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DEPARTMENT OF STATE  
ACTION MEMORANDUM

S/S

*Review  
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March 7, 1977

TO: The Secretary  
THROUGH: P - Mr. Habib  
FROM: ARA - William H. Luers, Acting *WHL*  
S/P - Anthony Lake *WHL*

Transmission of PRM/NSC-17 Section on Cuba

Issue for Decision

Your approval of the response to PRM/NSC-17 and Mr. Brzezinski's February 26 memorandum to you about a separate PRC meeting on Cuba on March 9.

Discussion

An IG meeting met this morning to discuss a revision of the draft PRM section on strategies for negotiations with Cuba which you authorized for circulation to other interested agencies on March 3.

The attached response to PRM/NSC-17 and Mr. Brzezinski's memorandum to you reflects the views of interested agencies which were present. Time did not permit circulation to these agencies of the final response to meet the deadline of the PRC meeting on March 9.

Recommendation

That you approve the attached Borg-Brzezinski memorandum transmitting the response to PRM/NSC-17 on strategies for negotiations with Cuba, and the agenda for the PRM meeting.

Approve \_\_\_\_\_

Disapprove \_\_\_\_\_

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Attachment:

1. Borg-Brzezinski memorandum transmitting  
the response to PRM/NSC-17
2. Agenda for PRM Meeting

Drafted: ARA/CCA:CGleysteen:yt  
x29272: 3/7/77

Concurrence: D -

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## DEPARTMENT OF STATE

Washington, D.C. 20520

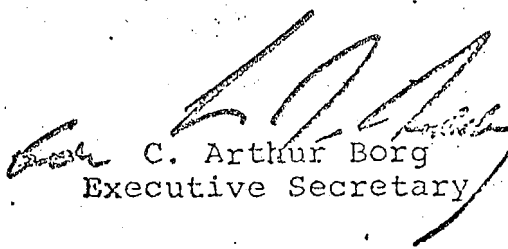
March 8, 1977

SECRETMEMORANDUM FOR MR. ZBIGNIEW BRZEZINSKI  
THE WHITE HOUSESubject: Response to PRM/NSC-17 and Your February 26  
Memorandum on Cuba

In response to PRM/NSC-17 and your memorandum of February 26, 1977, I transmit a Presidential Review Memorandum on the question of strategies for negotiations with Cuba for consideration by the Presidential Review Committee meeting scheduled for March 9, 1977.

This PRM was discussed at an IG meeting on March 7. Time did not permit an additional IG meeting to review the final draft. But we believe it represents the views of the agencies concerned to the best extent possible under the circumstances.

Also transmitted is the agenda for the March 9 PRC meeting.



C. Arthur Borg  
Executive Secretary

Attachments:

1. Presidential Review Memorandum
2. Agenda for March 9 Meeting on Presidential Review Committee

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Drafter: ARA/CCA: CGleysteen

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Presidential Review Memorandum/NSC-17

CUBA

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SECRETI. INTERESTSA. U.S. Interests

There are many compelling reasons why the US should move toward normalization of relations with Cuba. However, the difficulties in achieving full normalization of relations should not be minimized. The issues involved are extremely complex and nettlesome. Fidel Castro is a wily and tough negotiator committed to some goals that are antithetical to those of the U.S. The process of resolving differences with Cuba will be difficult and tensions and problems will remain even after relations have been restored. Reaching an agreement on compensation is likely to take many years.

Major U.S. interests in moving toward normalization\* of relations with Cuba are:

-- The lessening of Cuban dependence on the Soviet Union; beginning the long process of linking Cuba's security and economic interests to the world community rather than to one nation.

-- To create conditions that would give Cuba added incentives to cease its foreign adventures in Africa and this hemisphere.

-- To halt the growing polarization of the Caribbean.

-- To demonstrate our support for universalist principles in diplomatic relations and make a major gesture to the Third World which sees our posture toward Cuba as symbolic of great-power aggression.

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\* "Normalization" can mean simply diplomatic relations or "normal" relations including unrestricted trade and contacts. This latter type of relationship is inconceivable with Cuba in the near term; rather, by "normalization" we mean the establishment of relations with Cuba such as we have with those East European countries to which we accord MFN status and facilitate credits.

