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NATIONAL SECURITY COUNCIL MEETING

January 2, 1980

Time and Place: 1:00 - 3:25 p.m., The Cabinet Room

Subject: Iran, Christopher Mission to Afghanistan, SALT and Brown Trip to China

Participants:

The President	CIA
The Vice President	Deputy Director Carlucci
<u>State</u>	<u>White House</u>
Secretary Vance	Zbigniew Brzezinski
Deputy Secretary Christopher	Hamilton Jordan
	Lloyd Cutler
<u>Defense</u>	Jody Powell
Secretary Brown	David Aaron
Deputy Secretary Claytor	

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The President began by saying that the NSC would first discuss Iran and Pakistan and then reduce the membership to the statutory members for a more private session.

Dr. Brzezinski said that the Secretary of State would update the Council on the Iranian hostage situation and, time permitting, there should be a discussion of our longer term strategy towards the Iranian Government.

The Secretary of State said that we had a successful vote on Monday in the UN Security Council and that since that time we have been working with others to clear up the language of the resolution on sanctions. He thought this would be completed by the end of the day.

The President asked what the prospects were for the approval of the sanctions resolution. The Secretary of State replied that he could not guarantee nine votes. He said that we had eight certain votes, but not nine. The Secretary of Defense pointed out that there will be new members on the Council.



He added that the Eastern Europeans, East Germany and Czechoslovakia, will, of course, be of no help.

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With the Europeans and ourselves, we have five votes. [REDACTED]

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[REDACTED] However, we could not be certain until we have the text of the sanctions resolution in front of the delegates.

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The Secretary of Defense asked what the chances were that Secretary General Waldheim would say that we should keep negotiating rather than voting sanctions. The Secretary of State responded that Waldheim is likely to say that there has been some progress and that there should be a few more days permitted to see if diplomacy could achieve more substantial progress. The Secretary of State confirmed the Secretary of Defense's assessment that therefore the vote on sanctions might stretch a few days further, but not for several weeks.

The President asked whether there had been a report from Waldheim. The Secretary of State said no. Indeed, we still do not know if he will be seeing Khomeini. In any event, he did not believe that much would come out of the Waldheim visit.

The President agreed. He doubted whether the Iranians wanted to resolve the crisis at this stage.

The Secretary of State said that he believed the Afghan situation is the only thing that might change the attitude of the Iranian authorities. The Iranian Government has made two statements critical of the Soviet invasion of Afghanistan and they have indicated that this is supposed to be a signal of the congruence of their view with that of our own.

The Secretary of State noted that the Saudis were interested in putting together an Islamic Foreign Ministers meeting and the Secretary of State said that he had encouraged the Saudi Foreign Minister in that regard. He concluded by saying that it is clear that the Iranians see the Soviet move into Afghanistan as a threat. This is where we must place the weight of our argument.

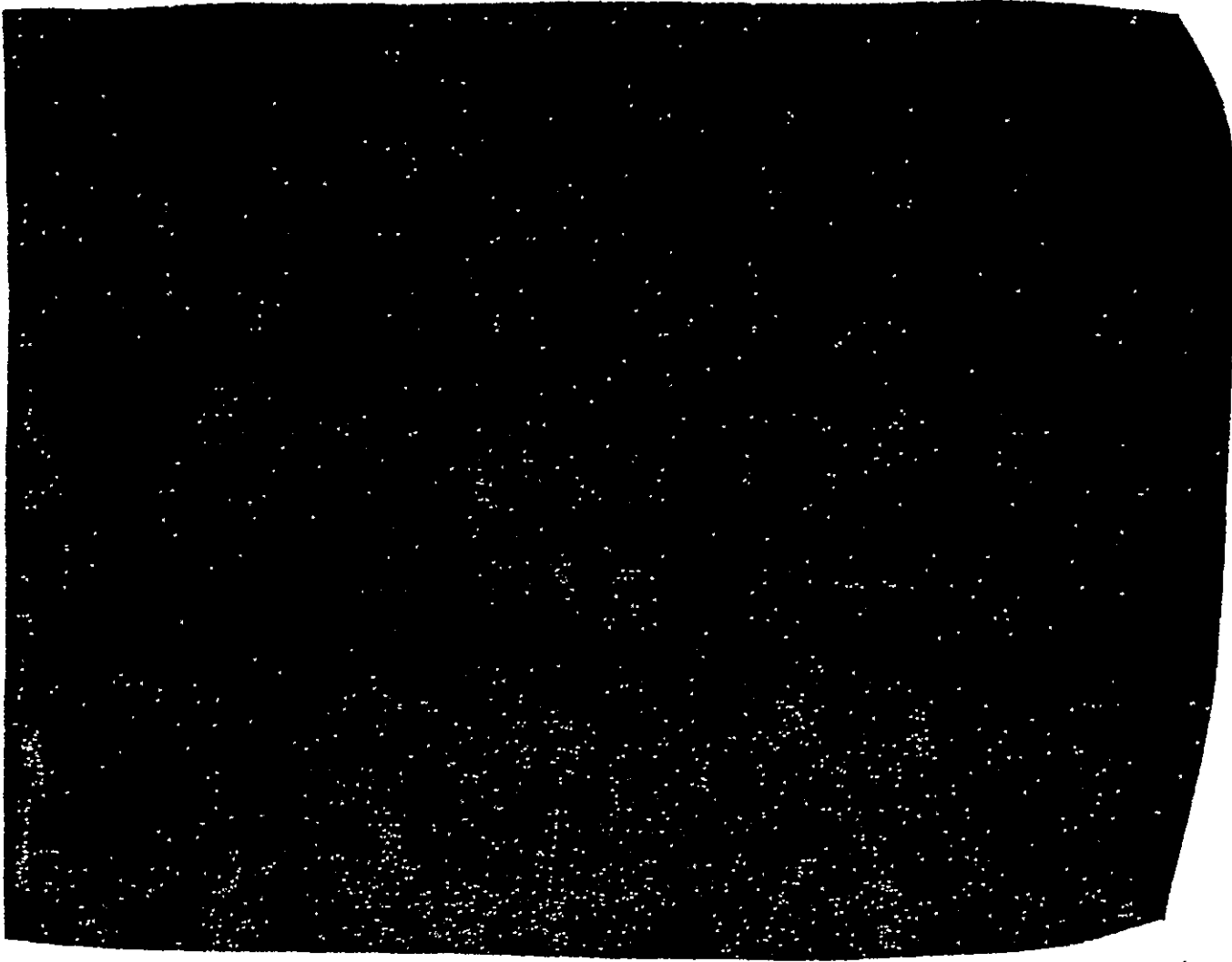
In response to a question as to the contacts we have with the Iranians on this, the Secretary of State said that we were in contact with them through the Swiss.

