THE VICE PRESIDENT RICHARD MOE TALKING POINTS FOR LUNCHEON WITH THE PRESIDENT -- WEDNESDAY, APRIL 30, 1980 muskey (Brywole) I. Reaction to Muskie Appointment - U more del II. Iran/Rescue Mission/Sanctions (see attached) o Reaction from -- Iranians -- Hill -- Allies -- Public o Where do we go from here? III. | Cuban Refugees (see attached) IV. Tito (see attached) . Middle East VII. Economy o Recession o Interest Rates o Auto Industry = VIII. Politics for Mulche 4 70 Was in Baltimore last night o This week will be in North Carolina, Tennessee, Indiana o Get out of White House? \_\_ ATTACHMENT





## INSERT FOR VICE PRESIDENT'S LUNCHEON WITH THE PRESIDENT Wednesday, April 30, 1980

#### New Secretary of State

The media and public reaction to the President's nomination of Senator Muskie should be both surprised and positive, with the assessment that the President has not been sidetracked by the aborted rescue mission, and the assessment that Muskie will probably be a stronger voice than Vance at the Department of State.

#### Iranian Sanctions -- U.S. Steps and Allied Cooperation

Tuesday's SCC marked an informal discussion, setting the stage for a more formal review at the SCC on Thursday of next US steps.

If anything, the aborted rescue has strengthened allied statements of solidarity with the US (I believe, candidly, out of fear that if they do not follow through, the US may be moved to take even more serious action against Iran). The President will meet with Prime Minister Ohira on Thursday, May 1, and you will just have met with the new Japanese Ambassador Okawara prior to your luncheon. Setting the stage for his visit to Washington, Ohira gave a speech earlier this week stating that Japan must play a bigger allied defense role.

On the UK front, the British Ambassador Sir Nicholas Henderson was very supportive of the United States in a television interview on April 29. You may wish to mention to the President that you will be having dinner with British Foreign Secretary Peter Carrington on Sunday, May 4.

#### Tito Funeral

The Department of State will probably recommend to the President that he include a stop-over in Spain enroute home from the Venice Summit this June.

SECRET CLASSIFIED BY A. DENIS CLIFT REVIEW ON APRIL 29, 1986

DECLASSIFIED

PER 5/3/04 NSC LETTER BY Q NARA, DATE CLELOG

Nexe - 06-082

If, as expected, you head the US delegation to the funeral services for President Tito in the near future, you may wish to consider an overnight visit to Portugal enroute home from Belgrade. We are still working to bring that young democracy along. There has been a change of government since your 1977 visit, with Prime Minister Sa Carneiro having replaced Prime Minister Soares. George Vest has discussed this with me, he strongly favors a visit to Portugal (and I would note that he on the other hand would not recommend a visit to Romania).

You may wish to touch on President Tito's valiant struggle, and note that it might be useful for you to visit Portugal if you go to Belgrade in the near future.

#### Showing of UK Film on Saudi Princess in US

Last Friday, I gave David Aaron my views on the very serious problems we can expect if PBS follows through on its plan to screen the UK film on the death of the Saudi Princess on May 12, namely:

- -- We are in a state of high tension in the Persian Gulf/ Southwest Asia.
- -- International oil from the region is vital and its supply precarious, the Saudis have the very deepest emotional feelings about this film, we can expect a reaction similar to that of the Saudis when the British screen the film, and this would not be in our interests.
- -- Since that time, I have noted that the government of Turkey has suspended publication of a photo novel based on the film stating that it did so because publication would be offensive to Saudi Arabia (Tab A). I think the stakes are higher in this than they would appear at first glance, and I further think it important that the President has the best possible advice on this issue.

#### Cuban Refugee Crisis

Following your informal meeting with members of the Cabinet last Saturday, the President approved your statement on the crisis (Tab B) which received considerable media play (TV,

SECRET

radio and press) notwithstanding other priority news. The "boat lift" made it through the weekend's heavy tropical storm with miraculously little loss of life. We are doing our best to keep the focus on Castro's cynical action.

In this connection, the President will have received a paper from Zbig on the exercise Solid Shield recommending transfer of the amphibious portion from Guantanamo to the continental US, with an accompanying announcement that US ships in the exercise will be on the lookout for "boat people." Brown does not favor this recommendation, but he has said he will go along with it. The idea is not to shift the focus from Castro's cynical expulsion of people by allowing him to plead for hemispheric sympathy because the imperialist Yankees are at it again with a military exercise at their base in his country.

