THE PRESIDENT
FROM: James T. McIntyre, Jr. *J. T. McIntyre*
Director
SUBJECT: Phaseout of Grant Military Assistance

During the 1980 budget review you approved OMB's recommendation to phase out the grant military assistance program (MAP) in 1981 while seeking to preserve MAP authority for unforeseen exceptional circumstances. In the subsequent appeal you rejected State and Defense recommendations to withhold a decision on phasing out MAP pending completion of an interagency study and reaffirmed your earlier decision. Accordingly, the 1980 budget explicitly states this to be the Administration's policy.

Dr. Brzezinski is now forwarding to you the NSC requested study, "Interagency Review of the Military Assistance Program," which is the basis for the recommendations of Secretaries Vance and Brown and Dr. Brzezinski that you retain grant military assistance (MAP) beyond FY 1981. In our view, the study is essentially a brief for continuing the program rather than a balanced review of both the advantages and disadvantages of MAP.

The study concludes that MAP funding should continue along present lines because:

- Substitutes for grant MAP, including economic grants, are equally costly to the U.S.
- Several MAP recipients cannot absorb more debt, rendering FMS and other financing an incomplete alternative to MAP.
- MAP, unlike economic grants, directly benefits the recipient country's military establishment, the support of which is indispensable in base negotiations.

We are concerned that the study proceeds from such unexamined premises as (1) that the U.S. must pay for its military bases abroad, (2) that MAP is an indispensable component of any formal or informal quid pro quo, and (3) that MAP is critical to support for our bases by recipient country

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2

military establishments. We believe, therefore, that the study implies a departure from your decision to move away from explicit quid pro quo for bases, emphasizing mutual interests and the totality of our relationship rather than focusing on one narrow aspect such as a base quid.

The study also gives inadequate attention to the future consequences of continuing MAP, especially in view of the tendency of current recipients to expect that MAP will be provided for in future base agreements. Since our base-related commitments to the Philippines and Portugal are covered by the 1980 budget and planned 1981 MAP levels, and MAP has been phased out for Greece and Turkey, the stage is now set to resist anticipated Spanish pressures to offer MAP in the next round of base negotiations for the period after 1981. A firm phaseout policy will make it easier to fend off Spanish claims that MAP is being selectively withdrawn.

We do agree that grant MAP may be needed under exceptional circumstances because economic aid may not always be an adequate substitute. What is essentially new about your policy is that for the first time since MAP began some 30 years ago the burden of proof is squarely upon proponents of MAP to show that it is justified by exceptional circumstances. It will no longer be sufficient to argue that just because a country has been receiving MAP it must be continued.

In view of the above, I recommend you reaffirm your decision to phase out MAP with the 1981 program while seeking to preserve MAP authority for unforeseen exceptional circumstances.

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classification on Feb. 1, 1985

~~CONFIDENTIAL~~

MEMORANDUM

~~CONFIDENTIAL~~

7702

THE WHITE HOUSE
WASHINGTON

~~CONFIDENTIAL~~

January 31, 1979

INFORMATION

MEMORANDUM FOR: THE PRESIDENT
FROM: ZBIGNIEW BRZEZINSKI *UB*
SUBJECT: The Military Assistance Program (MAP) (U)

The resolution of last-minute FY 1980 security assistance budget issues (i.e., Portugal MAP) has delayed presentation of the State-Defense study on the phase-out of MAP. The attached cover memorandum from Cy and Harold summarizes succinctly the case for retaining MAP which I support. Hopefully in the months ahead it will be possible to point to specific achievements of MAP which will demonstrate its cost-effectiveness as a security assistance instrument in exceptional circumstances. (C)

*Cy's oghon 2
J*

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Review on January 30, 1985.

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BY: *125* NARA DATE *7/9/13*

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7702

~~CONFIDENTIAL~~

7824119

December 19, 1978

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Military Assistance Program

We are forwarding to you the report of an interagency review of the Military Assistance Program (MAP). Both of us fully support its conclusion that MAP programs are an efficient instrument for serving US national security and foreign policy interests. MAP resources contribute to the force readiness of one of the NATO allies, Portugal, and to the acquisition of basing rights for US forces in Spain and the Philippines. MAP also supports our political interests in Jordan.

The termination of MAP would not be costless. We would have to find substitutes which may cost as much as MAP, or alternatively, we would put at risk important US security interests and strain ties with key allies and friends.

Despite its concerns about military assistance, Congress has continued to fund limited MAP programs on a case-by-case basis to support specific US objectives.

Limited funding of MAP programs beyond FY-81 may well serve our interests. There is no need, in our judgment, to make decisions now that would foreclose this possibility. We can better address funding questions in the regular budgetary decision-making process as the need arises, especially since a decision not to fund MAP, once communicated to the Congress, might prove irreversible.

Harold Brown
Harold Brown

Cyrus R. Vance
Cyrus R. Vance

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BY: KS NARA DATE: 7/9/13

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GDS 12/19/84

Review of the
Military Assistance Program

Current OMB budget guidance assumes that MAP funding will end in FY 81. Despite congressional concerns about military assistance, however, Congress has continued to approve limited MAP programs on a case-by-case basis to serve specific US objectives.

The purpose of this review is to consider whether the Administration ought to seek to leave open the option of continuing MAP funding beyond FY-81, and if so, for what purposes. Three options for policy are examined: (1) phase out MAP funding after FY-81 and seek effective substitutes; (2) leave open the option of seeking continued MAP funding on an exceptional basis for a small number of countries; or (3) leave open this option with an eye toward providing greater flexibility in the use of MAP and a limited increase in its scope.

