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THE SECRETARY OF STATE
WASHINGTON

~~SENSITIVE/NO DIS~~

September 8, 1980

MEMORANDUM FOR: THE PRESIDENT
From: Edmund S. Muskie *ESM*
Subject: The Austin-Castro Conversation

Attached are an account of Mr. Paul Austin's conversation with Castro, and the talking points that we had drafted for Mr. Austin's use with Castro.

Several questions arise in connection with the Austin-Castro conversation, and I would appreciate having an opportunity to discuss them with you at the earliest convenient moment.

Attachments:

1. Memorandum for the Record on Mr. Austin's Conversation with Castro.
2. Talking Points for Emissary to Use in Cuba

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RDS-1 9/8/10

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BY: *ADP* NARA DATE 6/3/14



DEPARTMENT OF STATE

Washington, D.C. 20520

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September 8, 1980

MEMORANDUM FOR THE RECORD

Subject: Account of Mr. Paul Austin's Conversation
with Cuban President Fidel Castro

On September 6, 1980 I visited Mr. Austin in his Atlanta office to hear his account of the meeting held in Havana on Wednesday, September 3, with Castro. Austin was accompanied in Havana by Coca Cola's Chief for Latin American Operations, Mr. Ted Circuit. Castro had Vice President Carlos Rafael Rodriguez present for the second half of the meeting which lasted three hours at his official office. Also on the Cuban side was translator/notetaker Juanita Vera.

Austin said that he opened the meeting by conveying to Castro a message from the President roughly as follows:

The President asked Austin to present his compliments and good wishes to Castro. The President made clear his genuine interest in establishing good relations with Cuba if he is reelected. This was evident to Austin in his conversation with the President the day before (September 2). The President wanted to propose a two-stage plan to Castro. First, there should be a face-to-face summit meeting between President Carter and Castro before Christmas. This meeting would be held without aides and the two Presidents could discuss frankly the problems between the U.S. and Cuba, and set the agenda for the negotiation of outstanding issues. Second, starting in January, there would begin a series of meetings between officials from the U.S. and Cuba to try to negotiate differences. The President and Castro might attend the first of these sessions but the on-going talks, which Austin said he thought had to be confidential, would be pursued by this small, select

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group in an informal setting -- not a conference atmosphere. Two or three people should be present on each side.

Austin then stressed the importance of Cuba adopting a restrained and neutral position during a U.S. election year. He added that President Carter was prepared to proceed with the lifting of the embargo against Cuba and to make available a wide range of American medicines to Cuba by the end of the year. But he expected that Castro would also make some moves, namely: (1) adopt a different attitude on the question of refugees leaving Cuba; (2) reduce Cuban criticisms of the U.S. in Third World councils; and (3) stop intemperate public attacks against the U.S.

Austin then referred to the desirability of stopping the refugee flow from Mariel and the need for Cuba to begin taking back without reprisals some of the refugees who have entered the U.S. illegally, possibly starting with those who wish to return to Cuba. He mentioned U.S. willingness to renegotiate a new hijacking agreement with Cuba, but did not refer to the possibility of the U.S. discussing early next year an agreement for regular commercial air service with Cuba.

Austin concluded by expressing the hope that his meeting with Castro could remain secret, without any publicity.

Castro, whom Austin found to be extremely friendly and low-key but always the "consummate actor," responded that he had received the President's message with pleasure and gratitude. He appreciated the President's willingness to find mutually beneficial solutions to outstanding issues. The U.S. and Cuba, which exist 90 miles apart, should live in harmony in this modern, troubled world. If the U.S. and Cuba establish better relations, this would be a good example for the rest of the world.

Castro said that he was very interested in both the short-range and long-range objectives that Austin had conveyed on behalf of President Carter. He agreed completely with the proposal.

Castro said that he hoped that President Carter had read carefully his July 19 statement in Managua and his July 26 speech in Havana, because they were intended to

show a moderate attitude on dealing with the U.S. and the need for the two countries to have better relations.

Castro then went on to make the point strongly that while the American elections were none of Cuba's business, he had the right to believe and to warn the world that there would be a threat to world peace if Reagan won the election. He asked Austin to make sure to convey this specific point to President Carter. Describing himself as the leader of the Third World, Castro reiterated that he has the responsibility to warn the Lesser Developed Countries that this threat to world peace existed, although he could not say this publicly. He had found strong feelings against the Republican Party platform in the Third World and among the leaders of Western Europe who were also very concerned. The recent coup in Bolivia was, he said, a "Reagan plot".

Assuring Austin that Cuba understood all the intricacies of an American election year, Castro said that he would do everything possible to be cooperative with the U.S., for example:

(1) Cuba was handing out extremely severe jail sentences to all air hijackers, and the planes, crews and passengers were immediately returned to the U.S. He wanted President Carter told that he should not worry about Cuba's attitude on airplane hijacking, as he was determined to take strong measures against such "air piracy".