AN-FILM

WASHINGTON, APRIL 24, REUTER - THE STATE DEPARTMENT HAS ASKED THE PUBLIC BROADCASTING SERVICE ABOUT PLANS TO TELEVISE \*\*DEATH OF A PRINCESS, \*\* A FILM SAUDI ARABIA HAS BITTERLY DBJECTED TO WHEN SHOWN IN EUROPE, U.S. OFFICIALS SAID TODAY.

GOVERNMENT AND PBS OFFICIALS SAID THERE HAD BEEN NO SUBSTANTIVE DISCUSSION OF THE FILM, WHICH RECONSTRUCTS THE 1977 EXECUTION OF A 19-YEAR-OLD SAUDI PRINCESS AND HER LOVER BECAUSE OF THEIR ILLICIT RELATIONSHIP.

A PBS SPOKESHAN SAID SAUDI OR U.S. OFFICIALS HAD NOT ASKED THE PUBLICLY FUNDED NETWORK TO CANCEL THE MAY 12 AIRING.

ABOUT 20 VIEWERS HAD CALLED IN TODAY TO QUESTION THE TIMING AND PROPRIETY OF SHOWING THE BRITISH-HADE FILM, BUT THE NETWORK HAS EVERY INTENTION OF GOING AHEAD WITH IT, HE SAID.

A STATE DEPARTMENT OFFICIAL WHO CALLED PBS YESTERDAY ASKED ONLY HOW MANY AFFILIATED STATIONS HOULD SHOW THE FILM AND WAS TOLD ABOUT 120, OR 80 PER CENT OF THE 165 TOTAL, HE ADDED.

SAUDI ARABIA RECALLED ITS AMBASSADOR TO LONDON AND SENT THE BRITISH ENVOY IN RIYABH PACKING BECAUSE OF THE FILM.

U.S. OFFICIALS SAID THE STATE DEPARTMENT WAS AWARE OF SAUDI CONCERNS BUT NOTHING HAD BEEN DONE BEYOND THE PRELIMINARY CALL TO PES.

## Turkish Newspaper to Withhold Novel on Saudi Princess's Killing

Special to The New York Times

to Government pressure, a leading Turk-ish newspaper has agreed to suspend pub-"The Government believes," Gunaydin lication of a photo-novel based on a film said, "that a new political and economic Saudi officials regard as insulting to their, any day. We are requested not to cast any

Country and to Islam. nounced that because of Saudi interven-tion "at various levels" of the Government and subsequent pressure from Turkish officials, it would not be able to publish its print and still-photo version of the fictionalized film account of the execution in 1977 of a Saudi princess and her lover on adultery charges.

Yesterday Saudi Arabia asked Britain to withdraw its Ambassador because the film, entitled "Death of a Princess," was shown on British television two weeks ago. The Saudi Government also hinted at the possibility of economic strictures against Britain.

The pressure brought by the Turkish might not provide the \$500 million in might boomerang.

ANKARA, Turkey, April 24 - Yielding | credit and five million tons of oil to Tur-

about a Saudi Arabian princess that era is about to begin with Saudi Arabia shadow on the friendship at this stage."

#### Long Saudi-British Chill Seen Special to The New York Times

RIYADH, Saudi Arabia, April 24 -Diplomatic sources here said today that the Saudi Government was likely to continue downgrading its diplomatic ties with Britain for up to six months to underscore its displeasure over the televising of "Death of a Princess."

But a senior Saudi official who asked not to be identified said that the action yesterday, which fell short of a break in diplomatic relations, was not likely to be followed by an official policy of trade sanctions.

Britain is Saudi Arabia's third largest Government on the newspaper appar-ently reflected fears that Saudi Arabia feeling here that further punitive action The Christian Science Monitor - April 23, 1960

# British film on Saudi royalty kicks up political sandstorm

By Rushworth M. Kidder Staff correspondent of The Christian Science Monitor

London

The latest sandstorm to whirl out of the Middle East toward Britain has nothing to do with oil, hostages, or revolutions.

The weather behind it is stirred by something even more fundamental: the opposed Eastern and Western views on censorship.

Saudi Arabia, long an important trading partner for Britain, is peeved by a film shown on television here April 9. Following a Cabinet meeting April 23, the Saudis sent home Britain's ambassador, noted Arabist James Craig.

The film, entitled "Death of a Princess," is a quasi-documentry based closely on the story of Princess Misha of the Royal House of Saud. She was publicly executed in 1977 under Koranic law for taking a lover. The film, partly funded by television station WGBH in Boston, also depicts Saudi women as living in considerable confinement.

When it was shown here, Foreign Secretary Lord Carrington cabled his regrets to the Saudis. But he could not apologize: The film was produced and shown by independent television, over whose programing the government has no control.