A. Security Assistance Programs and MAP

1. The Military Assistance Program

When administrative costs are set aside, the MAP program apart from East and Southeast Asia has ranged from \$100 to \$195 million since FY 1968. This limited program has served three important and sometimes overlapping purposes. It has aided in modernizing the forces of financially-pressed NATO allies so that they can better meet alliance commitments. It has provided an essential quid in negotiations for certain US bases abroad. And it has served as an instrument of US support for the security and stability of allies and friends.

Present MAP recipients are Spain, Portugal, Greece, the Philippines, and Jordan. The FY-79 MAP program amounted to \$161.0 million.

In the early 1950s, MAP was a flexible instrument. Congress appropriated large sums of money. The President was virtually free to allocate it among existing or new programs. He also had a contingency fund and the authority to draw on U.S. service stocks in time of emergency. Over the years, Congress whittled away this flexibility by effectively eliminating the contingency fund and nullifying the drawdown authority, by being less responsive to Presidential requests for funds, and by placing restrictions on how the President could use the funds made available to him.

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ESDN: NLC-126-16-17-1-5

BY: 145 NARA DATE 2/9/83

Today, MAP is limited to specific country programs authorized by Congress, with dollar ceilings on those programs which the President may exceed by only 10%, after notification of Congress. Certain conditions of eligibility are applied to MAP recipients and not to recipients of other forms of assistance.

2. Other Assistance Programs

Some of the needs which MAP once met are now served by other programs. Many countries now can afford to purchase arms they formerly received on a grant basis. For others, FMS financing either through direct credits or guaranteed loans, meets their needs. The FY-79 FMS financing program amounted to \$2,028 million. FMS credits are not, however, suitable for all countries. Although slightly easier than commercial loans, the terms of FMS financing are still relatively stiff, i.e., 2-to-3 year grace, 5-to-10 year repayment, and interest rates based on the cost of money to the USG.

The cumulative burden of FMS debt repayment, when added to other debt servicing obligations, can at times pose difficulties for some countries. Several examples illustrate this impact:

	Estimated FY-79 <u>FMS Credit</u>	Accumulated FMS <u>Debt Service Burden</u>		
		FY-79	FY-80	FY-81
The Philippines	15.6	17.7	16.7	15.7
Turkey	175.0	64.8	115.7	113.7
Kenya	10.0	9.3	13.5	14.2

FMS cash sales are often treated informally as a form of "assistance", even though no grant or concessional element is involved. FMS cash sales enable recipients to use experienced DOD procurement agencies.

Two other forms of assistance, available under the Foreign Assistance Act, can serve security-related purposes, at least indirectly. The first is security supporting assistance (SSA), which is designed to promote economic and political stability in areas in which the U.S. has special security interests and where economic assistance can help secure peace or avert major economic or political crises.

SSA can take a variety of forms, including cash payments or loans. Israel and Egypt, for example, receive SSA grants and loans, although neither receives MAP. These programs are used for the most part to support US diplomacy in the Middle East, and to a far lesser extent, in Southern Africa and Southern Europe.

The second type of economic aid is development assistance, which is limited in use to supporting fully justified economic and social objectives. Neither SSA nor development assistance can be used for military or para-military purposes. Nonetheless, to the extent that either type of assistance can relieve budgetary pressures on recipient nations, it can free other resources for military purposes.

Non-financial instruments play an important role in U.S. security relationships with other nations. In combination with the clear mutuality of interests in certain cases, these instruments are sufficient to provide for basing and other arrangements. Korea, Japan, and West Germany are examples. At the same time, MAP has been relied upon to help us conclude basing arrangements with countries having a lesser degree of mutuality of interests with the US, or facing difficult economic circumstances.

It is to be stressed that every base negotiation or other requirement for MAP has unique circumstances. Thus, MAP's optimal role in overall packages of assistance and diplomatic and military support differs in each case.

B. Current MAP Programs and Future Implications

Examination of existing MAP programs shows the special roles MAP can play.

1. Portugal

MAP serves three roles in Portugal. Because of Portugal's severe economic difficulties, MAP is the principal means of equipping NATO-designated Portuguese forces. MAP is a key factor in assuring U.S. use of the Lajes AFB in the Azores. Finally, MAP serves to encourage an apolitical role for the Portuguese armed forces.

Portugal has recently suggested reopening negotiations regarding the Lajes facilities, tabling a request for \$60 million in MAP and \$80 million in economic assistance, which is very close to the US offer of \$60 million MAP, \$60 million economic assistance. The provision of MAP is critically important to the negotiations and to the continued modernization of Portugal's armed forces.

2. Spain

MAP has been a key component of the base rights arrangements since their inception in 1953. Under the 1976 Treaty of Friendship and Cooperation, which expires in 1981, Spain is to receive \$75 million in defense articles through MAP, as well as other benefits. While MAP and FMS credits help modernize the Spanish armed forces and help symbolize our support for Spanish efforts toward political liberalization, their primary purpose is to assure continued access to Rota, Torrejon, and other facilities.

The present Spanish government has criticized the Franco government for not having obtained for Spain a return more commensurate with the "true" value of the bases to the USG. It will try to strike a better bargain in 1981. MAP will be high on its list of demands, especially for the military, whose support is important to the present government. In the absence of MAP, the Spanish government would press hard for other forms of grant compensation, most likely through higher levels of SSA.

3. The Philippines

The Philippines views US military and economic assistance, and MAP in particular, as essential elements of a base facilities agreement. As part of the current negotiations, the US has offered MAP levels of \$30 million. If the offer were withdrawn, the Philippines would likely press for straight base rental or other compensation on a grant basis.