(2) Cuba had tried to handle the USINT "embarrassment" with moderation, although it considered the action of the U.S. and those who occupied our offices illegal. While not agreeing that these refugees could immediately leave the country, and insisting that they surrender to Cuban authorities, Castro had ordered that they not be mistreated on returning home and that publicity over the incident be minimized. As a result, only 12 refugees remained in USINT out of close to 400 original occupants.

Castro then explained that because of the Austin visit and the message from President Carter, he was inclined to make a new gesture in order to demonstrate his good will and willingness to cooperate. There were approximately 30 American citizens in Cuban jails charged with a variety of offenses, especially drug running, common crimes and counter-revolutionary activities. Unlike the

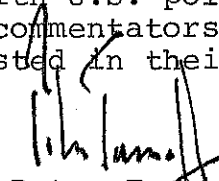
situation in Iran, these prisoners are not hostages but convicted criminals. Castro said that he had decided that it was opportune to release these criminals unilaterally, without preconditions, as a good-will gesture. He asked that Wayne Smith be made available to interview each prisoner in order to determine whether he wants to return to the U.S. The release would have a positive political impact in the U.S. There was even a chance that the release would teach the Government of Iran that freeing the American hostages in Tehran would have a similarly beneficial political effect. Castro explained that he wanted to proceed with the release in the very near future so that Cuba would get credit for it, not the U.S.

On the question of stopping the refugee flow from Mariel and accepting the return of some of the Cubans who had entered the U.S. illegally, Castro said that these matters would be among the first of the subjects that he would be prepared to discuss with President Carter. Castro did not react to the proposal that the U.S. and Cuba start a discussion next year about renegotiating the hijacking agreement.

Castro assured Austin that no leaks about their meeting would come from the Cuban side, but that such secrecy was more difficult for Americans to guarantee.

Castro ended the meeting in a show of great cordiality, repeating that he set great store in the Austin visit, and the message received from the President.

After the meeting, in an aside to Circuit, Vice President Rodriguez said that Castro had been very interested in talking to Austin who was close to the President but had no political axe to grind. He explained that when Castro meets U.S. Congressmen and Senators, even certain U.S. diplomats, he sometimes finds them more interested in enhancing their own personal images, rather than improving relations between the two countries. Castro is apprehensive about dealing with U.S. politicians, and he "hates" American television commentators, who "distort information and are only interested in their ratings".



Peter Tarnoff
Executive Secretary

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TALKING POINTS FOR EMISSARY TO USE IN CUBA

-- Through a number of communications from the Cuban government we have been made aware of your desire to hold bilateral talks with us on the broad range of issues that interest both of our governments. One of the reasons that I am here is to let you know that the U.S. will be prepared in principle to discuss any issue that Cuba is willing to raise during these discussions about our bilateral relations and about other matters of concern to our two governments.

-- However, as your government recognized in its note of August 21, the time is not right at this moment to go to the root causes of our bilateral problems. Many of the issues dividing us are fundamental and complex, and will require time and hard bargaining to resolve. Neither side would benefit from entering such negotiations during the next few months.

-- What I would like to suggest, therefore, is a two-stage process, with certain negotiations and actions beginning immediately, and others deferred until early next year. I speak with confidence that what I am suggesting is acceptable to the President.

---As you know, our most pressing concern has to do with the unregulated flow of persons leaving Cuba for the

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U.S. This issue remains one of importance to us because it involves the lives of citizens of both Cuba and the U.S. and because it is a matter that significantly reduces the possibility of better relations between our governments on broader issues. Therefore we suggest that Cuba agree to the following steps:

Cuba would:

- agree to cut off the flow of immigrants departing Mariel for the U.S.;
- agree to accept the return from the U.S. of persons whom Cuban consular or immigration officials confirm wish to return;
- agree that negotiations between immigration officials of the two governments open confidentially in New York by September 15 in an effort to reach agreement on an orderly departure program which would govern immigration from Cuba to the U.S.;
- agree that as part of this negotiation in New York, Cuba would consent to consider in principle the return to Cuba of persons who had arrived in the U.S. on the boat-lift from Mariel but who have been found ineligible for entry under existing U.S. laws and regulations;

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-- accelerate the legal departures from Cuba of persons who had taken refuge in USINT, Havana, but left voluntarily. This would put the U.S. in a better position to encourage the remaining refugees there to depart.

If Cuba is willing to take these actions, the U.S. would:

-- agree that in the first quarter of 1981, conversations will be held between representatives of the U.S. and Cuba that could be broad enough to cover all aspects of our bilateral relationships, and our mutual concerns.

-- immediately prior to these ¹⁹⁸¹ conversations, the U.S. would agree to:

1. begin discussions with Cuba on reinstating the hijacking agreement;
2. begin discussions with Cuba on an agreement whereby scheduled air service could be established between Cuba and the U.S.;
3. begin serious consideration of a list of rare medicines which could be exempted from the embargo.

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