The reasons behind such powerlessness are not easily grasped by the Saudis, who exercise firm control over their independently owned television service. They felt the film was highly offensive to Islamic traditions, whose moral standards were being harshly portrayed through the lens of Western decadence. Other Gulf states, including the United Arab Emirates, Qatar, Bahrain, and Oman, reportedly share that view.

Official spokesmen here are keeping their

heads down. The Saudi Arabian Embassy here has no comment. The British Foreign Office describes it as "a blow" but has no reason to believe the expulsion will be permanent.

Expulsion is a comparatively mild gesture, say diplomats here, falling far short of breaking diplomatic relations, trimming embassy staff, or declaring an ambassador persona non grata. The embassy in Jiddah appears to be running normally — as does the Saudi Arabian Embassy in London, which is between ambassadors and will remain so for a while longer.

One Arab analyst charges the incident off to Arab volatility. "They kiss one moment and plot one another's assassination the next." he says. But with 10 percent of Britain's oil coming from Saudi Arabia, and with the developing country spending nearly £900 million (\$2 billion) on British imports last year, the British are treading softly and presumably taking private steps to soothe the turbulence.

Monitor correspondent Daniel Southerland reports from Washington:

Saudi Arabia has made known to the United States its concern over the planned showing of a film on American PBS stations that the Saudis consider to be disparaging of the Arabs and of Islam.

"They have discussed their concerns with us," said a State Department spokesman. "We're considering the matter."

Saudi diplomats have been advised by some Americans who work for them that the more they protest over the film — a two-hour British documentary entitled "Death of a Princess" — the more attention the film will get.

The Saudis have thus far made no public comment on the plan to show the film here.

#### Office of the White House Press Secretary

#### THE WHITE HOUSE

## STATEMENT BY THE VICE PRESIDENT ON CUBAN REFUGEES

At the President's request, I chaired a meeting Saturday with the Attorney General, the Secretary of HEW, the Deputy Secretary of State, and heads of other U.S. departments concerned with the very serious humanitarian problem we are confronting with the plight of growing numbers of Cuban refugees. There is no better proof of the failure of Castro's revolution than the dramatic exodus which is currently taking place.

At the same time, we are witnessing a callous, cynical effort by Castro to play on the emotions of the Cuban-American community in the United States, to lure members of this community into extraordinarily dangerous and unlawful boat trips, with the very real threat of loss of life at sea. Castro has evaded his responsibility to his citizens, and has broken the commitment he made earlier to help with an orderly, prompt and humane evacuation of refugees.

The President has directed U.S. Navy and Coast Guard units in the region to render all possible assistance to those at sea. We call upon the Cuban-American community, which has contributed so much to our country to respect the law and to avoid these dangerous and illegal boat passages. The world will hold Castro responsible for the safety of these Cubans.

Cuba must agree to a policy that permits the orderly, safe and humane evacuation of refugees. We have stated before, and I repeat again, that the U.S. will contribute to this international effort. I would point out that if Castro wants to expel his people, let him begin by releasing the plantados -- those brave Cubans in Boniato prison. These people have suffered for their freedom. The moment they are released, we will have aircraft standing ready to bring them to freedom.

The Deputy Secretary of State and other Administration officials also met Saturday with leaders of the Cuban-American community to continue our consultations. We will continue to give the highest priority to this humanitarian problem.

For further information call: Cuban Refugee Task Force Christopher Russell, 632-1658

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OFFICE OF THE VICE PRESIDENT WASHINGTON May 2, 1980 MEMORANDUM FOR THE VICE PRESIDENT FROM: RICHARD MOE TALKING POINTS FOR LUNCHEON WITH THY SUBJECT: PRESIDENT -- MONDAY, MAY 5, 1980 I. Foreign Policy o Camp David weekend session o Chat Thursday with Muskie II. Strategy for Iran (see attached) III. UK -- Lord Carrington (see attached) IV. Cuban Refugees V. Economy o Recession/Unemployment -- New Figures -- Friday meeting o Joint task force on options -- Need strategy for fall o Our constituents affected o Shape and timing of recovery critical o Auto Industry -- Good decision on trade adjustment -- Ohira meeting o Askew June trip to Tokyo important -- Meeting with industry leaders and Fraser o Are we ready for it? Politics o Texas results o Report on trip to North Carolina, Indiana, Tennessee o Will go to Baltimore Wednesday, o Parren Mitchell (?) Intelligence Charter (see attached) and Frase



## INSERT FOR VICE PRESIDENT'S LUNCHEON WITH PRESIDENT Monday, May 5, 1980

Charters Legislation -- Senator Huddleston's announcement that the SSCI had decided that a comprehensive charter could not get into the Senate in this short legislative year reflects the views of Byrd and Baker that there was not time for a multi-week debate on the comprehensive charter.