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-- To enable us to pursue important U.S. interests with Cuba such as human rights, reunification of families and compensation of expropriated U.S. properties.

-- The eventual re-establishment of U.S. presence in Cuba which would facilitate dealing with long term complex issues and contribute to opening up Cuban society to U.S. influence.

-- To open up trade opportunities in a relatively small but natural market for us.

Principal disadvantages to normalizing relations are:

-- Might be construed by Cubans and others as U.S. acquiescence in Cuban interventionist policies in Africa and elsewhere.

-- Would signify U.S. acceptance of a Communist regime in the Western Hemisphere closely tied with the Soviet Union (even though we would stress that relations do not mean approval.)

-- Might encourage the further coalescence of right-wing military regimes in Latin America, especially those of the Southern Cone.

-- Will be perceived by some groups at home and abroad as inconsistent with our tough posture on the question of respect for human rights.

B. Cuban Interests:

Cuba's immediate interest in moving toward normalization of relations with the U.S. is to end the U.S. trade embargo not only because of the economic and technological advantages that would accrue to Cuba but more importantly because it would be seen as a symbol of our acceptance of the Cuban Revolution as a fait accompli with which we are willing to live.\*

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\* Department of Defense believes Castro has more to gain than the U.S. from negotiations and would relieve the USSR of \$1 billion of annual subsidies to Cuba.

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The major disadvantage to Castro is that increasing U.S. presence and inter-action with American society might dilute ideological orthodoxy at home and mute Castro's image in the Third World as an implacable foe of "imperialism".

## II. ISSUES UNITED STATES WILL RAISE

### A. Human Rights

We want the early release of eight American citizens held in Cuban jails on political charges.

We seek the expeditious emigration of American citizens who wish to leave Cuba. These include 751 persons, including 667 whom Cuba considers dual nationals under its exclusive jurisdiction.

Cuba holds a number of political prisoners, perhaps as many as 15,000. We have expressed our willingness to accept those prisoners as refugees upon their release. The release of some of them would strengthen the texture of the relationship we desire with Cuba.

The U.S. Cuban community seeks access to families remaining in Cuba through visits in both directions and emigration to the U.S. When the Cuban Refugee airlift ended in 1973 more than 127,000 immediate relatives of Cubans in the U.S. remained on U.S. repatriation lists, and 27,000 on the corresponding Cuban list. We seek greater Cuban flexibility on exchanges of visits and emigration.

### Cuban Position:

The Cubans would probably be willing to discuss some of the above issues. Any attempt to include the subject of Cuban political prisoners on a US-Cuban agenda, however, will certainly be rejected as an infringement of national sovereignty.

Cuban leaders have said they might release the eight U.S. political prisoners on humanitarian grounds as a counter gesture to a U.S. move, such as a partial lifting of the embargo (food & medicine).

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They might also ease restrictions against the emigration of dual nationals, many of whom are elderly.

Cuba has agreed in the past to discuss a formula for increased visitations both ways and to some limited reunification of families.

B. Cuban External Policy

1. Soviet-Cuban Security Ties and Nuclear Problems

Under the 1962 Kennedy-Khrushchev Agreement and the 1970 Corollary the Soviets are committed not to place strategic weapons systems in Cuba. We would seek to have the Cubans assume those same obligations - i.e. not to permit the stationing of such weapons in their territory. We want Cuba to adhere to the Treaty of Tlatelolco (which would prohibit Soviet nuclear weapons in Cuba) and the NPT (because of its global ramifications). We would seek the elimination of operational-type Soviet naval visits and flights and intelligence-gathering installations. Continuing Soviet supply of spare-parts, hardware, and training are a problem only if there is a buildup in Cuba or if there are deliveries to Cuban forces overseas acting as Soviet surrogates. We wish to negotiate a reduction or elimination of the Soviet military presence in Cuba. Realistically, however, this is not likely to be possible until a new U.S. Cuban relationship is achieved and consolidated, several years from now at best.