The President asked if there was any further comment on Iran.

The Secretary of State said that Hal Saunders is meeting with people in New York who are purporting to represent members of the Revolutionary Council. He added that he was meeting with a specific individual here in Washington who had come for this meeting. He did not wish to mention his name, but he said he was a person with real influence.

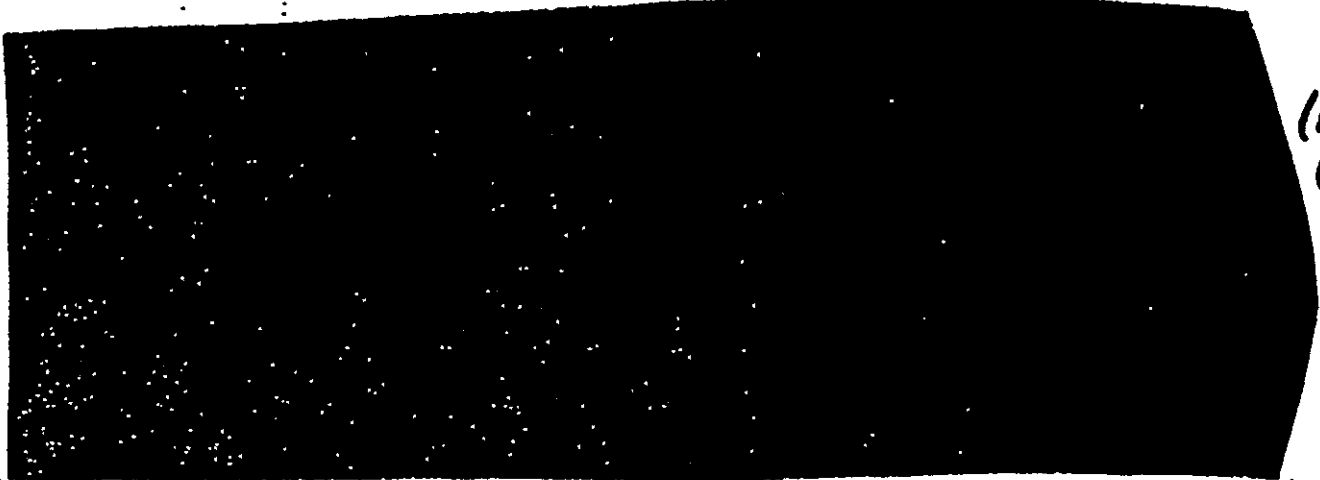
The President said that what the Iranians tell Waldheim privately will be significant. They are in a position to keep open the possibility of a resolution of the crisis. However, he said he had no reason to be optimistic.

The Secretary of State added that Arafat is probably going to Tehran in the near future. The President asked whether Arafat will condemn the Soviets on Afghanistan. Dr. Brzezinski replied that Arafat will follow the lead of the other Arab countries.



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The President said that he had read about the experience in the UN during the Soviet invasion of Czechoslovakia. It had been a mistake going to the Security Council first. They debated it for a long time and ultimately the Soviet Union vetoed any action. Then, when efforts were made to go to the General Assembly, so much time had elapsed that no action was taken.

The Secretary of State noted that the General Assembly was still in session and that we could go there next week.



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The disadvantage is that the Soviets, as well as a number of Warsaw Pact nations, will argue that their actions were consistent with Article 51. The Secretary did not believe that the Warsaw Pact nations would ask to come before the Security Council on behalf of the Soviet Pact position, although the GDR, which is on the Security Council, would undoubtedly be supportive of the Russians.

The Deputy Secretary of State summarized by saying that if we are prepared to join and appeal to the Security Council President to put this issue on the agenda, many other countries would join as well.

The President asked whether we should go to the Security Council when the Soviets would always veto anything we propose there. The Secretary of State responded that we could go under Chapter VI (peaceful settlement of disputes) and since they are involved, they will not have the right of a veto.

The President noted that Chapter VI says that an accused state has no vote, but that there were also no punitive actions which could be taken under Chapter VI. He wondered whether we shouldn't go to the General Assembly as well. The Deputy Secretary of State commented that our allies say that this is a Chapter VII, Article 39 issue -- a threat to the peace, not a simple dispute among countries.

The President asked what we would get out of a Security Council session in view of the possibility of a Soviet veto. Mr. Christopher said that the Soviets would pay a high political price for a veto. We could then go to the General Assembly. The Secretary of State said that we could go to both at the same time. The President said that he also thought of that possibility. He said the Czech example was disappointing because after a while it was only possible to get NATO support for our opposition to the Soviet invasion.

The Secretary of Defense said that we are likely to have the same experience in this instance. We will not get sanctions nor military action, but we will get a backdrop for individual actions taken by the allied groups set up by Mr. Christopher.

Dr. Brzezinski asked what forum would be best for a punitive public relations exercise. He thought that probably the General Assembly, but that would depend on what the members are prepared to do. In the Security Council, he noted, we can already tell who will support strong action and who will equivocate. The Secretary of State was of the opinion that

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The Secretary of Defense repeated that, nonetheless, the Security Council debate would provide a positive backdrop for actions to be developed in the groups set up by Warren Christopher.

The Secretary of State said that there was a strong desire by Western nations to take this issue to the Security Council. We do not want to be in a position of blocking this effort. The question is whether we should also go the General Assembly while it is still in session.

The President said his preference would be to go to both the General Assembly and the Security Council. We should go as far as we can and try to get others to join us. He concluded by saying he was willing to accept going only to the Security Council until he had read about our experience during the Czech invasion.

Dr. Brzezinski endorsed the idea of going both to the General Assembly and the Security Council. Mr. Powell said he thought it would make the price of a veto much higher for the Soviet Union.

Dr. Brzezinski asked whether Warren could do both. The Secretary of State thought the answer was yes. He said we will get arguments against it, but he thought it was possible. The President noted that if the Soviets are on the verge of vetoing this matter in the Security Council, it would hurt them in the General Assembly.

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The President summarized by saying that he thought we ought to go all out in the UN and in other respects in regard to the Soviet invasion of Afghanistan. He said he was convinced that we will not be able to get the Soviets to pull out of Afghanistan, but Soviet actions over the next ten to twenty years will be colored by our behavior in this crisis. The President said that if the [redacted] we should go with our NATO allies [redacted] to try to do the maximum, short of a world war, to make the Soviets see that this was a major mistake.