- -- David Aaron and Stan have already been in touch with the SSCI to consult on the new shorter version, which will provide satisfactory provisions on reporting to the Congress, near term relief for the intelligence agencies but not protection of civil liberties (Tab I).
- -- I think it important that the scaled-down charter include provisions on civil liberties protection. I have discussed this with David.

#### Strategy and Tactics Relating to Iran

- -- I have been following the SCC's deliberations, and have taken a look at the most recent papers prepared on diplomatic strategy, sanctions and Lloyd Cutler's memorandum on claims legislation.
- -- It is my understanding that Bill Miller feels very strong about the negative impact that vesting authority would have on the dollar, that the SCC is giving this a harder look and will have a recommendation on claims legislation later this week.

#### Dinner with Peter Carrington

- -- I had a useful discussion with Peter Carrington last evening (review points made on Iran, Afghanistan, Middle East and Venice summit).
- -- I also thanked the British Ambassador for very supportive comments he made of you last Tuesday on one of the morning television shows.

#### Weekend Foreign Policy Briefing for Ed Muskie

(Invite the President's impressions of the weekend foreign policy briefings at Camp David.)

<u>Tito</u> -- It seems hard to believe, but you and I may soon be receiving from the State Department recommended messages of birthday greetings to President Tito -- his official birthday celebration is May 25.

SECRET CLASSIFIED BY A. DENIS CLIFT REVIEW ON MAY 2, 1986 DECLASSIFIED

Miller

#### A BILL

To strengthen the system of accountability for intelligence activities of the United States.

That this Act may be cited as the "Intelligence Accountability Act of 1980."

SEC. 2. (a) The National Security Act of 1947 is amended by adding at the end thereof the following new title: "TITLE V--ACCOUNTABILITY FOR INTELLIGENCE ACTIVITIES

#### "CONGRESSIONAL OVERSIGHT

"Sec. 501. (a) To the extent consistent with all applicable authorities and duties, including those conferred by the Constitution upon the executive and legislative branches, and to the extent consistent with due regard for the protection of classified information and intelligence sources and methods from unauthorized disclosure, the Director of Central Intelligence and the heads of departments, agencies, and other entities of the United States involved in intelligence activities shall --

keep the House Permanent Select Committee on Intelligence and the Senate Select Committee on Intelligence fully and currently informed of all intelligence activities which are the responsibility of, are engaged in by, or are carried out for or on behalf of, such department, agency, or entity, including any significant anticipated intelligence activity; provided that the foregoing provision shall not require approval of such committees as a condition precedent to the initiation of any such anticipated intelligence activity; [and provided further that prior notification of such activity may be limited to the chairman and ranking minority members of the House Permanent Select Committee on Intelligence and the Senate Select Committee on Intelligence, the Speaker and minority leader of the House of Representatives, and the majority and minority leaders of the Senate, if the President determines such limitation is essential to meet extraordinary circumstances affecting vital interests of the United States.]

- "(2) furnish any information or material concerning intelligence activities in the possession, custody, or control of such department, agency or entity which is requested by the House Permanent Select Committee on Intelligence or the Senate Select Committee on Intelligence in order to carry out its authorized responsibilities;
- "(3) report in a timely fashion to the House Permanent Select Committee on Intelligence and the Senate Select Committee on Intelligence relating to intelligence activities that are illegal and corrective actions that are taken or planned.
- "(b) The President may establish such procedures as the President determines may be necessary to carry out the provisions of subsection (a) [and shall establish procedures for timely informing the House Permanent Select Committee on Intelligence and the Senate Select Committee on Intelligence of any significant anticipated intelligence activity not subject to prior notification under subsection (a), together with a statement of the reasons for not giving prior notification.]
  - "(c) Through rule or resolution, both the House of
    Representatives and the Senate shall, in consultation with the
    Director of National Intelligence, establish procedures to
    protect from unauthorized disclosure information or materials
    provided under this section which concern intelligence sources
    and methods or classified information. In accordance with such
    procedures, the House Permanent Select Committee on Intelligence
    and the Senate Select Committee on Intelligence shall promptly
    call to the attention of their respective House, or to any
    appropriate committee or committees of their respective House,
    any matter relating to intelligence activities which requires
    or should have the attention of such House or such committee
    or committees."

#### "PROCEDURES FOR INTELLIGENCE ACTIVITIES

"Sec. 502. (a) No entity of the intelligence community may undertake intelligence activities unless permitted by procedures established by the head of that entity. Such procedures shall ensure that a complete record is maintained of all legal authorities, published regulations, and published instructions pertaining to the intelligence activities of that entity, and shall ensure that a record is preserved of each authorization, approval, or notice required by law, regulation, or procedures under this Act with respect to any activity of that entity.