Cuban Position:

Cuba will insist that its relationship with the USSR is a sovereign matter and non-negotiable. Cuba cannot reduce its dependence on the Soviet Union for military support until it is no longer threatened by the U.S. Cuba may be willing to sign the Treaty of Tlatelolco and the NPT.

2. Africa:

The Cuban military presence in Angola and conceivable intervention elsewhere pose a destabilizing element internationally and violate self-determination. Cuba has a serious trouble-making ability, particularly

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in Namibia, Rhodesia, Mozambique and Somalia. We seek assurances of a phased drawdown of Cuban combat troops from Angola. It should be clear that a buildup of Cuban forces in Namibia and Mozambique, participation in the Rhodesia conflict, or increased presence in Somalia or elsewhere in Africa will make it most difficult for the U.S. to proceed to full normalization.

Cuban Position:

Castro understands that further military interventions in Africa or elsewhere would have a sharply negative effect on relations with the U.S. He emphasizes the uniqueness of the Angolan situation and the unlikelihood of repetition elsewhere, particularly in Latin America or the Caribbean. But he maintains the theoretical right to help "national liberation movements" and to meet requests of legitimate governments. Castro claims that Cuban troops are now being repatriated and replaced by civilian advisors. Cuba probably cannot withdraw its forces entirely from Angola without risking the collapse of the MPLA regime.

3. Puerto Rico:

Cuba intervenes in U.S. internal affairs by its rhetorical, political and financial support to the pro-independence movement. Such support is regularly highlighted in the UN General Assembly and other international fora. As far as we can determine, Cuba has not directly supported pro-independence terrorism. We could not tolerate such support. Cuban agitation in international fora is an unfriendly act and counter to self-determination and free elections. We would expect to see these Cuban efforts moderated considerably.

Cuban Position:

Cuba will not withdraw its formal support for Puerto Rican independence, but the degree to which it presses the issue in the UN may be affected by an evolving relationship with the U.S. In bilateral negotiations the Cubans may show flexibility, perhaps going so far as to give private assurances that they will moderate their position at the UN.

4. Cuban Intervention in Latin America and the Caribbean

Although Cuba has modified its general policy of actively promoting subversion in Latin America, countries like Nicaragua

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and Guatemala still feel threatened and Uruguay and Chile still see Cuba as an exporter of revolution. Cuba continues to pose a potential threat to stability in the area. The Cuban model is attractive to leaders in Jamaica and Guyana. Revival of Cuban subversion and support for insurrection in the Caribbean and Latin America is unacceptable and would disrupt a trend toward US-Cuban accommodation.

Cuban Position:

Cuba maintains that it does not "export revolution," but, as in Africa, has an international responsibility to assist legitimate governments or movements of national liberation. They point to diplomatic ties and correct relations with most Caribbean and many Latin American states as evidence of Cuba's intentions to conduct normal relations.

C. Compensation

The U.S. Foreign Claims Settlement Commission has adjudicated and allowed 5,887 claims by U.S. firms and individuals for losses of property nationalized by Cuba. These total \$1.8 billion. One-sixth of the awards totalling \$1.6 billion were made to corporations, while the remaining \$221 million were made to private individuals. In addition, the United States Government has outstanding claims against Cuba totalling \$150 million. Cuba is also in default of \$52 million in Government bonds owned by U.S. citizens.

When Congress charged the Claims Commission with adjudicating claims, it made no provisions for payment, leaving a settlement in practice up to negotiations between the U.S. and Cuba.

Individual claim-holders have suffered the most. We shall have to consider whether priority should be given to settlement of individual claims and to corporate claims for which there was no tax write-off. Some elements in Congress may insist on a 100 cents on the dollar repayment, hoping for higher settlement rates than those achieved with other communist countries (approximately 30 to 40 cents on the dollar). Given current and expected hard currency problems, any settlement requiring significant hard currency

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outlays will be extremely difficult for Cuba to handle, even if extended terms are granted.

Until the Claim issue is settled, normal airline, shipping and banking contacts between the U.S. and Cuba will be complicated by possible legal attachment of Cuban properties. Some litigation related to trade can also be expected.

In such circumstances, any negotiations with the Cubans will be protracted and difficult.