Lloyd Cutler noted that if we go forward in the Security Council on Afghanistan at the same time as the Iran discussion, the Soviets could veto our sanctions resolution. He also thought the Soviets would use the fact that the Security Council would only have 14 members as an excuse for them to veto any resolution on Iran on procedural grounds.

The Secretary of Defense and others thought that this would be true in any event, whether or not we pursued Afghanistan in the Security Council. The President agreed.

The Secretary of State asked whether he could give instructions to Don McHenry to join a letter to the President of the Security Council and to urge others to also address this issue in the General Assembly. The President approved this suggestion but added that Ambassador McHenry ought to tell others that our preference is to go to the General Assembly, unless it would violate the UN Charter.

Mr. Powell asked that whatever we do, we ought to do it as a package. He realized that consultations take time, but if we dribbled out each of our decisions over several days, we would lose the impact of Presidential leadership. The Secretary of State responded by saying that we cannot hold back on going to the Security Council. Otherwise we will be dragging our feet. There was a meeting today on this issue.

The President said that we should go forward on the Security Council and should not wait for a package. (The Secretary of State then left to call Ambassador McHenry.)

Dr. Brzezinski said we should now go through the separate steps in the paper prepared by the State Department.

The President agreed and asked that Warren Christopher please indicate what the allied reaction was to each of the specific measures.

Dr. Brzezinski said the first issue was SALT. The President said that he had talked to Robert Byrd and the Majority Leader wanted to keep SALT on the calendar but not bring it up onto the Floor.

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The President said that he had been able to persuade Byrd not to make a statement to that effect when he left the White House. It was the President's view that we ought to leave it on the calendar and maintain our approach of working closely with the Majority Leader on this issue.

Dr. Brzezinski said that SALT was important regardless of our relationship to the U.S.S.R., but we will have to accept that at this time it is not advisable to bring it to a vote. Lloyd Cutler agreed. There was no sense to withdraw it completely since it was in our security interest, but that we cannot get the requisite as long as Iran and Afghanistan are unresolved. Therefore, he thought we should defer bringing it to the Floor but leave it on the calendar. However, if the Soviets veto sanctions on Iran, we may have to look even at the possibility of withdrawing it from the calendar.

The President said that Robert Byrd had reminded him that the Executive Branch has no control over the Senate's calendar and that he, the President, could not pull it back by himself. However, he indicated that he would be prepared to consult with us and cooperate.

The Secretary of Defense said the most we can do is to keep SALT alive. He thought that as part of our rationale we could explain that SALT was in our global interest, but that since other negotiations, such as the Indian Ocean talks, were affected by the movement into Afghanistan, we would terminate them. We would make clear the Soviets have removed the basis for Indian Ocean arms control which was to reduce great power rivalry in the region. On the other hand, the basis for SALT was to lessen the danger of nuclear war and avoid an arms race in the nuclear area, particularly when our priorities were to increase our conventional capabilities. Therefore, we were not pulling back the SALT Treaty. We were simply not going forward onto the Floor with it.

Dr. Brzezinski said he thought that leaving arms control activities out of the measures of retaliation against the Soviet Union is consistent with the position that had been adopted with our NATO allies. He pointed to the continuation of MBRF in this connection. Moreover, singling out the Indian talks for rejection would be unwise since the Soviets would exploit this with a new Indian government. However, given that it is dead already, he would be in favor of simply leaving it moribund.

Secretary Brown explained that the Indian Ocean negotiations were not concerned with arms control but rather with arms deployments. He said he was tempted to say that this was true for the conventional arms talks as well. Dr. Brzezinski replied that if we are trying to pursue punitive action, this did not help since the Indian Ocean talks were already dead. Moreover, it would not enhance our position or embarrass them because they could turn cancellation of the Indian Ocean talks against us with the Indians.

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The Secretary of State agreed with Dr. Brzezinski. As for the conventional arms talks, he felt it should be left on the table. But he would not go forward with the meeting next week between the heads of delegation. On SALT, he thought it was important to leave it on the calendar. He reported that Senator Hart and others had heard that Robert Byrd had urged that we pull it all the way back. The President said no, Senator Byrd did not want to do that.

The Deputy Secretary of State said that the Europeans place great store by SALT. They would like the approach that we are considering. They want to keep other arms control negotiations going. On MBRF, the ball is in the Soviet court anyway. Our action to defer SALT would be widely understood by our European allies.

Turning back to the State Department paper of proposed actions, it was noted that the proposed Presidential statement on U.S.-Soviet relations had already been made by the President as had the recall of Ambassador Watson. The latter would be announced today. The suggestion to restrict social and official contact with Soviet officials was described by the Secretary of State as not effective in previous circumstances and therefore was dropped.

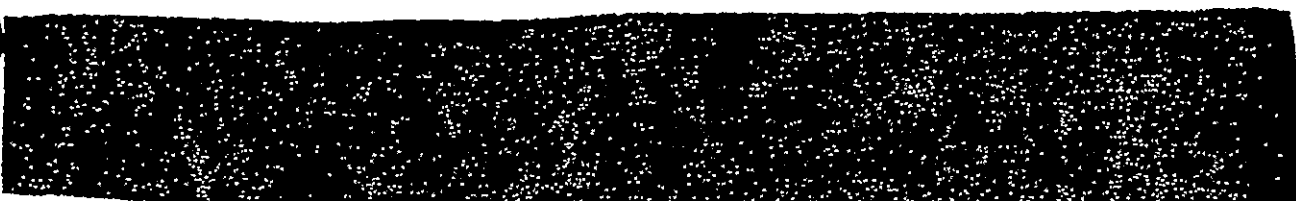
In the discussion of the question of reducing the Soviet diplomatic staff, the President indicated his desire to make the two staffs equal. The Secretary of State commented that in retaliation the Soviets will finger our most important people. Dr. Brzezinski said then we both go down hill and they get the advantage.

The President noted that the Soviet Union placed limits on the number of diplomatic personnel that we may have. We place no such limits on them. He said he was against continuing an unbalanced approach with the Soviets. Dr. Brzezinski added that some greater reciprocity was certainly in order.

The Secretary of State pointed to the fact that the imbalance in representation was due in large measure to the existence of the new Soviet UN Mission. The Secretary of Defense suggested that we separate out the UN Mission as a separate matter. Lloyd Cutler suggested we might freeze the level of Soviet representation at the UN to keep that from being a circumvention of a reduction of the embassy in Washington. Frank Carlucci pointed out that we do not have legal authority to do this.

