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NLS M61-010 #3

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BY CAS, NARA, DATE 2/13/03

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

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NSC Meeting

December 16, 1982
2:00 p.m.
Cabinet Room

SUBJECT U.S. Relations with the USSR

PARTICIPANTS

The President

CIA
Mr. William Casey

The Vice President
Admiral Daniel Murphy

USUN
Ambassador Jeane Kirkpatrick

STATE
Deputy Secretary Kenneth Dam
Mr. Robert Blackwell

JCS
General John Vessey

TREASURY
Secretary Donald T. Regan
Mr. Marc Leland

ACDA
Mr. Robert Gray

OSD
Secretary Casper Weinberger
Deputy Secretary Frank Carlucci

USIA
Mr. Charles Wick

AGRICULTURE
Secretary John Block

WHITE HOUSE
Mr. Edwin Meese III
Mr. James Baker III
Judge William P. Clark
Mr. Richard Darman
Rear Admiral John Poindexter

COMMERCE
Secretary Malcolm Baldrige
Mr. Lionel Olmer

NSC
Dr. Richard Pipes
Colonel Michael O. Wheeler

OMB
Dr. Alton Keel

Minutes

Judge Clark began the meeting by reviewing the course of the study on U.S.-Soviet relations and by noting that no decision was required at this point. He noted that there was disagreement on several issues, which would be discussed during the course of the meeting.

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Deputy Secretary Dam was asked to discuss the study in detail. He pointed out that the differences could be viewed as relatively minor, given the scope of the study and the importance of the subject. All agree, he said, that U.S. policy should contribute to containing (and over time reversing) Soviet expansionism, should promote internal change in the Soviet system, and should involve negotiation where U.S. interest would be served by such an approach. He reviewed the major elements of the study, and then described the general areas of difference: (1) whether U.S. policy should have as a goal inducing the Soviets to shift resources from capital investment in heavy industry and related activities toward the consumer sector; (2) whether we should adopt as a goal refraining from assisting the Soviet in developing their natural resources; (3) and whether there should be boycotts on agriculture as part of total trade.

The President commented that he could save some discussion by pointing out that he had crossed out contentious lines on pages two and two/A of the draft National Security Decision Document [the President points to the lines] -- they are provocative and should not be allowed to leak. The President stated that nothing should be in the paper that we don't want to tell the Russians; we know what our policy is if the situation calls for its implementation.

Secretary Weinberger agreed that if we are clear about our policy, it does not matter what is in the paper.

The President pointed out that this approach would be what he always has thought of as a part of quiet diplomacy.

Secretary Weinberger cautioned that if something is taken out of the draft, however, some may interpret that to be a shift in policy.

Secretary Baldrige was asked by Judge Clark if he had anything he wished to say. Secretary Baldrige proceeded to point out that he disagreed with Secretary Weinberger on the issue of refraining from assisting the Soviets with development of their natural resources. To do that would be to wage economic warfare. He pointed out that he thought interagency agreement had been reached to take this out of the drafts, and did not understand why it was in the paper.

Judge Clark stated that the general rule is that all significant disagreements should be placed on the table.

[At this point, the President received a note which informed him of the crash of an FBI aircraft in Ohio. He expressed his deep sympathy for the families, since there were four FBI agents involved with eleven children among them.]

Discussion continued among Dam, Weinberger, and Baldrige on the question of Soviet natural resource development. Judge Clark asked Secretary Regan if he wished to comment.

Secretary Regan shifted the discussion to the question of technology transfer, and pointed out that the paper was ambiguous in terms of not specifying whether high or low technology was intended.

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The Vice President agreed that there were ambiguities in that area which could best be dealt with by leaving the section out.

Mr. Casey [inaudible]

Ambassador Kirkpatrick said she too was bothered by the ambiguous way in which technology was discussed in the paper. What, for instance, was meant by "critical" technology? She presumed that the central goal was to avoid helping the Soviets develop their military establishment.

Secretary Regan suggested that perhaps what was intended was "unique" technology, i.e., technology that the U.S. has but not its allies.

Secretary Baldrige interjected that the discussion showed how complicated the subject was, and that it needed clarification at the SIG. We cannot give business such ambiguous guidance.

At Judge Clark's request, Dr. Pipes pointed out that the word "critical" was not in the draft initially, but was added at State's insistence.

Secretary Weinberger, citing Ambassador Kirkpatrick's description of the central goal of controlling the transfer of technology, suggested that we should be examining all technology, and if that means that business goes abroad, so be it.