Cuban Position:

The Cuban Government in 1960 recognized its obligation to pay compensation for nationalized properties. Since then Cuban leaders have said that they in turn will present their claims for the Bays of Pigs, Cuban exile activities and damage from the embargo, which could exceed U.S. claims.

Cuba's present ability to pay any compensation at all has a narrow base. Cuba hopes that future earnings from shipping and tourism will help offset these deficits, but such earnings will be relatively small and Cuba will remain dependent on capital inflows to cover current deficits. The Soviet Union's economic and military subsidies in the form of raw materials and a wide range of products are now valued at about \$4 million a day.

Cuba's soft currency debt to the Soviet Union is estimated at \$4.6 billion. While Cuba has been offered Western hard currency export credit lines totalling over \$3 billion, it has on average drawn down only less than one-third of this amount because of problems in meeting existing debt service and trade financing commitments. These problems are likely to persist into the foreseeable future, given the depressed price of sugar and expected continued surpluses of sugar on world markets.

D. TradeU.S. Position:

United States businessmen have expressed an interest in trade with Cuba, which is likely to grow quickly following

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media coverage of events such as a Minneapolis Chamber of Commerce Trade Mission currently being arranged.

If the embargo is lifted, the Department of Commerce has estimated that U.S. exports to Cuba might ultimately (after trade conditions are fully normalized, including availability of MFN, official credits, etc.) reach \$300 million per year. Such a level would, however, probably require several years to achieve. Further, given communist country tendencies to bilateral trade balancing, Castro might well expect, over the longer term, U.S. annual purchases in Cuba of a roughly equivalent dollar volume, necessitating substantial U.S. imports of sugar and other Cuban goods to support an export trade of this volume.

Nevertheless, even a limited lifting of the embargo (e.g., food and medicine) could open up the possibility of some substantial U.S. exports. In the years 1973-75, the USSR purchased from Canada, for Cuba, grains and other food items in amounts ranging from \$70 to \$150 million per year. A substantial portion of similar future purchases could be diverted to the United States immediately if the embargo on food shipments is ended. Some pharmaceutical exports are also likely.

Cuban Position:

Cuba currently faces serious international financial difficulties stemming from low sugar prices. Cuban leaders continue to state that the economic gains from ending the embargo will be great, apparently believing that hard currency derived primarily from sugar exports with some nickel, and tobacco, and U.S. bank loans will alleviate financial problems, while access to superior U.S. products and technology with attendant transportation savings and service advantages will enable the Cuban economy to perform more efficiently.

While Cuba will derive some gains from access to U.S. agricultural commodities and U.S. spare parts for old equipment, Cuba may be overestimating the gains from U.S. trade since its exports to the United States will face significant barriers even if the embargo is ended. Cuban non-sugar exports will be limited by lack of MFN tariff status under the Jackson-Vanik Admendment to the 1974 Trade Act.

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However, lack of MFN status would not be a significant constraint for sugar since in September 1976 the MFN tariff rate was made identical to the non-MFN tariff. Also Cuba could lack a sugar quota if the U.S. quota system is revived. Furthermore, the Foreign Assistance Act of 1961 denies Cuba "any benefits under any U.S. laws" until it takes steps to compensate for expropriated properties. Thus under this statute, as well as under the Trade Act, Cuba would be denied eligibility for Eximbank or CCC credits.

If Cuba cannot obtain substantial new sources of hard currency income from sugar sales to the U.S. and continues chronically in debt, Cuban purchases from the United States will be largely diversions of imports from other western countries. Consequently, ending the embargo without removing these other constraints (MFN and credits) on Cuban exports to the United States will not be as important a concession as Cuba believes. Nevertheless, Cuba apparently perceives the gains from renewed trade with the United States to be great, and it may therefore be willing to make some significant non-economic concessions in return for normalizing trade relations.\*

#### E. U.S. Presence in Cuba

Re-establishment of a U.S. presence in Cuba is important to provide a means of discussing substantive issues, to provide consular and commercial support to U.S. citizens in Cuba and to enable the U.S. Government to have direct access to the closed Cuban society. Cultural informational activities will be resisted by Cuba but some arrangements permitting re-opening of U.S. press agencies and sale of some U.S. publications are probably achievable. These measures will serve the long-term objective of seeking to diminish Soviet-Cuban ties.