The President again repeated that he was in favor of cutting back the Soviet Embassy representation.

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The Vice President asked what the disparity is in numbers. The Secretary of State said two to one.

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Dr. Brzezinski suggested the State Department come back with a specific proposal on how to equalize representation. The President concluded by saying that he was inclined to do it. Turning to the question of the expulsion of intelligence agents, Frank Carlucci said that the United States would definitely come out the loser. The President said he was willing to defer it.

It was agreed to suspend preparation for the opening of Consulates General in Kiev and New York.

The President was not inclined to raise the level of human rights criticism which he felt ought to proceed as vigorously as the situation warranted. However, it was agreed to step up Radio Liberty, Radio Free Europe and Voice of America broadcasts.

Dr. Brzezinski said we would need a small amount of money from OMB for this purpose. The President asked what the allies were doing and the Deputy Secretary of State said that [REDACTED]. In this connection, it was agreed to do all we could to publicize the Soviet role in Afghanistan.

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On the question of recognition, Dr. Brzezinski said that we have taken the position that we will not resume normal business. But we have left our personnel there.

The Secretary of State said that he had already taken out all of the AID and ICA personnel and he wants to cut the rest of the staff to a minimum. He said all we have in Kabul at the present time is the Charge d'affaires. The President said he agreed with that if we can fulfill our requirements with a reduced staff.

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The President asked whether we could [REDACTED]. The Secretary indicated that he would rather not.

The Deputy Secretary of State said that the allies were willing to refrain from political contacts with the new regime. Only two of the countries have the specific policy of recognizing

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governments, [REDACTED]

[REDACTED] Bilateral aid will be withdrawn or frozen. Multilateral aid through the World Bank -- the allies will be prepared to join with us in seeking termination. In this connection, the Deputy Secretary of State noted that the international financial institutions were providing aid for Afghanistan on the basis that it was a non-aligned country. But there was now no such basis since Afghanistan was becoming a puppet of the Soviet Union.

The President was then informed by a message from the Secretary of Labor that the longshoremen were on the verge of enforcing embargo on the no shipment to the United States of grain.

The Secretary of State said that he thought that we will have to cut back on grain shipments to the 8 million tons required by our agreement with the Soviet Union from the 25 million tons that were now projected and for which contracts had been led. Without such an action, we do not believe our allies would do anything in the way of economic restrictions or penalties to the Soviet Union. He knew this would be a high price to pay but it would be necessary.

The President wondered whether the longshoremen were going to do it, it was not simply up to them. Dr. Brzezinski agreed. He thought the President could decide later whether the United States would impose an official embargo.

Jody Powell asked if we would have difficulty selling the grain elsewhere. The Secretary of State said that we would have to buy and store the grain. The President noted that this was a considerable amount of wheat and corn. The Secretary of State reviewed our commitments. Our agreement with the Soviet Union requires that we sell 8 million tons. Moreover, we had approved the sale of another 25 million tons. The Secretary said that the issue was whether we were formally required by law to sell the additional 25-35 million tons.

The Secretary of Defense noted that this was a considerable amount of money, approximately \$5 billion in foreign exchange earnings for the United States. The Vice President said that the market would drop right away. Prices would reflect the fact that the sale had not been made. Storage of this much wheat by the United States would be regarded as cash and corn and wheat prices will drop immediately.

Mr. Powell said assuming this is the situation, is there something we could do to compensate, to buy and store the wheat? The Secretary of Defense said it was a timing question. If the price breaks at the announcement of an embargo, then we will only halt the slide by buying it off the market.

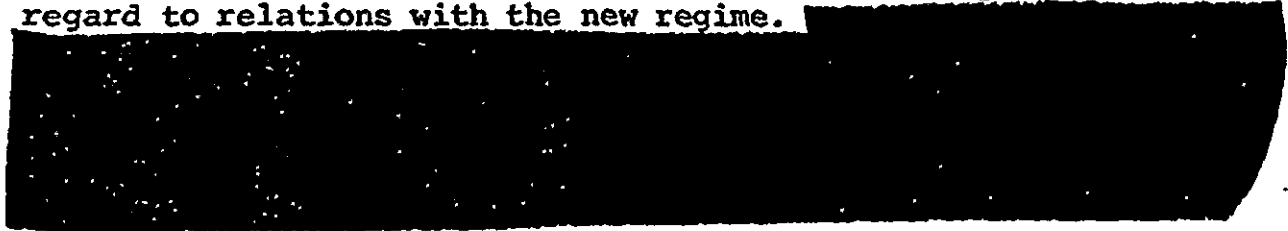
Mr. Jordan said he thought it sounded like the total embargo by the longshoremen, not simply a wheat embargo.

The Vice President expressed strong concern that labor and farmers will split on this issue. He said we could not afford being involved, for we will be dragged into court immediately and we will have to take a position. Lloyd Cutler said that it would be better for the President to do it than to be coerced into it by the longshoremen.

Mr. Jordan said that he would feel more comfortable if Bob Bergland and Ray Marshall could explain all the details of this issue before deciding. The President said he thought we should go on to the proposed list of actions by the State Department and consider this issue separately.

The President then asked about France and what they would do in regard to relations with the new regime.

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The President then called Stuart Eizenstat and asked him to check on the longshoremen embargo issue and report to the NSC as soon as he possibly could.

The Deputy Secretary of State concluded by saying that we should follow up on cancelling loans and on making no new loans by the World Bank.

Turning to other bilateral measures, the Secretary of State said that he would stonewall on Consular review talks. They were in recess and would not be resumed.

The suggestion to reimpose the travel ban on Soviet New York advance party personnel had been overtaken by events.

It was agreed that we should refuse and delay visas for official Soviet visitors on a case-by-case basis. The Secretary of Defense specifically mentioned Gregory Arbatov in this connection.

On the question of reducing Soviet media representation in the United States, Jody Powell said that he had a mixed reaction. He felt that like diplomats we should go to the principle of quality but there may, of course, be retaliation and we could end with no one in Moscow. However, on the other hand, we were not getting any vital intelligence from our newspapermen which the Soviets were apparently getting from theirs. So on balance he felt we could run the risk. The President approved.

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Turning to the question of exchanges, there was a discussion of both the scientific exchanges and the transfer of the magneto-hydrodynamic channel as well as certain meetings that had been scheduled. The Secretary of State said that he would urge that Representative Bill Green not take his congressional delegation to Moscow. Also, he would propose cancelling the Joint Committee Meeting in Moscow to be chaired by Hathaway and he would postpone the meeting of the Joint Committee on Health scheduled for mid-February in Washington. On the MHD channel, the Secretary said that transport of that piece of equipment by C-5 aircraft to Moscow would have enormous publicity. Dr. Brzezinski said we could defer that instead of cancelling it. Secretary Brown noted that we had a lot of money invested into it, approximately \$10 million.