4. Jordan

As a MAP recipient, Jordan is a special case. It is a vitally important buffer between Israel and more radical Arab states. MAP and FMS financing have helped Jordan to modernize its forces. This in turn contributes to Jordan's sense of security and to its willingness to

play a constructive role in the Middle East peace process. MAP, especially, symbolizes the unique American commitment to King Hussein's government and its moderate political orientation, at home and in Arab councils.

Resources pledged to Jordan at the recent Baghdad summit may alleviate its economic difficulties for the time being. If Jordan returns to a position in the Middle East negotiations more in line with US desires, however, Arab aid will be sharply curtailed.

5. Greece

Not all existing MAP programs are warranted. The current provision of MAP to Greece was mandated by Congress, despite Greece's favorable economic situation. MAP can be terminated without serious detriment to US national security as soon as domestic political considerations permit.

6. Comments on Current Programs and Future Implications

If MAP were terminated for all countries, we could get by--but only by paying other costs. Were no financial substitutes for MAP offered to recipient countries, we could end up putting at risk important security and political objectives now served by MAP. We might set in motion new cycles of political pressures in recipient nations for the restriction or termination of US base rights.

Alternatively, the USG could choose not to risk its security and political objectives, by instead offering substitutes for MAP. But substitutes, including significant SSA grants, may well cost the US just as much as the MAP resources saved. Furthermore, MAP is superior in obtaining support from recipient military establishments for US basing arrangements. Whatever policy choices are made, it is important to recognize that the termination of MAP is not costless.

MAP programs can have side-effects: they can distort resource allocation (military vs. civilian goods) of recipient governments, they can create expectations of continued aid and perhaps encourage higher-than-otherwise defense expenditures by recipient governments, and they can add incrementally to US arms

transfers. Were MAP programs large, these considerations would loom important. In fact, however, MAP programs are so small, for us and for recipients, that few if any of these side-effects have a perceptible aggregate impact.

In sum, therefore, MAP can be an efficient instrument for serving US national security and foreign policy interests.

C. Possible Directions for Expanded MAP Programs

Were it not for severe congressional constraints, we would see advantages: (a) in altering the MAP program to give the President greater flexibility in crises, and (b) in expanding the program to a limited extent for selected additional countries, particularly low income nations.

In the Shaba operation in Zaire, for example, there were several instances in which we could have used MAP to support the efforts of moderate African states to oppose the invasion. This need for MAP could not have been foreseen in advance by budget planners. It would have been desirable to have had available contingency MAP funds for use in such an emergency.

As for a limited expansion of MAP programs, a case can be made that the US should initiate a modest program with Kenya. That nation has launched a military modernization program in response to the great potential for instability in the Horn and in East Africa. Kenya faces a threat not only from Somali irredentism but also the increased military capabilities of Soviet-backed neighbors, including the unpredictable Idi Amin.

Although MAP can be effective in the situations just described, to seek to use it would arouse strong congressional suspicions, and even animosity. Congressional perceptions might change if we were faced with crisis situations. Our justification for the use of MAP in such instances would, however, have to be tied closely to specific policy requirements.

D. Overall Congressional Considerations

In recent years Congress has shown an increasingly restrictive attitude toward military assistance, including MAP. As the USG enters into a program of fiscal restraint, we can expect unprecedented congressional scrutiny of all foreign affairs-related requests for funding.

At best, Congress may continue to accept limited MAP programs along present lines if well justified. We base this judgment mainly on the following factors:

-- Despite its aversion to military assistance, Congress has continued to fund a limited MAP program.

-- Congress will continue to support the structure of US forward basing, and hence provide the resources to pay for it. Congressional concern about the Soviet military buildup might influence this support.

-- Congress may also support MAP for Jordan in view of its unique role in the Middle East.

-- Congress is unlikely to see fiscal advantage in replacing MAP if equally costly substitutes are required.

There are, however, important uncertainties. The new, perhaps more conservative Congress is something of an unknown. The political dynamics of a mood of fiscal restraint are unpredictable. And it is hard to know whether influential congressional leaders (e.g., Zablocki) will continue to push for a total MAP phase-out.

Perhaps all that can be said with confidence is that the more MAP is seen in Congress as contributing directly to concrete US interests, the more likely Congress will continue to fund the program.

E. Options

Option 1. Phase out MAP after FY 1981

No MAP programs would be funded after FY 81 except program wind-up costs as planned in current budget guidance. Alternative sources of funding would replace MAP. Legislative authority would be retained in case it were needed in the future.

Pros

-- Continues the long-term practice of moving away from MAP toward FMS financing;

-- SSA grants may be more beneficial for recipients;

-- The retention of MAP program authority would leave the President the flexibility to seek MAP funding in the future.

Cons

-- MAP is one of our most valuable bargaining tools in base negotiations; its termination would require the substitution of other quid pro quo;

-- The complete substitution of FMS financing for MAP would not suit debt-strained countries.

-- In the case of Portugal, the termination of MAP would end up degrading its contribution to NATO;

-- MAP benefits directly a recipient country's military establishment, whose support is needed in base negotiations.

Options 2. Leave open the option of seeking MAP funding on an exceptional basis for a small number of countries

Pros

-- There is no need to make a decision now to foreclose the option of MAP funding beyond FY-81;

-- Substituting grant SSA or comparable assistance for MAP may cost the US just as much; non-grant substitutes would not suit some recipients;

-- MAP can help allies facing financial difficulties to maintain defensive forces;

-- Congress seems willing to continue to authorize MAP on a case-by-case basis;

-- MAP provides the President with at least some flexibility; if authority for country programs is not sought annually, we would find it difficult to resurrect the program to meet a special requirement;

Cons

-- Congressional skepticism toward MAP per se may continue to grow, leading to new congressional restrictions or even the termination of MAP altogether;

-- MAP can have certain undesirable side-effects on recipient resource allocation and expectations.

agree J

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Options 3. Leave open the option of seeking a limited increase in the scope of MAP programs

Pros

-- The President has expressed a desire for greater latitude in dealing with fast-moving events abroad as they occur;

-- Despite criticism, MAP if selectively used is an efficient instrument of US security diplomacy.