"(b) The procedures required by subsection (a) for intelligence activities that affect unconsenting persons within the United States or unconsenting United States persons outside the United States shall be approved by the Attorney General. Such procedures shall ensure compliance with law; protect constitutional rights and privacy; designate officials authorized to initiate or approve particular activities and provide for timely periodic review of activities; limit any acquisition, retention, or dissemination of information concerning United States persons to that necessary to achieve lawful governmental purposes; ensure that activities directed at United States persons are conducted with only such intrusion as may be necessary; and provide for notice to the Attorney General of intelligence activities which may significantly involve political or religious activity of United States persons. Such procedures and any changes thereto shall be made available to the House Permanent Select Committee on Intelligence and the Senate Select Committee on Intelligence in accordance with section 101 a reasonable time prior to their effective date, unless the Attorney General determines immediate action is required and notifies the committees immediately of such procedure and the reason for their becoming effective immediately."

"'PENALTY FOR UNAUTHORIZED DISCLOSURE OF IDENTITIES OF CERTAIN INTELLIGENCE OFFICERS, AGENTS, INFORMANTS, AND SOURCES

"Sec. 503. (a) Whoever, having or having had authorized access to classified information that--

- (1) identifies as an officer or employee of an intelligence agency, or as a member of the Armed Forces assigned to duty with an intelligence agency, any individual (A) who in fact is such an officer, employee, or member, (B) whose identity as such an officer, employee, or member is classified information, and (C) who is serving outside the United States or has within the last ten years served outside the United States; or
- (2) identifies as being or having been an agent of or informant or source of operational assistance to, an intelligence agency any individual (A) who in fact is or has been such an agent, informant, or source, and (B) whose identity as such an agent, informant, or source is classified informant.

mation, intentionally discloses to any individual not authorized to receive classified information any information that identifies an individual described in paragraph (1) or (2) as such an officer, employee, or member or as such an agent, informant, or source, knowing or having reason to know that the information disclosed so identifies such individual and that the United States is taking affirmative measures to conceal such individual's intelligence relationship to the United States, shall be fined not more than \$50,000 or imprisoned not more than [five] [ten] years, or both.

- (b) It is a defense to a prosecution under subsection (a) that before the commission of the offense with which the defendant is charged, the United States has publicly acknowledged or revealed the intelligence relationship to the United States of the individual the disclosure of whose intelligence relationship to the United States is the basis for the prosecution.
- (c) It is not an offense under subsection (a) for an individual to disclose solely that he himself has had an intelligence relationship with the United States [if such disclosure is made after such individual's intelligence relationship to the United States has terminated.]
- (d) No person other than a person committing an offense under subsection

  (a) shall be subject to prosecution under such subsection by virtue of section 2

  or 4 of title 18, United States Code, or shall be subject to prosecution for conspiracy to commit an offense under such subsection.

- (e) It shall not be an offense under subsection (a) to transmit information described in such subsection directly to the House Permanent Select Committee on Intelligence or to the Senate Select Committee on Intelligence.
- (f) There is jurisdiction over an offense under subsection (a) committed outside the United States if the individual committing the offense is a citizen of the United States.
  - (g) Nothing in this section shall be construed as authority to withhold information from Congress or from a committee of either House of Congress.
    - (h) As used in this section--
    - (1) The term "classified information" means information or material designated and clearly marked or clearly represented, pursuant to the

pursuant to a statute or Executive order), as requiring a specific degree of protection against unauthorized dislosure for reasons of national security.

- (2) The term "authorized", when used with respect to access to classified information, means having authority, right, or permission pursuant to the provisions of a statute, Executive order, directive of the head of any department or agency engaged in foreign intelligence or counterintelligence activities, order of a United States district court, or provisions of any rule of the House of Representatives or resolution of the Senate which assigns responsibility within the respective House of Congress for the oversight of intelligence activities.
- (3) The term "disclose" means to communicate, provide, impart, transmit, transfer, convey, publish, or otherwise make available.
- (4) The term "intelligence agency" means the Central Intelligence Agency or any intelligence component of the Department of Defense.
- (5) The term "informant" means any individual who furnishes or has furnished information to an intelligence agency in the course of a confidential relationship protecting the identity of such individual from public disclosure.

- (6) The terms "agent", "informant", and "source of operational assistance" do not include individuals who are citizens of the United. States residing within the United States.
- (7) The terms "officer" and "employee" have the meanings given such terms by sections 2104 and 2105, respectively, of title 5, United States Code.
- (8) The term "Armed Forces" means the Army, Navy, Air Force, Marine Corps, and Coast Guard.
- (9) The term "United States" when used in a geographic sense, means all areas under the territorial sovereignty of the United States and the Trust Territory of the Pacific Islands.
  - (b) The table of contents at the beginning of such Act is amended by adding at the end thereof the following: "TITLE V--ACCOUNTABILITY FOR INTELLIGENCE ACTIVITIES

"Sec. 501. Congressional oversight.