The Deputy Secretary of State said that they would review for approval any proposed formal meetings between the Soviet officials in the United States at the Assistant Secretary level or above. The President approved review but said that he would be reluctant to approve such contacts.

Dr. Brzezinski said the next and most delicate issue was that of the Olympics. Secretary Christopher said there was strong feeling in Europe against participating in the Olympics. He said that the West German representative at NATO said that while it was difficult for the German representatives to comment on events in Germany in the 1930's, it was his view that the western nations should not have come to Berlin in the 1930's. He felt the same way about the Moscow Olympics.

Dr. Brzezinski said that we could take the position that we will consider boycotting the Olympics. Mr. Powell said we must strike while the iron is hot if we are serious about boycotting the Olympics. If we could get a few large countries such as the FRG to begin to join us, then we could ask others to go along. But if we are trying to get a lot of others and have to slog it out, he thought that support for boycotting would disintegrate. Lloyd Cutler said that we should only do this if it were combined with other strong measures. It should not be the major step that we take. He thought that we could control participation through our control of passports since the Olympics was a private matter. He also suggested that we organize alternative games so that participants would have an opportunity to still compete.

The Secretary of State disagreed with the latter point. He said we should decide as a country whether we are going to participate and not get involved with the work of the Olympic committees. Mr. Powell thought we needed to publicly call on our allies to participate. If we wait to fight toward a broader consensus, the allies won't be with us.

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Deputy Secretary Christopher said that he thought a boycott of the Olympics would take us too far down the road. Taking that one non-political contact and using it in this way would be destructive of international communication and sense of community. And we should consider the athletes who reach their peak every four years and for whom this is a once in a lifetime opportunity. He said he thought boycotting the Olympics would be a very harsh move which the American people will not understand.

The Secretary of State stated that it depended on our decision on grain sales. If we do that we would not need to take the step in regard to the Olympics.

Lloyd Cutler took a contrary view. He felt we could only boycott the Olympics if we took strong economic sanctions otherwise we would trivialize our actions by only focussing on the Olympics.

Dr. Brzezinski said our position does depend on the others. If we go ahead it will be interpreted as business as usual. But with others we could join them in underscoring the seriousness with which the world community regards the Soviet Union.

The Vice President said that a move like this could capture the imagination of the American people.

The President said it sent cold chills down his spine.

Mr. Jordan said we could, as an alternative, organize some alternative games here.

Dr. Brzezinski said if thirty countries stay out of the Olympics then we will have accomplished something. If only three stay out, we should not do it. The President noted that the winter Olympics will take place here and that they might organize a boycott against us.

Lloyd Cutler repeated that we must not boycott the Olympics without also taking action on grain. Secretary Brown agreed. He said, however, that the Soviets are more concerned about the Olympics than grain. It was designed to show them as acceptable. But he agreed we could not do the Olympic boycott without a restrictive decision on grain sales.

The President concluded by saying that we should take the position that our participation was raised by European countries and we will assess and review this position. He said we should be prepared to make it our public posture that others have advanced the idea of non-participation in the Olympic games and that we are considering it, taking into account the position of other countries.

Turning to the question of travel control, the President said it irritated him that the United States was subject to travel controls that they were not. Dr. Brzezinski said it was not a question of control. We both have controls. It was a question of enforcement and permissiveness on our part.

Deputy Secretary Christopher suggested that their proposals on the level of representation also ought to include recommendations concerning travel restrictions and enforcement. Dr. Brzezinski added that these recommendations point towards more reciprocity.

Turning to military measures, it was agreed that a U.S. military alert was inappropriate. As far as increasing the United States permanent military presence in the Indian Ocean and Persian Gulf, that was already underway.

Turning to the economic actions, it was agreed that we would not do anything about the Soviet MFN. There was concern expressed by the Vice President and the Secretary of State that the Soviets could retaliate by cutting Jewish immigration.

Turning to the question of credits, the Secretary of Defense asked how much help we might expect from our allies on curbing trade and credit. Deputy Secretary Christopher replied that that depends on what we do about grain. He said that the allies have major credit agreements coming up for renewal and he was of the opinion that they were prepared not to renew them if we were similarly going to take strong action.

The President said that he hoped Warren Christopher was correct

(b)(1) [REDACTED] He said that we ought to make a maximum effort to get our allies behind us. He suggested that a message be prepared right after the NSC meeting giving the allies a rundown on what we had decided to do.

The planned joint commercial meeting and business facilitation talks were discussed and it was agreed that they should be postponed indefinitely.

It was also agreed to postpone the Civil Aviation Talks. The President also agreed that for the timebeing Aeroflot would be strictly restricted to two flights weekly as authorized by our existing agreement.

Turning to the question of export controls and possible tightening, the Secretary of State asked what we were talking about in specific terms. The President said that he favored tightening our export controls on a case-by-case basis.

The Vice President said that this gets into the problem that we will have with the farmers if we have a grain embargo. They will feel that the businessmen are left off the hook if we do not make a similar tightening in trade in industrial goods.

The President noted under COCOM we would tighten our restrictions together with the allies. Harold Brown pointed out, however, that this only dealt with sensitive exports and technology and did not deal with lots of other trade.

The President suggested that we send someone to COCOM and to talk with our allies about tightening up on trade with the Soviet Union. He said he was in favor of tightening our trade even more than the allies so long as it did not disadvantage the U.S. businessmen in comparison with our allies. Dr. Brzezinski said that we would instruct Commerce and DOD accordingly.

On the issue of limiting Soviet commercial expansion in the United States, Secretary Vance said that he thought this subject needed additional study. The President agreed but said that on a case-by-case basis he would favor limiting Soviet commercial expansion. However, he agreed that we need a detailed proposal.

On the subject of Soviet fishing in U.S. zones, Secretary Vance was opposed to suspending such fishing because we also benefitted from the fishing agreement.

Dr. Brzezinski thought that if we do not do something in grain we should do something on fishing. The Secretary of State said we could handle this through the allocation and not cancel the agreement itself.

The President agreed that we should not cancel the fishing agreement but tighten allocations. He said this should be done irrespective of the decision to be taken on grain.

Lloyd Cutler cautioned that it would depend on the type of fishing and on the agreement concerned. He said we needed Soviet cooperation on salmon. The President responded that this should be done on a case-by-case basis.