Cons

-- To attempt to broaden the scope of MAP would fail, in view of congressional mandates and attitudes;

-- Given the heavy budgetary constraints of the Executive Branch and Congress, any attempt to broaden MAP's role could be particularly counterproductive.

F. Conclusions

In summary, the basic arguments of this study are:

-- The termination of MAP would require its replacement with substitutes, including SSA grants, which may prove equally costly; or alternatively, a refusal to offer substitutes could put at risk important US national security and political objectives.

-- Moreover, non-military substitutes are likely to be less effective than MAP in supporting the major purposes of the present MAP programs, the securing of base rights and the facilitation of NATO participation by a key lesser developed member of the alliance, Portugal.

-- While Congress is lukewarm about MAP programs, it has continued to fund limited programs on a case-by-case basis to support concrete US objectives. There is a reasonable prospect that it will continue to do so if programs are well justified.

Consequently, the Administration should leave open the option of seeking MAP funding beyond FY-81 on an exceptional basis for a small number of countries.

THE WHITE HOUSE
WASHINGTON

2/6/79

The Vice President

The attached was returned
in the President's outbox
today and is forwarded to
you for appropriate handling.

Rick Hutcheson



THE VICE PRESIDENT
WASHINGTON

February 6, 1979

cc Fitz
J

MEMORANDUM TO THE PRESIDENT

FROM: THE VICE PRESIDENT *WJ*
SUBJECT: Meeting with Tip O'Neill

This morning I had a long breakfast meeting with Tip O'Neill. He is very supportive and made the following points.

He said it's important that you renew contact with the new Governor of Massachusetts, Mr. King, who apparently pledged his support to you at Memphis. He said King should hear back from you and you should reconfirm that commitment.

I called him today - I asked him to come down for a visit when convenient.

He also believes it would be well if you could accept an honorary degree from one of the major universities or colleges in the Boston area this spring. He said you haven't been back there for a long time. If you are interested, I think he would like you to go through him in establishing such an event.

not now

He also said that he thinks that contact should be made with the Dunphys in New Hampshire again because he thinks they will be helpful if we get up there soon enough.

Walter will be at Kriangsak dinner.

He still doesn't think Kennedy is going to run, but he seemed less certain of that point than the last time we talked. He thinks a race by Kennedy would be very foolish.

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	BUTLER
	H. CARTER
	CLOUGH
	CRUIKSHANK
	FIRST LADY
	HARDEN
	HERNANDEZ
	HUTCHESON
	KAHN
	LINDER
	MARTIN
	MILLER
	MOE
	PETERSON
	PETTIGREW
	PRESS
	SANDERS
	WARREN
	WEDDINGTON
	WISE
	VOORDE

<input checked="" type="checkbox"/>	ADMIN. CONFIDEN.
	CONFIDENTIAL
	SECRET
	EYES ONLY

TO DICK MOE.
~~AS CONVEY INFO~~
TO PHIL WISE 2 + 3
THANKS.

I suggest that you send Phil Wise a copy of this. Phil

THE WHITE HOUSE
WASHINGTON

2/5

Susan -

This MAY be added

to the schedule -

based on a Sec Vance
request. Will also have
a copy.

1
1 Sep

THE WHITE HOUSE

WASHINGTON

February 5, 1979

MEMORANDUM FOR THE PRESIDENT

FROM: CHARLES O'KEEFFE *CK*

SUBJECT: CONGRATULATORY REMARKS TO MATHEA FALCO
12 Noon, Roosevelt Room

BACKGROUND

Mathea Falco, attorney, former Special Assistant to the President of the Drug Abuse Council, and Chief Counsel to the Senate Subcommittee on Juvenile Delinquency has been serving as Senior Advisor to the Secretary of State for Narcotics Matters since January, 1977.

Secretary Vance is swearing her in as Assistant Secretary of State for International Narcotics Matters in the Roosevelt Room following the Kriangsak meeting. Your stopping by to congratulate her and express your support would serve to;

1. Emphasize your commitment to the issue. (We have been criticized recently for not being concerned.)
2. Emphasize the important role of the agencies in our efforts. (Coordination will continue from here but with less visibility, and the agencies will be "out front".)
3. Strengthen your statements to Prime Minister Kriangsak of our commitment. (He personally set fire to a large quantity of seized narcotics on the day before his departure for the U.S.)
4. Demonstrate our determination to place competent women into senior policy positions. (Mathea has been widely recognized as one of the most competent women in the Administration.)

PARTICIPANTS

Secretary Vance
Mathea Falco
Charles O'Keefe
Senator Reagle, Chairman, Subcommittee on Alcoholism
and Drug Abuse
Senator DeConcini
Senator Bayh
Congressman Wolff

TALKING POINTS

I congratulate Ms. Falco on her appointment to the newly created position of Assistant Secretary of State for International Narcotics Matters. I have emphasized on many occasions my deep personal concern about the problems of drug abuse and illicit drug trafficking. These are truly global problems which can only be resolved by working together with other nations. During the last two years, we have had significant success in attacking the problem. Due largely to our international efforts, there has been a sharp decrease in the amount of illegal heroin smuggled into this country. Deaths from heroin overdose have dramatically decreased -- a thousand Americans are alive today who would have died two years ago from heroin. The cooperation of other nations is key to this progress. Our programs with countries like Thailand, Mexico, and Burma have contributed to the reduction of illicit drug production and traffic.