#### Cuban Position:

Cuban interest in better relations with the U.S. is balanced by fear that an established U.S. presence in Havana and a flow of U.S. tourists will re-awaken the attraction among the Cuban people for American goods and values, and deflect the population from the stern task of building socialism. The Cubans like the Soviets would

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\* U.S. strategic controls on exports to Cuba will remain in effect.

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doubtless take steps to isolate American diplomats and tourists. Even so, the presence of American visitors could increase pressures on the Cuban Government to improve living standards.

F. Hijacking Agreement

The 1973 hijacking agreement will cease to have effect on April 15 unless Cuba drops its denunciation or agrees to negotiate a new agreement. Continuation of the agreement is important as a psychological deterrent to would-be hijackers.

Cuban Position:

The Cubans say reinstatement of a hijacking agreement can take place only after the blockade is lifted. It is not clear, however, whether they will be rigid on this or whether they would reinstitute the 1973 agreement in response to some other move by us.

III. ISSUES CUBA WILL RAISE

A. The U.S. Trade Embargo

Castro says the embargo is a "knife pointed at Cuba's throat" and its suspension is a sacred national obligation and condition for formal negotiations with the U.S. In the past two years, however, the Cubans have indicated they will engage in "discussions" on a number of issues prior to the complete lifting of the embargo. What precisely the Cubans mean is ambiguous and deliberately so.

U.S. Position:

The embargo is the major U.S. bargaining chip for use in negotiations. At the same time, the embargo is inconsistent with our free trade policies, is no longer an effective means of isolating Cuba, and it is questionable whether it continues to serve U.S. interests. Cuba has pointed to the embargo as an example of U.S. "aggression" against a small underdeveloped third-world state. Ending the embargo is naturally linked to the compensation issue but also is the center-piece for improving US-Cuban relations.

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B. Aggression Against Cuba

The central element of alleged U.S. aggression is the embargo. Another aspect of "hostility" is anti-Castro terrorism by a few Cuban exiles in the U.S. and nearby countries. Recent escalation in terrorism has heightened Cuban concern about exile organizations operating out of the U.S. The Cubans believe the U.S. Government acquiesces in such activity even if it no longer sponsors it. Cuba may insist on a U.S. pledge not to intervene in Cuban internal affairs, nor to promote, support, or permit aggression against Cuba from U.S. soil.

U.S. Position:

This issue has two aspects: a) the U.S. Government's difficulty in controlling anti-Castro terrorists receiving financial support from the U.S. but operating out of third countries; and b) the linkage of a U.S. non-aggression pledge to Soviet-Cuban military ties.

We can formally assure Cuba of our opposition to terrorism launched from the U.S. or financed by U.S.-based Cuban exiles. A presidential statement to this effect would go a long way to clear the air. We also could provide Cuba with a report of U.S. official actions against anti-Castro exiles in recent months.

A non-interference/intervention guarantee could be linked to Cuban undertakings in the security field.

C. Guantanamo

It is not clear at this point how much emphasis Cuba puts on Guantanamo. There are some indications that discussions about Guantanamo's future are not an urgent requirement for Cuba. On the other hand, Cuba certainly will insist that it be discussed in the future.

U.S. Position:

The declining military value of the base suggests it could eventually be returned without affecting U.S. security, provided, of course, that Cuba agreed not to turn it over to the Soviets. The disparity of interests

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between the U.S. and Cuba suggests that Guantanamo could be a valuable bargaining chip, particularly with reference to Cuba's military/nuclear status.\*

#### D. Fisheries Agreement

Cuba was assigned a 14,950 ton quota by the International Convention on International Fisheries for 1977 to fish off our Atlantic Coast. It is important to Cuba's economy to resume fishing in this area.

#### U.S. Position

An early general agreement on fisheries and maritime boundaries would minimize the potential for incidents involving Cuban vessels which both we and the Cubans wish to avoid.

### IV. NEGOTIATING STRATEGIES

Castro's position that he is not willing to "negotiate" with the U.S. until the embargo is lifted is deeply embedded in his speeches and official documents, including the program of the Cuban Communist Party. He is not likely to back off this position. The key question is how extensive can "discussions" be and how long can they go on before the embargo issue must be decided.