Lloyd Cutler also pointed out that he felt he should point out to the group that the power existed for the President to free Soviet assets.

The Council then turned to the question of multilateral actions. The Council approved the suggestion that we urge [REDACTED] to increase broadcasts to Muslim countries in Soviet Central Asia.

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On the proposal to provide a daily circular to the UN and others in the status of the Soviet occupation of Afghanistan, the President asked whether this could be done in coordination with others. He also questioned whether we should do it daily but rather periodically. He thought that the circulars should also go to all the media and that we should coordinate with the BBC.

The group also confirmed that we should continue worldwide demarches urging others to take actions complementing our unilateral initiatives.

Turning to the United Nations, the Secretary of State said that Don McHenry was checking whether the General Assembly has the jurisdiction for peace and security without Security Council action or consideration. He said that Ambassador McHenry would call back shortly.

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On the question of consultations with others to reinforce U.S. economic actions, the President said that we should consult particularly on credits. That we should deny Soviet Union credits and urge others to do the same. The Secretary of State pointed out that we do not provide credits to the Soviet Union. The President responded by saying we should nonetheless urge others not to provide further credit.

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On the issue of increased economic assistance to countries in the region, it was agreed that we should seek additional economic support for Pakistan. It was also agreed that we will urge the international financial institutions in countries with assistance programs to Afghanistan to terminate such assistance. Deputy Secretary Christopher said that the allies will go along with this.

Turning to arms control, it was noted that the arms control negotiations should generally be left alone to proceed as they can. In particular, it was agreed that CSCU would go forward and that the MBFR ball was in the Soviet court. It was also noted that CTB was moving ahead but slowly and that the chemical warfare negotiations were in our interest.

Turning to the question of other concerned countries, the President asked whether Yugoslavia would join us in protesting the Soviet action. Mr. Aaron pointed out that the Yugoslavs had recently issued strong statements and that our embassy had noted that they had acted with unprecedented speed in doing so.

The Secretary of State noted that Matthew Nimetz would be going to Yugoslavia shortly. He thought that they should have high on their list an offer to the Yugoslavs in the way of military cooperation.

Lloyd Cutler asked about the legal problem of providing aid to Pakistan. The President asked what the impediments to our assistance to Pakistan are.

The Secretary of State explained that under the Symington Amendment we are precluded from providing FMS credits to the Pakistanis. He then proceeded to read the law. Thus he concluded we cannot give money under the foreign assistance act.

The President said he thought Zia had given us assurance that he would not test nuclear weapons but that he could not bind his successor. The Secretary of State replied that the Pakistanis have pulled back from that commitment to saying only that they would not test a nuclear weapon in the next six months and that was inadequate to provide the President a waiver under the Symington Amendment. He said our choices were to either change it to make it like the Glenn Amendment (changing and to or) but added that if we take this approach we also confront the whole non-proliferation issue head on. Another way under the circumstances would be to have a special provision that simply said that notwithstanding any other provision of law we will go ahead with assistance to Pakistan.

The President then asked what our treaty with Pakistan provided.

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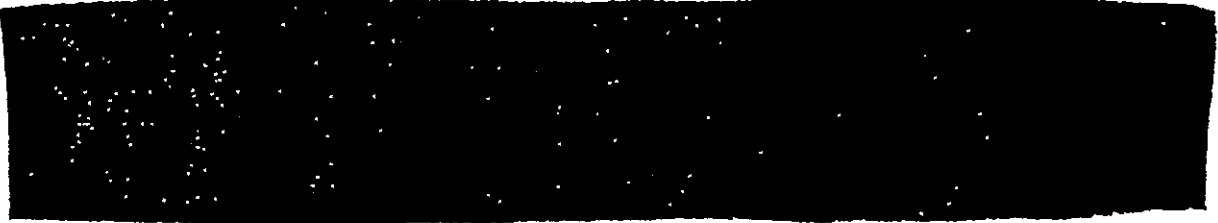
The Secretary of State then read it.

Dr. Brzezinski said that if we had a one-time supplemental to provide ESF the Congress might support the idea of the "notwithstanding and other provision of law" approach. The Secretary of State then read such a proposed amendment.

The President asked whether this could be put on the appropriations bill. The Secretary of State said yes or on the defense supplemental. The Secretary of Defense noted that the latter would take a long time. Mr. Aaron suggested that it could be put through separately.

The Secretary of State said that we could consult with the Congress on the best way to do it. Lloyd Culter noted that the provision should not be a one-time lifting of the Symington Amendment but should be country specific. The President noted that putting it on the foreign assistance bill might be one way to get that bill out of committee.

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(X5)



Dr. Brzezinski asked that before moving to a smaller meeting whether we should try to promulgate publicly the decisions that have been reached in the NSC meeting. The President and the Secretary of State said that they didn't believe that that could be done today. Dr. Brzezinski suggested that it would, however, be important for the President to play a prominent role and to make a brief statement.

Jody Powell said that it depends on how we come out on the tough issues of grain and the Olympics. The issues that had been decided thus far will sound "mighty iffy." He then reviewed the sum of them. He said that restricting further and case-by-case limitations does not sound like much. He personally was inclined to have the President play a role and go to the people on this issue. He thought that the decision to provide additional assistance to Pakistan and lift the Symington Amendment would be a high profile item and would be an opportunity for newspapers to focus on it today. He did not know how much we could do in substance but he thought we should try to make a statement by tomorrow morning.

The Vice President agreed that the list was not too impressive. He said the addition of our decisions on Pakistan would help. He said that the grain embargo would be a major step but he hoped that we would not do it. Jody Powell noted that we would have to tighten up other trade or the farmers will say that big business benefits and then we will have trouble politically.

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The Vice President said that trying to curtail food is a loaded dynamite. If the longshoremen go on strike, the Republicans will say we are so pro-union that we will hurt the farmers in the midwest just to go along with the unions.

Mr. Jordan asked whether the government would have to buy the grain if we impose an embargo. The President replied that Stu Eizenstat was trying to find out the answer to that question. Lloyd Cutler said we might want a legislative package to ease the burden on the farmers. In this connection, the Vice President said that if the grain is in storage it is the same as if it is on the market as far as the affect on price is concerned.

Dr. Brzezinski said that if we go forward with the grain embargo, we should try to make it a bipartisan effort and get others to endorse it.

The Vice President thought the idea of the longshoremen taking foreign policy into their own hands was outrageous. If we can talk them out of it before they start it might work. But later they will be ego involved in the embargo.