The designation of a new Assistant Secretary within the State Department highlights the importance which we in the Administration, as well as the Congress place on international narcotics matters.

THE WHITE HOUSE
WASHINGTON

2/6/79

Jerry Rafshoon

The attached was returned in
the President's outbox today
and is forwarded to you for
your information.

Rick Hutcheson

FOR ACTION
FYI

	FOR STAFFING
	FOR INFORMATION
/	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND
	NO DEADLINE
	LAST DAY FOR ACTION

	VICE PRESIDENT
	JORDAN
	EIZENSTAT
	KRAFT
	LIPSHUTZ
	MOORE
	POWELL
/	RAFSHOON
	WATSON
	WEXLER
	BRZEZINSKI
	MCINTYRE
	SCHULTZE
	ADAMS
	ANDRUS
	BELL
	BERGLAND
	BLUMENTHAL
	BROWN
	CALIFANO
	HARRIS
	KREPS
	MARSHALL
	SCHLESINGER
	STRAUSS
	VANCE

	ARONSON
	BUTLER
	H. CARTER
	CLOUGH
	CRUIKSHANK
	FIRST LADY
	HARDEN
	HERNANDEZ
	HUTCHESON
	KAHN
	LINDER
	MARTIN
	MILLER
	MOE
	PETERSON
	PETTIGREW
	PRESS
	SANDERS
	WARREN
	WEDDINGTON
	WISE
	VOORDE

	ADMIN. CONFIDEN.
	CONFIDENTIAL
	SECRET
	EYES ONLY



Office of the Attorney General
Washington, D.C.

To Hofshorn
info
I

February 2, 1979

MEMORANDUM TO THE PRESIDENT:

I enclose a letter dated January 24, 1979, from our friend, Woodrow Seals. His letters always make me feel better and this particular one should encourage you.

Respectfully,

Griffin B. Bell

Griffin B. Bell

Enclosure

**Electrostatic Copy Made
for Preservation Purposes**

United States District Court

Southern District of Texas

January 24, 1979

RECEIVED
OFFICE OF THE
ATTORNEY GENERAL
JAN 30 1979

Woodrow Deals
U. S. District Judge
P. O. Box 51547
Houston, Texas 77208

Judge Griffin Bell
Attorney General of the United States
Department of Justice
Washington, D.C. 20250

Mr. Charles Kirbo
2500 Trust Co. Tower
Atlanta, Georgia 30303

My dear friends, Griffin and Charles:

Last night when I heard President Carter speak, I realized for the first time the reason he has a low rating in the polls.

Although it sounded like a campaign speech, as I listened to him I reviewed in my mind the major decisions he has made since he has been in office. I found that I agreed with all of them and I feel that I am in the mainstream of American political thought. Then I began to wonder why, if he were making right decisions, he was so low in the polls. Then in a flash it came to me.

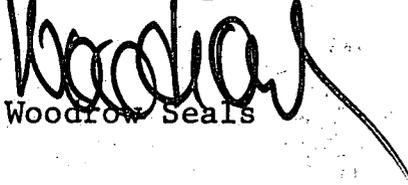
President Carter is not running against a person now with whom he can be compared. He is running against an idealized person. I think as we start comparing him to actual persons who will announce in the next few weeks, and the public starts comparing President Carter with these actual persons, that we will see an increase in his popularity in the polls.

Would his opponent be against the Panama Canal Treaty? Would his opponent be against the B~~X~~ Bomber? Would his opponent be against his defense budget? How would his opponent handle the Israeli-Arab dispute? As I went down all the positions which Carter has stated and the things he has done, I realize that his opponents are going to have a hard time finding a more advantageous position on which to stand.

I am enclosing a news clipping which shows that the more assertive women in Houston in the Women's Liberation Movement were in favor of firing Bella Abzug.

I still think that if President Carter keeps working day to day the way he is working that the closer we get to the nomination process and the election, the higher his ratings in the polls will be.

Peace and grace,

A handwritten signature in black ink, appearing to read "Woodrow Seals", with a long, sweeping flourish extending to the right.

Woodrow Seals

WS:fd

Enclosure

Local women's leaders support Abzug's firing

Local women's groups — pro-ERA and anti-ERA alike — agreed Friday that President Carter's decision to fire former Congresswoman Bella Abzug as co-chairwoman of the National Advisory Committee on Women was a wise one.

Abzug's "abrasiveness and old hat politics" was hurting the women's movement, said Helen Cassidy, a consultant for the National Women's Conference held in Houston in 1977.

Abzug is "vulgar, rude and crude" and has never spoken for the majority of American women, said Mary Jane Ruhl, state director of the National Committee of Catholic Women.

Cassidy said many local feminists will say "good riddance to her."

Cassidy, along with Nikk Van Hightower and Poppy Northcutt, are members of the Continuing Committee of the National Women's Conference. Van Hightower and Northcutt echoed Cassidy's sentiments.

"I doubt there will be a whole lot of reaction (to the firing)," Van Hightower said.

"She's difficult to work with and I

think we can have a more effective spokeswoman," Northcutt said.

Geneva Kirks Brooks, president of the Parents United of Texas and an anti-ERA supporter, said Carter is awakening to the fact that the country is becoming conservative and "that if we don't get rid of the Bella Abzugs we'll lose all control."

Van Hightower did, however, express some sorrow for Abzug's recent setbacks, including her losing campaigns for mayor of New York and the U.S. Senate. But she said the women's movement no longer needs "radical, fiery leaders."