Deputy Secretary Dam asked Secretary Weinberger what would be accomplished if the Soviets could get the technology elsewhere. This discussion was continued, with Secretaries Weinberger and Baldrige participating, and with comments from Judge Clark and Ambassador Kirkpatrick.

The President summarized the discussion by saying that we should not facilitate a Soviet military buildup

After brief, related comments by Mr. Wick and Secretary Block, Secretary Weinberger turned to the issue of securing allied cohesion. That is an attractive goal, he said, but sometimes we pay an awful price to achieve it, and making it a course of action we are committed to may amount on occasion to preemptive capitulation.

General Vessey pointed out that sensitive technologies have been transferred in the past, and that our goal should be to insure that they are not transferred in the future.

The President summarized the discussion by noting what had been said and repeating that he did not want to compromise our chance of exercising quiet diplomacy.

Judge Clark asked if there were other comments, at which point Secretary Block shifted the discussion to the study document instead of the draft decision document. He began with the phrase "total boycott" on page thirty of the study, and suggested removing the phrase. He also referred to sections of page twenty-one, commenting that if what was being discussed on that page was the grain

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embargo, he did not think it had been successful.

Secretary Weinberger countered that he thought there had been some effect from the grain embargo, across the board. Secretaries Weinberger and Block discussed this issue briefly, until Deputy Secretary Dam pointed out that the important qualifier "unified" had been in the study.

Ambassador Kirkpatrick turned the discussion to a different point, suggesting that on page four of the study, the phrase "...and friends who support us" should be added. She discussed specific examples of some Third World countries that we should give higher priority to helping because of their support for us in Third World forums. Secretary Dam agreed, but Deputy Secretary Carlucci questioned whether this meant if Brazil, for instance, opposes the U.S. position on an issue, that we would not help them in other areas.

Secretary Baldrige turned the discussion to a point of clarification, i.e., what is the policy on development of Soviet resources. Do we trade with them? Do we engage in economic warfare?

Secretary Weinberger said he presumed that decisions would be made on a case-by-case basis. He cited the example of the pipeling, which gets them \$10 billion per year in hard currency for practically no cost.

The President inserted that he wished to keep our options open.

Mr. Wick raised the question of what is meant by "strict reciprocity" on page six, giving the example of cultural exchange. Dr. Pipes explained the choices in this area, with Mr. Wick offering additional comments about whether we want to give them access that we are denied.

The President commented that many Soviets stay here when they come on tours.

Secretary Block added that it is to our benefit to have Soviets come to the United States and see the vast contrast in societies between theirs and ours. The discussion continued briefly, with Deputy Secretary Dam stating that the areas of the study dealing with exchanges could be reworked.

Judge Clark pointed out that time was up -- that no decisions had been reached, and that more drafting was in order.

The President concluded the meeting by thanking the participants for expressing their points of view, with the final observation that he thought the discussion had cleared the air a little.

Minutes Prepared by M. Wheeler

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NSC Meeting
12/16/82
US ~~Sec~~ Policy toward USSR

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BY CS, NARA, DATE 2/13/03

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MSC

2/16/82

B-Soviet Policy

wpc: (introductory remarks) ... no decision today ... disagreement on 3 points

05 pm

Dam: differences relatively minor given scope of the study - all agree
(1) contain/over time reverse (2) promote internal change (3) negotiations
- (overview paper) - areas of difference: (1) induce USSR
to shift resources capital → consumer (2) refrain from assisting USSR
w/ developing natural resources (3) boycott on agri (part of total trade)

Pres: I crossed out lines on pp 2 & 2A ... provocative and don't
want it to leak - there shouldn't be anything in paper
that we won't tell the Russians - we know what we'd
do if the situation warranted it

Weinberger: if we understand they're our policy, it doesn't
matter whether it's in the paper

Pres: this is getting into the area that I've always
thought of as quiet diplomacy

Weinberger: if it's in paper & taken out, some
may feel it's a shift in policy

Baldrige: I disagree w/ Cap on issue of refraining from
- assisting w/ development of natural resources
- to do that is to wage economic warfare
- I don't know why it's in paper
when it was agreed to take it out

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WPC: because ~~the~~ disagreements should be placed on the table.

[Pres: note - a/c crash in Cin. - 4 FBI, 11 children among them]

Dam: (continue natural resources discussion)

Weinberger: (ibid)

Dam: (ibid)

Baldrige: (ibid)

Regan: best to leave this out until we clarify what we mean - high vs. low technology?