Secretary Brown said it was a question of sacrifice. We could introduce the sacrifices elsewhere. Such as gas rationing or a plan for resuming the draft, which the Secretary favors. The Vice President said that we had decided not to do things that hurt us. He said that selling the grain was in our interest. It requires the Soviet Union to spend hard currency. It helps the dollar in our balance of payments.

Secretary Brown said that if we cannot do things that hurt us, we cannot get our allies to do things that hurt them. Stu Eizenstat then joined the meeting and explained what our obligations were under the law. He said our obligation is not to use the authority of the U.S. Government to interfere with the 8 million tons to which we are committed to sell the Soviet Union under the agreement. The President asked what were our obligations if there were a suit against the longshoremen. Secretary Brown asked what were our obligations in regard to the 13 million tons additional which we had approved. Mr. Eizenstat said he did not know. Secretary Vance said that there was no obligation not to interfere above the 8 million. That means that there should be no control. Mr. Eizenstat questioned that interpretative.

The President said we could wait until we hear from the allies before deciding our own position of law. Lloyd Cutler noted there are limits in our ability to control food.

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The President said that we ought to explore with our allies the possible curtailment of both grain and industrial shipments. He asked that the Vice President, Lloyd Cutler and Stu Eizenstat put together a paper for him on this issue. The Vice President suggested that we might turn down the Soviets on the 10 million tons that we were negotiating about now.

The President reiterated that he wanted Mr. Eizenstat and the Vice President to get involved in examining the legislation. He also wanted to explore the Congressional leaders -- their attitudes. He noted that Robert Dole will shoot at us either way we decide.

Lloyd Cutler noted that we will also need to consult on SALT because others may beat us to the punch. He was not sure that all of these items and in particular SALT could be held for a few days for a package announcement. The President hoped that we could make our announcement within 24 hours. Dr. Brzezinski noted that the allies would be able to respond in that time. The President responded that the allies hope we will get out in front and they will not be involved in it.

Dr. Brzezinski said that we will be ready to go tomorrow on the issues that had been decided. The question was whether we defer the grain decision.

The President said we can decide on how to deliver the package later. The Secretary of Defense said that without grain and the Olympics it won't be much of a package.

The President asked whether the allies are shipping grain to the Soviet Union. The Secretary of State said yes the Canadians, the Australians are shipping it and possibly the Argentines. The President said, however, we are the only ones with corn. The Vice President said there are 17 million tons of corn in the sales to the Soviet Union. Mr. Jordan said he wished we might announce it after the Iowa caucuses.

General Jones said that the Soviet reaction to this package of action should be assessed. The Secretary of State said we have a list of possible Soviet reactions which we have considered. The President asked that they be reviewed.

Lloyd Cutler asked whether it included the possibility that the Soviets would terminate or curtail oil and gas shipments to Western Europe. Secretary Brown noted that there was not all that much oil and gas being shipped to Western Europe.

The Secretary of State said that the worst thing would be if the Soviets went ahead and tested 14 RVs on the SS-18 and did not abide by SALT I.

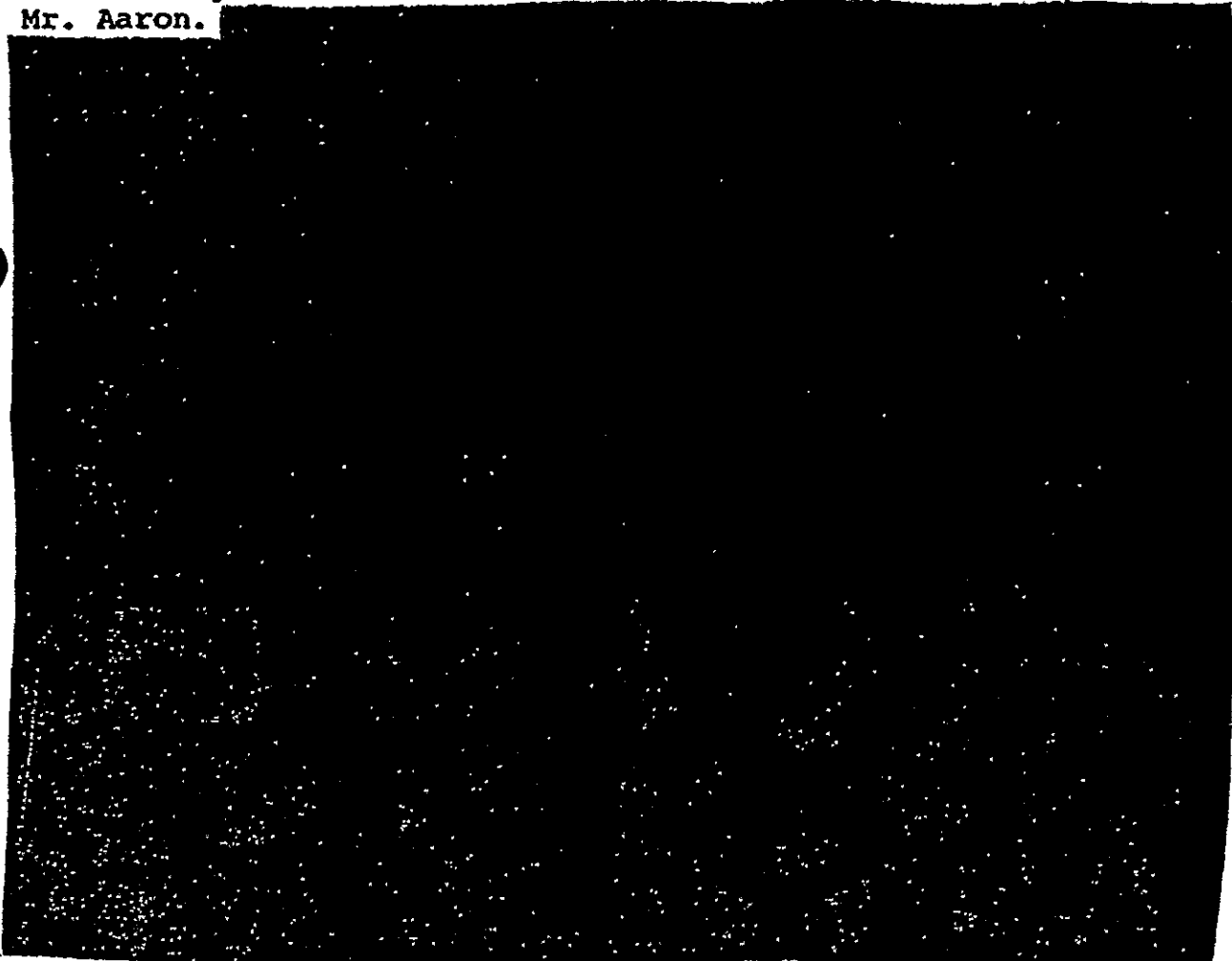
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The President asked whether the Soviets might do something on Berlin as a signal. Dr. Brzezinski said that this would provide a big security confrontation he thought they would wish to avoid. The President noted that the Federal Republic had been very courageous on this issue.