Ruhl said National Women's Conference supporters are trying to "clean up their image" and were "probably as embarrassed by Abzug as President Carter is of his brother Billy."

Cassidy said her only concern is that Sarah Weddington, former Texas state legislator and Carter's advisor on women's affairs, is not blamed for Abzug's firing.

Weddington is the type of leader women need if they are to win ratification of the ERA, Cassidy said.

THE WHITE HOUSE
WASHINGTON

2/6/79

Jerry Rafshoon

The attached was returned in
the President's outbox today
and is forwarded to you for
appropriate handling.

Rick Hutcheson

THE WHITE HOUSE

WASHINGTON

February 5, 1979

Jerry
J

MEMORANDUM FOR THE PRESIDENT

FROM: JERRY RAFSHOON

Jerry

SUBJECT: Trip to Mexico

Greg Schneiders and Rick Hertzberg have just returned from Mexico City where they spent three days interviewing Mexican and American officials (including Ambassador Lucey and his staff), journalists, writers and other cultural figures, Mexican pollsters and some plain folks about your visit. The following are their recommendations based on that trip.

GOAL OF THE TRIP

We should distinguish between the private and public aspects of the visit. In your private conversations with President Lopez Portillo and others you may well be able to make progress on the major bilateral issues. In public your goal should be to win the hearts of the Mexican people. The major opportunity is your address to the Congress, which will be televised live nationwide.

GENERAL OBSERVATIONS

1. The Mexican people are extremely ambivalent toward the United States in general and you in particular. The flash poll taken in preparation for your visit (data attached) shows that Mexicans admire the United States, have confidence in America's ability to deal with world problems, recognize our many common interests, and see relations with the U.S. as on the upswing. On the other hand, they overwhelmingly believe that we do not treat them fairly. Their attitude toward you is divided and somewhat negative. Why this should be so is not clear, but the poll confirms the impression we got in conversations with a variety of people, which is that the Mexicans respect our competence but doubt our compassion.

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2. The most serious problem between the two countries is one of attitude. Again, the Mexican people feel that the United States has often treated them unfairly and almost always with condescension. They suspect that you are visiting them now only because they have become energy-rich.

3. The Mexican people are not particularly interested in specific international problems. (The poll found 23 per cent "very" interested, 38 per cent "somewhat" interested, and 39 per cent with little or no interest.) They are among the most history/culture-conscious people in the world. They are a justifiably proud people and bristle at what they see as North American condescension towards and ignorance of Mexico.

*Emphasize this →
Congratulate
music -
museums -
The folklorico*

RECOMMENDATIONS

1. Your decision to speak in Spanish to the Congress opens up the possibility that the speech will have a strong emotional impact. It will be a dramatic demonstration of your respect for the Mexican people and their heritage and of your determination to treat them as equals. The Pope, who does not speak Spanish, nonetheless phonetically delivered several prepared speeches in that language during his recent visit to Mexico. While his success was based on many factors, the Mexicans were far more impressed by the fact that he spoke to them in their language than by the content of anything he said.

Though many U.S. Presidents have visited Mexico, none has ever addressed the people in Spanish. In our judgement this will be the one opportunity to make the trip not just a success but a triumph. In addition to the impact on Mexicans (and on Spanish-speaking Americans), the American people will be proud to see their President speaking to the people of another country in their own language. (The likelihood of the speech being rebroadcast will also be greatly increased.)

2. The speech should be brief (12-15 minutes), thematic, lofty in tone, and concerned more with overarching trends and concepts than with policy details. It should contain explicit discussion of the biggest bilateral issues -- especially energy and immigration -- but its major thrust should be to put Mexican-American relations in a new and brighter historical and emotional context.

*9
agree
this →*

3. To give you an opportunity to practice the speech, it should be protected from last-minute changes, additions, etc. There will be enough other speaking opportunities -- particularly in the toasts -- to make sure that all the policy bases get covered.

*class of Mexico
100 yrs old when
Pilgrims landed
1st European
settlers of
my state
representing*

SPEECH OUTLINE

1. Introduction. I speak to you in the language of Mexico -- the largest Spanish-speaking nation on earth -- and of many millions of my own fellow-citizens, (The U.S. ~~is~~ the world's fourth largest Spanish-Speaking country.)

2. Themes. I have come to you to speak not only of the specific common problems of our relationship -- energy, immigration, trade -- but also of the hopes and the futures of both our civilizations.

-- Our cultures are increasingly intermingled, and this is a source of strength for us both.

-- We respect the greatness of Mexico, both as an enormously rich civilization with a varied and unique culture that has developed over a 2,000-year history, and as a great modern nation.

-- We regard our friendship with Mexico as extremely important. Our common interests greatly outweigh any particular differences we may have. We are neighbors. We will be neighbors ~~100 years from now and 1,000 years from now.~~

and friends

-- The nature of the relationship between Mexico and the United States cannot and must not be imposed from ~~Washington.~~ It must be the product of an honest dialogue and of a mutual recognition that our long-term interests are in harmony.

*don't use
negative
thoughts*

-- In a world that is more and more varied, and less and less dominated by superpowers or by ideological blocs, Mexico has a vital world role to play. We welcome that role. *Peace - arms control - better life for poor of world - independence & freedom*

-- The interconnection between our two countries is so pronounced that in many ways the distinction between foreign and domestic policy is not always valid. For our part, we recognize that there is a connection between the progress we have made in securing the human rights of minorities in our own country and the prospects of a much better relationship between ourselves and Mexico.

*??
no -
(condescending)*

3. Issues. In the two years since President Lopez Portillo became the first head of state to visit the White House after I became President of the United States, we have recorded numerous accomplishments. More important is our future agenda.