We would begin by exploring Cuban intentions. Then there would be two basic strategies we could pursue in approaching further negotiations.

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\* The Department of Defense believes Guantanamo should not be a precondition to U.S. negotiations. Militarily, Guantanamo is important to U.S. defense interests by virtue of its strategic geographic location for defense of U.S. lines of communication including those leading to the Panama Canal. Additionally, it is an ideal base for contingency operations. The U.S. military presence at Guantanamo serves as a visible manifestation of U.S. concern and interest to Latin America and the Caribbean, and at the same time assists in offsetting Soviet military presence. If Guantanamo Bay's future is discussed with the Cubans, the negotiations must include the principle that Guantanamo cannot be used by any foreign military.

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At the exploratory meeting with the Cubans, which would be confidential, we would:

-- explain we are interested in improved relations, and indicate the gestures we have made such as lifting travel restrictions;

-- start negotiations on fishery issues;

-- explain our interest in the Hijacking Agreement;

-- discuss sports, cultural and scientific/technical exchanges;

-- express interest in family visitations and release of U.S. political prisoners;

-- explain our concern over Cuban activities in Africa and on Puerto Rico;

-- listen to what the Cubans say.

After the few initial sessions, we would examine Cuban responses and determine which of two strategies to opt.

A. Negotiating Step-by-Step

We would continue periodic meetings to discuss reciprocal gestures that could be taken over several months to improve the climate. We might for example link the signing of the fisheries agreement to their agreement to continue the Hijacking Agreement. We would pursue and expand exchanges and visitation rights. One important gesture we could make short of lifting the embargo would be permitting shipment of food and medicines. Such a move could trigger Cuban gestures, possibly including an agreement to begin "negotiations."

As areas of agreement emerge we would probe the Cubans on other major issues, including those they say are non-negotiable. We would discuss the level and venue of further negotiations and consider establishing foreign interest sections in the Swiss Embassy in Havana and the Czech Embassy here. A variant on this strategy could be to establish

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linkages and package issues that would have to be resolved before any final agreements are concluded. We would seek to coordinate reciprocal gestures as part of these packages in order to sustain momentum and build public support.

We would not give up the embargo chip and re-establish embassies unless and until Cuba has made a drawdown of its forces in Angola, demonstrated its restraint on further overseas adventures, and made important gestures on human rights.

The advantages of this model would be:

-- we could feel out the Cubans directly on the ambiguities in their position over an extended period (4-6 months) giving them time to make withdrawals from Angola.

-- test U.S. public and Congressional reactions as baseball diplomacy and other reciprocal gestures take effect.

The disadvantages are:

-- the delays might give Castro a greater opportunity to manipulate U.S. public and world opinion;

-- keep the Cuban community in uneasy suspense and give terrorists time for action;

-- risk coalescence with opposition to a revised Panama Canal Treaty; and,

-- move the issue of U.S. Cuban relations closer to the 1978 Congressional elections.

#### B. Negotiating Comprehensively

Following exploratory talks or at some appropriate stage in the step-by-step negotiations, we could test Cuban readiness to take a comprehensive approach. We would focus directly on what Cuba would be willing to do if we were to lift the embargo. If Cuba were willing: to release American political prisoners, exchange embassies, make some movement out of Africa and negotiate all outstanding issues, including a claims settlement, we would give up the embargo chip. We would want to embody these areas of agreement in a joint or parallel public statement.

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The advantages of this model are:

-- the new Administration would be perceived at home and abroad as acting decisively in managing foreign affairs and as not being driven by events; and,

-- it would enable us to move quickly to establish a presence in Havana and negotiate directly with them.

The disadvantages are:

-- we would give Castro what he wants most-- trade and American acceptance of his regime without significant Cuban concessions.

## V. IMMEDIATE SCENARIO

### A. Venue, Timing and Delegation

We would recommend that confidential meetings with the Cubans take place in mid-March. The first few meetings should be held in a New York hotel suite chosen for its confidentiality.