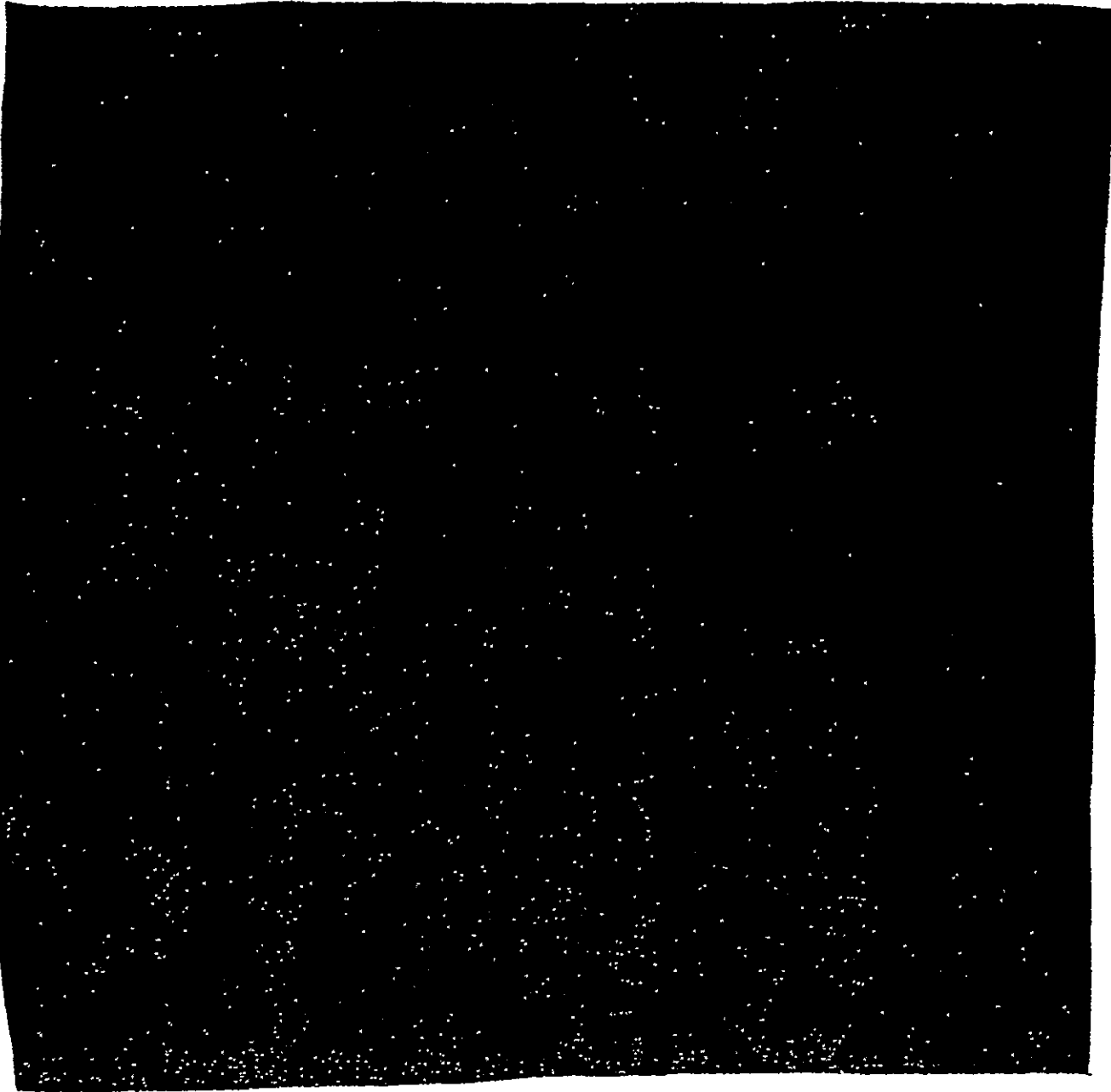
The Vice President asked whether we had gone over the list of crucial imports from the Soviet Union: chrome, platinum and so forth. He asked whether we were still importing titanium. The President said no, that the Soviets were not shipping titanium since they are now building titanium submarines.

Jody Powell asked what would be said about this meeting. The President said the general line should be to say that things are being considered; that Ambassador Watson is coming; that we are consulting with our allies; and that an announcement might be made tomorrow.

The meeting was then restricted to the statutory members plus Mr. Aaron.



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(b)(7)



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(b)(5)

Secretary Brown said, however, that we also need to leave some room on the ladder of escalation, otherwise there is no need for Soviet restraint. Dr. Brzezinski added that we do need to give enough of a signal so the Soviets know we are serious.

(b)(1)

Dr. Brzezinski said we are facing as acute a dilemma as when the [redacted] came to us to say that [redacted]

The President said that he was not sure that what we had decided today will deter the Soviet from going into Pakistan and into Iran. Both the Secretary of State and the Secretary of Defense agreed that it would not, but that it would provide a signal. Secretary Brown said that our response must make the Soviets wonder whether the next step will be worth it.

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Turning back to China, the President said that the basic memo from Harold Brown on his instructions for China was good. The Secretary of State agreed.

The President then said that before Secretary Brown leaves, he would like to sit down and review his instructions. He suggested that this be done at the Friday breakfast in order to confirm the Secretary's instructions. The Secretary of State noted that there were two other items suggested to be added to Secretary Brown's list and two others that he could not agree with. Dr. Brzezinski said that Secretary Brown's instructions were generally agreed among the three of them along the lines indicated by the Secretary of State. He summarized by saying that Secretary Brown's memo was generally acceptable, but that the final signoff would await the Friday breakfast. The President agreed. He said that we should continue to explore what further might be done for the Chinese.

He then commented that since discussing the issue of the kinds of signals that need to be sent to the Soviet Union in this crisis, he was inclined to go ahead on a grain embargo in order to give the Soviets a signal on their behavior. The President asked that there be a further discussion of the grain issue tomorrow morning. He said that we need to get broad-based support for a grain embargo which is what he was inclined to go with at this stage.

The meeting adjourned.

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