*Word as though I'm speaking in
London or Paris*

"Admiration"

-- On immigration, we agree on the long-term solution, a vibrant Mexican economy ~~that~~ will provide jobs for all who can work. In the short run, we will study the border problems together and we must each act in the best interest of our own nation. But in any event we must recognize that this is a great human problem. We must respect the dignity and human rights of those who are seeking a better life for their families. (Note: the polls show that perceived ill-treatment of Mexicans is the most important aspect of border problems in the eyes of the Mexican people.)

We seek a fair & humane policy

-- On energy: the petroleum resources of Mexico are Mexico's, to be used as Mexico sees fit. We hope and believe we can make an arrangement that is mutually beneficial, but it is not our intention to pressure Mexico to do anything.

Be positive - Respecting Mex. we want to be a good customer.

(There will be additional material on other issues, such as trade and narcotics.)

Assume that this is already so

4. Conclusion. A strong and great Mexico is in the interest of both our countries. We have never feared strong friends; on the contrary.

-- If we work together -- with respect and care for each other -- the future can be one in which barriers to trade are reduced; illegal migration has ceased but legal migration is heavy in both directions; the cultural heritage of both countries is preserved and enriched as our peoples become increasingly bilingual; our economists and planners work together; our scientific communities contribute to each other.

Express all of this in positive terms

-- Our relations must be based on the words of Juarez, emblazoned on the wall of this chamber: "Between individuals as between nations, respect for rights and dignity is peace."

#

These points incorporate both Greg's and Rick's findings and the marginal comment you made on my earlier memo. There may be some pressure to discuss the specific issues in greater detail to the detriment of the more general themes. I think this would be a mistake.

I agree

Giving the entire speech in Spanish will require some disciplined practice over several days before your departure.

Expedite

We plan to have an English draft for your review by Wednesday evening and a Spanish draft -- incorporating your comments -- by the weekend.

We sent audio and video tapes of some of your other talks in Spanish to the Embassy, where they were reviewed by American and Mexican embassy employees. They unanimously agreed that you are readily understandable in Spanish, but that your rhythm and intonation are poor.

Therefore, it would be helpful to have someone at the Foreign Service Institute (or your translator) make a special recording of the speech in Spanish for your use in practicing. The equipment for this (a special recorder and headset that will enable you to listen and repeat) can be set up wherever you like for use in private.

(By the way, Rosalynn is perceived universally as a tremendous asset. We are going to try to arrange for her to be seen as much as possible conversing in Spanish with some Mexican people.)

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*Have
all of
this ready
by Friday
noon*

Good

10:30 a.m.

Talking points

Demo elections

THE WHITE HOUSE

WASHINGTON

February 1, 1979

MEMORANDUM FOR THE PRESIDENT

FROM: BERNIE ARONSON/^{BA}ACHSAH NESMITH ^{AN}

SUBJECT: President's Arrival Statement -- Talking Points
2/6/79 Prime Minister Kriangsak of Thailand

1. I am pleased to welcome you to the United States. Our nations, though separated by vast distance and experience, have long been friends. When ours was a young and struggling nation, the first treaty the United States signed with any Asian nation was a Treaty of Friendship and Trade with your country--the already ancient and revered nation then known as Siam. President Andrew Jackson's emissary, Edmund Roberts, arrived in your country 146 years ago this month, in February 1833, and despite the fact that all negotiations had to pass through four languages--English, Portugese, Chinese and Thai --a treaty was signed on March 20 of that same year.

2. Our two countries have remained friends through the intervening years of growth, trial and change. We became close and trusted allies during the Korean conflict when Thailand was among the first nations to send troops. Extensive educational, economic and security assistance agreements were established in the fifties, and we joined together for mutual security under the Manila Pact. During the Vietnam War, Thailand and the United States worked together to maintain our mutual interests in Southeast Asia. Your visit comes at a time when the region is still beset by conflict and is still a source of international concern.

3. Now, there is a new era in Southeast Asia. Thailand and its friends in the Association of Southeast Asian Nations (ASEAN) are the key to economic growth, regional cohesion and constructive cooperation with the international community. The U.S. strongly supports ASEAN as an institution. We admire its strength and vitality and its efforts to bring sound development and stability to the region. I am pleased to welcome you not only as the Prime Minister of Thailand but as a representative of ASEAN as well.

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4. Support for a stable system of independent nations in Asia is a cardinal principle of United States policy. We will not engage in confrontation, but we will support our friends. It is essential that the territorial integrity of Thailand be respected and that its borders not be endangered.

5. We began our relations almost a century and a half ago as friends and trading partners. Our economic relations will continue to grow. I know that a large portion of your visit here in the United States is to be devoted to meeting with American businessmen. American business sees important opportunities for expanded trade with Thailand and ASEAN. We fully support a greater U.S. Business presence in Thailand and ASEAN, which can contribute to economic progress both in Thailand and the United States.

6. Finally, I cannot close without commending the humanitarian help your government and the people of Thailand are giving to over 140,000 Indochinese refugees. Your efforts are an inspiration to all nations. The United States is a nation of refugees -- many of whom fled political, religious and intellectual persecution. We must all do more to assist these people fleeing from tragedy and threat of reprisals. My government plans to do more and we will encourage others to do more, to assist Thailand, Malaysia and your ASEAN colleagues with the unequal burden you are currently bearing.

7. I know, Mr. Prime Minister, that you have many valued friends in the United States with whom you have worked closely and shared many experiences throughout the years. I am sure you will find the new friends you meet on this visit will be equally appreciative of the importance of Thailand and the strength of our relationship with your country.