"Sec. 502. Procedures for intelligence activities.

- "Sec. 503. Penalty for unauthorized disclosure of identities of certain intelligence officers, agents, informants, and sources.
- SEC. 3. Section 662(a) of the Foreign Assistance

  Act of 1961, as amended, (22 U.S.C. 2422(a)) is amended by

  striking all after the word "reports" and inserting in lieu

  thereof the following: "fully to the House Permanent Select

  Committee on Intelligence and the Senate Select Committee on

  Intelligence in accordance with section 501 of Title V of

  the National Security Act of 1947."

- 7

SEC. 4. Section 552(b) of title 5, United States Code, is amended by adding a new paragraph as follows:

"(10) Information certified by the Director of Central Intelligence or a designee to be: (A) intelligence obtained from a confidential source other than a person employed by the United States Government; (B) information which identifies or tends to identify a confidential source of information or assistance to an intelligence agency; or (C) information concerning the design, function, deployment, exploitation or utilization of scientific or technical systems for the collection of intelligence, . but not including any research programs which involve experimentation with or risk to the health or safety of haman beings. [In reviewing the basis for certification under (B), the court shall not require in camera inspection of information which identifies any confidential source or foreign intelligence service.] [In each such ... instance the certification shall be conclusive and not al subject to judicial review.] No certification may apply ... to information responsive to requests by United States citizens or permanent resident aliens for information concerning themselves, nor to information which has been determined by an agency to be unclassified. In the case of such information in the files of the Federal Bureau of Investigation the certification shall be made by the Director of the Federal Bureau of Investigation or a

SEC. 5. Nothing contained in this Act or in any amendment made by this Act shall be deemed to constitute authority for the conduct of any intelligence activity which is not otherwise authorized by the Constitution or laws of the United States.

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#### OFFICE OF THE VICE PRESIDENT

WASHINGTON

Memo No. 892-80

SECRET

May 2, 1980

MEMORANDUM FOR DICK MOE

FROM:

Denis Clift

SUBJECT:

Vice President's Lunch with the President,

Monday, May 5

I am forwarding at Tab A an insert for the papers you are preparing for the Vice President's lunch with the President, Monday, May 5, 1980.

SECRET
(THIS MEMO UNCLASSIFIED WHEN REMOVED FROM ATTACHMENT)

DECLASSIFIED

PELSTEDGENSE LIVE

BY C NARA, DATE C/9/06

#### OFFICE OF THE VICE PRESIDENT

WASHINGTON

SECRET/SENSITIVE

May 9, 1980

MEMORANDUM FOR DICK MOE

FROM:

Denis Clift

SUBJECT:

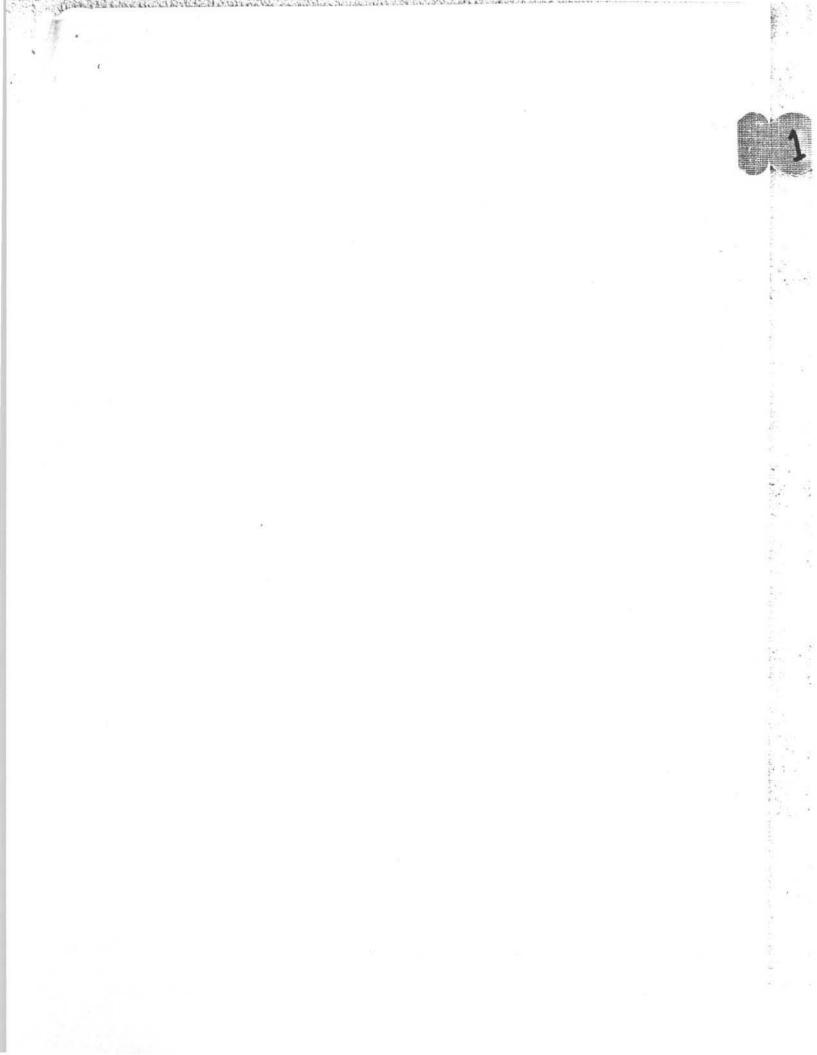
Vice President's Lunch with President, Monday,