The Cubans would have their communications, logistics and cover from their UN Mission. We would establish an inter-agency back-up team in Washington which would include lawyers and experts on all the issues involved.

For the first meeting, our delegation in New York would be headed by a Deputy Assistant Secretary of State and be composed of a handful of experts on the issues and on Cuba. After the first meeting, we would doubtless have to surface them and decide whether a) to continue with the same level and composition in our delegation, or b) to upgrade the delegation by appointing a senior figure as Special Negotiator, much as in the case of the negotiations on the Panama Canal; and c) whether to establish an American Interests Section in Havana (and permit the Cubans a similar section in Washington) in order to provide back-up to the negotiations in the form of on-the-scene assessments. We would also have to decide whether to continue the meetings in New York or alternatively in Havana and Washington.

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B. Actions with the Congress

Congressional opinion on initiating talks with Havana is mixed. Our liaison with key Congressional leaders must be effective if we are to have their cooperation. Even before the talks begin, therefore, we would inform the Senate Foreign Relations and Finance Committees and the House International Relations and Ways and Means Committees that contacts are to be initiated. We should fully brief the Chairman of the Senate and House Latin American sub-committees as to our rationale and expectations. They, in turn, can advise us when there is a specific need for wider consultations with committee members and others.

C. Actions with the Cuban Community in the U.S.

The strongest and most persistent opposition to normalization will come from within the Cuban community in the U.S. A regular pulse-taking is a must. Before the talks begin, we should consult Governor Askew, the two Florida Senators and Congressmen Fascell and Pepper, as well as Mayor Ferre of Miami. We should continue to consult them afterwards. After the talks begin we should informally advise and consult with key exile leaders who might be helpful to us in putting the talks in the correct perspective for the rest of the Cuban community. We should continue to stress to them the positive effects normalization might have, such as reuniting families and facilitating visits.

We should also request the FBI to be especially alert in the Miami/Washington and New York/New Jersey areas to any acts of terrorism exile extremists might perpetrate to demonstrate against the talks.

D. Actions with the Press

It is doubtful that we could keep the talks secret after the first meeting. Therefore, we recommend that after it takes place, we make a progress report to be issued in agreement with the Cubans. Volunteering this information would, at the same time, give us the opportunity to define the general ground rules we plan to follow on disclosure with respect to future talks. (This strategy has been generally followed on the Panama Canal Treaty negotiations and has worked quite well.)

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E. Actions in the Hemisphere

Normalization of relations with Cuba should not cause us major problems in the rest of Latin America. Some nations, such as Mexico, Venezuela, Colombia, the Commonwealth Caribbean and Costa Rica will applaud and offer to help. The more conservative governments will not approve but they probably already see US-Cuban rapprochement as inevitable and are unlikely to cause serious difficulties. Brazil will disapprove though it quietly collaborates with Cuba on North-South issues and on an East-West issue, viz. Angola.

We should instruct our embassies to inform all governments in Latin America of the talks and our intentions vis-a-vis Cuba before we surface them to the press. Brazil, Mexico, Venēzuela, Colombia, Costa Rico and some Caribbean governments should have tailored messages and be given progress reports.

F. Actions with NATO Allies and Japan

Our NATO allies and Japan will approve a US move to normalize relations with Cuba. We should inform USUN and USNATO, and the governments of U.K., Japan, Germany and Spain prior to public release of our policies toward Cuba.

VI. RECOMMENDATIONS

1. That the initial direct U.S. contact with the Cuban government be exploratory and proceed on the basis of a step-by-step strategy (A).

Approve \_\_\_\_\_ Disapprove \_\_\_\_\_

2. That after the first series of meetings, we reassess our position to determine whether we should move to strategy B (full lifting of embargo in exchange for diplomatic relations and Cuban concessions) or continue with strategy A with possibility of upgrading negotiations or exchanging interest sections.

Approve \_\_\_\_\_ Disapprove \_\_\_\_\_

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NSC Policy Review Committee

Meeting on PRM/NSC-17 Cuba

9:30 a.m. March 9 WHSR

AGENDA

Item

- 1 Discussion of Current Policy
- 2 Objectives
- 3 Negotiating Strategies
- 4 Scenario (place, press, Congress)