#

NOTE: While Thailand formally sided with Japan in World War II, they have never fought us and that period of awkward necessity has been generally overlooked by past Presidents declarations about our long-term friendship.

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THE WHITE HOUSE
WASHINGTON

February 6, 1979

MR. PRESIDENT:

Dr. Brzezinski suggested you
might want to scan the attached.

Frank Moore

January 31, 1979
Frank Moore

Notes from Vice Premier Deng meeting with Speaker O'Neill, Jim Wright, John Rhodes, Ambassador Woodcock and 5 other Chinese representatives on January 30, 1979.

(I was the only one taking notes and felt that it should be recorded).

The Speaker opened the meeting by giving a 7th grade Civics lesson about the three separate but co-equal parts of the government. He explained that legislation has to be approved in the Congress. He introduced Ambassador Woodcock as a strong voice in the Congress who controls a lot of votes here in addition to being the President's representatives in the PRC. He said that American politics are rough and tough and he wanted to have a frank and thorough discussion of it.

Jim Wright asked the first question. He said that he admired the Chinese and that our grandchildren and great-grandchildren would be talking about this visit. The Chinese have an unbroken and recorded history of 3,000 years and that Deng's ancestors were writing poetry while his and Tip's ancestors were eating roots from the forest floor. Jim then stated that if the PRC could treat Taiwan similar to Hong Kong the legislation would go through very smoothly. Deng then asked the question of Jim Wright: Do you think it would help if we treated Taiwan the same as Hong Kong? Wright answered

in not a very direct way; then Deng said that Hong Kong and Taiwan are not the same. The Speaker said that while the people of the United States have a warm feeling toward China, ^{Lurking} ~~lurking~~ in the back of their minds is a question of safety about Taiwan; and he thinks that this same suspicion or fear is manifested in the Congress. Deng replied that we are patient; we can wait one year, two years, or maybe even three years, but what if the authorities in Taiwan do not negotiate--what do we do then? The Speaker said, you are asking me the question; it is not my decision; it is yours. And by the way, what do you mean when you talk about two hands, I do not understand this. The Vice Premier answered that we have a friendship hand and we have another hand and we do not want to get into the position of having our other hand tied behind us because then the authorities of Taiwan will not negotiate. Rhodes then asked the question, why does the PRC want USA troops out of Taiwan, because if they leave it will create a vacuum and someone might move in that neither of us wants. Vice Premier Deng replied, "our patience is not unlimited. We have to use common sense about Taiwan. Anyway, we only have one hand extended at this time. Our hand of friendship. We will wait three years and then we must consider other means. In respect to the Soviets moving into Taiwan that is not a possibility at this time."

The Speaker asked Deng about Vietnam and Cambodia. Vice Premier Deng replied, "the Vietnamese are the Cuba of the East. There

is no restraint on Cuba. Cuba has had a free hand and is running amok. And they continue to run amok. Vietnam is the puppet of the Soviets. The Soviets want to use Vietnam as an Asian security (here the translation was garbled) under their control. They have just signed what is in effect a mutual defense alliance treaty which allows the Vietnamese to run wild. They could invade at will. We must give a lesson to teach restraint. Tip asked: Are they now getting a lesson. Vice Premier Deng replied, no; they are arrogant and provocative. They continued to be provocative. They now claim they are the third most powerful country in the world behind you and the Soviets. He said this with obvious disdain on his face and inflection in his voice.

Wright asked the question: Does what the Vietnamese are doing have a historical parallel to the Japanese invasion of Manchuria? Vice Premier Deng answered that yes it was of the same nature. We must deal severely with a problem like that. Tip asked the Vice Premier if he understood that the Congress--no matter what the President did--the Congress must approve the trade legislation, particularly most favored nation legislation, and outstanding claims. Deng merely answered, yes.

Clement Zablocki made the point that the House International Relations Committee had to handle all of this legislation and that the task would be made much easier if we could follow

set by having a liaison office in the PRC and have a liaison office in Taiwan. Deng began answering, no, no, no before the translation was complete. He said that question was settled some years ago; it is closed; and what you are asking me to do is approve of 1½ Chinas and besides the Taiwanese continue to insist there is only one China. We would not have achieved normalization had this question not been solved. The Vice Premier then said he understood why they asked these questions, that they were of great concern to them; that he appreciated the hospitality shown by the leaders and he hoped that we could use our good offices in encouraging a peaceful reunification of the two Chinas.

Overall meetings in the Senate, House International Relations Committee and the private meeting with Tip, Rhodes, Wright and Zablocki were useful. I think Zablocki was pushing hard for the Taiwanese on the matter of the liaison office which was also a question in the open and meeting and now sees that it would not be ⁺possible even if the Administration agreed to it. Rhodes seems resigned to the fact that we have to go ahead and pass the legislation as presented by the Administration. At least this is what he indicated to Jim Wright and Leonard Woodcock and myself.

THE WHITE HOUSE
WASHINGTON

2/6/79

rick--

attached are president's
notes for 3:30 meeting
with state department officials.

please hold very close,
no copies unless absolutely
necessary or cleared by boss

thanks--ssc

for 3:30 meeting...from Jody....

no copies have been made....when you
are finished reading, i'll return
directly to jody.

--ssc

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Herms SU/SA/SALT/Arjola
Arms of MEOT Iran
Cy/Warren

Procedure for decisions
(time for debate)

Experience, Competence

Persistent leaks
very damaging

Misinformation, distortion
self serving

Policy endangered

Most probs in State

"Iran will fall 3 days"
state of inarticulate numbers
Don't blame press -
Either be loyal or resign

~~SECRET~~ 2/6/79

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