May 12, 1980

I am forwarding at Tab 1 a recommended insert for inclusion in the luncheon talker being prepared for the Vice President's lunch with the President on May 12. Please note the sensitivity. Thanks.

SECRET/SENSITIVE

(THIS MEMO UNCLASSIFIED WHEN REMOVED FROM ATTACHMENTS)



INSERT FOR VICE PRESIDENT'S LUNCH WITH PRESIDENT Monday, May 12, 1980

#### Tito Funeral and Related Bilaterals

I recommend that you draw on your report to the President (copy at Tab A) to review the substance of the Belgrade trip.

Key points in the memorandum include:

- -- Yugoslavia The dignity of the funeral and the confidence of the Yugoslav leadership, despite economic difficulties.
- -- FRG Schmidt's testy mood, his deep concern over US-USSR relations, his reluctance to have a political component at the Venice Summit, other than the four power private talks held in the past.
- -- Muskie and Muskie/Gromyko Schmidt's high praise for Muskie, and the indication from the Austrians that Gromyko wishes to meet with Muskie in Vienna.
- -- France Opposition to expanded political talks at Venice.
- -- Zambia Kaunda's position on Zambia's need to purchase Soviet arms for defense, without strings attached, because neither the US nor Europe has been willing to sell such arms to Zambia. In this connection, the need to take another look at a letter sent to Embassy Lusaka from the President to Kaunda.
- -- Spain / The importance Prime Minister Suarez attaches to his role as a contact with the Arab world, the fact that he will have met with Bishop Capucci on Friday, May 9 to discuss the hostage situation.
- -- Romania Ceausescu's adherence to the Soviet line on Afghanistan.
- -- Portugal Support from both President Eanes and Prime Minister Sa Carneiro for the US with regard to both Afghanistan, Iran and alliance policies.

SECRET/SENSITIVE CLASSIFIED BY A. DENIS CLIFT REVIEW ON MAY 9, 2000

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MUSC-06-085 AN 5/25/06 NGC LTR BY C NARADATE 6/9/06





#### SECRET/SENSITIVE

### THE VICE PRESIDENT

WASHINGTON

May 8, 1980

MEMORANDUM FOR THE PRESIDENT

FROM:

The Vice President

SUBJECT:

Visit to Yugoslavia for Tito Funeral and

Associated Bilateral Meetings

Tito Funeral. Miss Lillian, Averell and Pamela Harriman and Bill Miller accompanied me with an excellent US delegation to the funeral ceremonies for President Tito. The Yugoslavs handled the ceremonies with greaty dignity, and with warmth and pageantry reflecting their love and respect for Tito. I met with the new Yugoslav President, Lazar Kolisevski, underscoring your support for Yugoslavia. Kolisevski responded with genuine appreciation. He referred to the exchange of letters you had with Tito just a few weeks ago, and to your statement following Tito's death. The new leadership believes that the years of your Administration have shown a great improvement in their bilateral relations. With regard to Yugoslavia's future, Kolisevski stressed that there had been no internal disturbances and he said "we know how to defend ourselves. As for our independence and sovereignty, we will make no concessions to anyone, at any time."