VP: leave it out

Casey: (mumbled)

Kirkpatrick: I'm bothered by the ambiguity of the treatment of technology - "critical" technology - central goal is not to help the Soviets develop their military establishment

Regan: "unique"? (US has it, allies don't)

Baldrige: this is such a complicated subject, I think we should go

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back to the SIG - can't give businesses
an ambiguous statement

Pipes: "critical" not in draft - State demanded
it go in

Weinberger: Jean's central goal suggests we
examine all technology - if Dresser
goes abroad, so be it

Dan: Cap, is it helping Soviet economy
if they can get it elsewhere

Weinberger: } ("trade war" discussion)
Baldrige: }

WPC: my neighbors buying Kamatsu^{SP} because
they're a better machine

Jean

Pres: should not facilitate military buildup

Wick: p. 6 talks about "sensitive"
US technology

Block: concurs w/ dropping two paragraphs

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- think "critical" is OK

WPC: more?

Weinberger: 3rd footnote - allied cohesion nice,
but an awful price to pay for it
~~some~~ time - footnote commits to course
of action that could be "preemptive
capitulation"

Brock: Pres has said this already

Pres: reserve any option for our thinking
- "... consider extreme measures."

Weinberger: [comment on missing Pipes]

Pres: comment on Wick's comment

Vessey: sensitive technologies have been transferred
in the past... make sure they're not

WPC-Baldridge: (discussion of tractors)

WPC: concludes unless further...

Pres: agreed around table - don't compromise chance of
quiet diplomacy

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Block: study (p.30) has "total boycott"
— take out? ... on p.21, if reference is
to grain embargo, we don't think it
was successful

Weinberger: I think there has been some
effect, across the board

~~Block~~ Block: p.22, 1st paragraph — "agri products"
... I don't think it can have that
effect

Dam: the important thing here is the
qualification "unified"

Jeanne: on p.4, 1st para, would like to see
us add the phrase "and friends
who support..." — we should treat some
3rd world countries better than those
who don't

Dam: OK w/ us

Carlucci: does this mean if Brazil opposes
us on an issue, does this mean
we won't help them

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Baldrige: I'm unclear on what happens
now — what is our policy on development

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of Soviet resources — do we trade w/ Soviets? do we exercise economic warfare?

Weinberger: hard currency — pipeline gets them \$10b per year for practically nothing — decide case-by-case

Pres: keep options open

Wick: p 6, para 3 talks about "strict reciprocity" — cultural exchange not that now ... they come here (w/ their "kindest" image), we don't go there — restrict to official channels

Pipes: choices are (1) insist State has say, or (2) get new agreements

Wick: treaty allows them to go outside, to private sector

Pres: many stay here

Block: I think it's to our benefit to have them come here and see what we have

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Dam: we'd be glad to rework

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WPC: more drafting - no decision

Pres: cleared air a little

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NSC 00070

3/11/82 - file

NSC Meeting US Soviet Relations 16 Dec 82

Judge - Introductory subject
Dan - Overview of NSDD.

Pres - There shouldn't be anything in NSDD that we can't tell the Soviets, - or that we don't want to read in the papers. So I would delete items footnoted on pages 2 and 2A and so with agriculture wording on embargoes. I support these ideas but don't want them in writing.

Reed called Senators and said we wanted Hollings amendment.

Cop - I have no problem in taking out words as long as our policy is understood.

Balbridge - Having that as policy - same as economic warfare.

Dan - State opposes

Regan - leave it out

Creech - other language is broad enough

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BY CAS

NARA, DATE 2/13/03

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To cover.

Richjstuck - there's ambiguity. Don't really
love an item on high technology.

Baldridge - should refer issue on
technology back to SIG. ~~III~~.

Pipes - "critical" was added by State.
Wasn't in original draft.

Wainberg - it isn't a matter of words
but a difference in philosophy.

Block - I agree that paragraphs ~~2~~ on
pages 2 and 2A should be dropped.
and still support taking total trade boycott out.

Caps - trade boycott - must not limit our
options based on Allied cohesion.

President -

Block - page 30 of Study - make change
as in NSDD

Link - page 4 of NSDD "friends who help us
in opposing the Soviet Union."

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Baldridge - pushed to get resolution of policy on item at top of page 2A.

President - will delete item at top of page 2A and just keep our options open.

Wick - we should restrict private cooperative exchanges and ~~only~~ authorize govt exchanges.

Piper - not legal unless can relate to national security.

Clark - no decision - needs more drafting.

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