#### Other Bilaterals

During the course of the day and a half in Belgrade there were a number of requests for meetings, and the bilateral schedule included the FRG, France, Spain, Zambia, Romania, Portugal and Bangladesh. The highlights were:

- -- Schmidt and French Foreign Minister Francois-Poncet both expressed serious reservations about broadening the political discussions at the Venice Summit beyond the four and about having any political content in the Communique. Both however agreed that the four Foreign Ministers could discuss this issue further at Vienna next week and that the Summit political preparatory group could also meet there afterwards.
- -- Suarez is meeting Friday with Archbishop Capucci at the latter's request and will immediately report any

SECRET/SENSITIVE

CLASSIFIED BY THE VICE PRESIDENT REVIEW ON MAY 8, 2000

DECLASSIFIED

PER 5/25/06 NSC CTR BY C NARA, DATE 9/9/06 developments through the Spanish Ambassador in Washington. He will also push the idea of an Islamic peacekeeping force for Afghanistan with Syria, Iraq and Algeria.

-- Kaunda made a sincere plea to understand that their Soviet weapons purchases were solely because the West had turned him down. I have recommended that your letter to Kaunda be reviewed in the light of our discussion.

Some of the details of these talks are also worth reporting.

FRG. Helmut Schmidt came to our meeting in a fractious mood compounded by physical discomfort from the sun and heat experienced during the ceremonies for Tito. Bill Miller, David Aaron and later Tony Solomon were with me. We stated the US interest in including political items with principal focus on Afghanistan in the agenda for the Venice Summit -- with reference to the political agenda in the Summit Communique. While Schmidt agreed readily to private four power political talks during the summit, he was not encouraging about either expanding the number of participants or having a political component in the Communique. He did agree that we should pursue this in the Summit preparatory group and in Ed Muskie's talks this coming week in Vienna.

Schmidt was very positive about Muskie. He asked at the outset if he would serve in your second term. I told him he would do so. Schmidt said that Europeans are looking forward to seeing him. He brings with him a great deal of credit in advance. Genscher concurred saying that the FRG, France and Great Britain attach great importance to having Muskie make bilateral visits following the Vienna talks next week.

Schmidt was very critical, intensely emotional and not very consistent in his comments on US handling of Afghanistan. In his words, he thinks we are speaking loudly and carrying a small stick, that we are not being realistic in attempting to keep the focus on Afghanistan when Europeans -- both East and West -- see it as part of a world crisis extending far beyond Afghanistan. As example, Schmidt said one cannot ask the Arab nations to be helpful on Afghanistan and Iran and then in the next breath not be helpful to them on the West Bank. He said that after the United States had not taken a stand in Angola, Ethiopia and South Yemen, it was not realistic for the USSR to expect that we would take a stand in Afghanistan, which is on their door step and "more inaccessible than the South Pole." He suggested that our steps relating to Afghanistan were troublesome to him and other Europeans, that they were largely meaningless, there had been inadequate consultations with the allies -- e.g., on the Olympics (resulting in his being greatly embarassed in Bundestag

debate). He suggested that US policy was defective in seeking to prevent another Afghanistan by punishing the USSR when the real task was to get Soviet troops out of Afghanistan through diplomacy.

I challenged him on this. I asked him what Western Europe would have done if you had done nothing following the Soviet invasion, if you had not imposed the grain boycott and taken the other steps you did to demonstrate that there could not be business as usual. This caused Schmidt to moderate somewhat, and he brought this part of the conversation around to his earlier point that it would be a mistake to try to have a political component of the Venice Summit Communique if, in fact, there is not genuine unity among the participants on the political issues.

On US-USSR relations, I told Schmidt that Ed Muskie is agreeable to talks with Gromyko next week. Schmidt could not have been more positive on this. He underlined the genuine fear of conflict that runs throughout Western Europe and Eastern Europe -- he made reference to phone calls he had received from unnamed but worried East European leaders -- when the US and USSR are not talking, are not meeting, and are seen as miscalculating.

On economic matters I asked Tony Solomon to join us and there was a brief exchange with Schmidt asking about the dollar and the sharp rise and fall in US interest rates. As a side remark, he also blamed the Bonn summit (i.e., stimulating the German economy) for the increase from 3 to 5.7% in German inflation rates. He volunteered that he was unhappy with the recent German tightening of monetary policy -- he agreed with Tony that the Bundesbank actions two weeks ago to raise rates had been ill-advised but said he had "exhausted his powers of influence" with them.

Toward the close of the meeting, Schmidt was more mellow. He made a point of saying how much he is looking forward to seeing you at the Venice Summit. He stressed that he is tremendously pro-American. He said Giscard is the most pro-American Frenchman that we will see in the entire 20th century. Stressing the confidentiality, he quoted Giscard as saying "when the chips are down we will fight with the Americans, even when their policies are deadly wrong."

Harriman Contact on Muskie-Gromyko Meeting. During the course of the funeral ceremonies, Governor Harriman was told by Austrian Chancellor Kreisky that Gromyko would be ready to meet Ed Muskie next week on Austrian premises.



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