

SECRET

THE SECRETARY OF STATE
WASHINGTON

Cy
J

SECRET

August 16, 1977

MEMORANDUM FOR: THE PRESIDENT

FROM: Cyrus Vance CV

DOS REVIEWED 6 MAR 2007 DECLASSIFIED IN FULL

1. Brezhnev's Speech: Brezhnev's response today to your Charleston speech calls for deeds, not words but has an underlying positive tone. Among negative features he cites a hostile propaganda campaign in the spirit of the Cold War (meaning our human rights statements), which he claims is a smokescreen for another round in the arms race, specifically the production of cruise missiles and the neutron bomb.

While Brezhnev's response comes almost a month after your speech, this was his first public speech since then. His remarks are carefully calibrated to show responsiveness without letting up the pressure on us to change our positions. I believe that the net effect of his speech responding to your Charleston address is to add some balance to the tone of the relationship.

When I see Dobrynin on Thursday I plan to say that we have read the speech with interest, and that I was glad to see that the Soviet side is prepared to look for mutually acceptable solutions.

ok

2. Panama Update: We are encouraged by President Ford's strong endorsement of the Panama agreement, after his briefing by Ambassador Linowitz and General Brown. Senators Thurmond and Helms will visit Panama Thursday and Friday preparatory to their appearance on Meet the Press Sunday -- a sequel to last week's appearance by Ambassadors Bunker and Linowitz.

From a discreet sounding in Panama of a source close to General Torrijos (Ambassador Gabriel Lewis, Panama's Ambassador to the US) we deduce that General Torrijos would probably:

SECRET
GDS

SECRET

SECRET

- 2 -

SECRET

- prefer a signing ceremony in Panama, perhaps on Contadora Island (he considers the security problem fully manageable even in the City);
- as a second choice, agree to a site somewhere in the US, probably outside Washington;
- find least attractive a signing ceremony in a third country, which would be difficult to explain -- though if it were to be done, Colombia would be the first choice, Costa Rica the second.

Concerning treaty drafting, good progress continues. We still hope our team can wind up in Panama not later than Saturday evening although further work would have to be done here.

3. South Africa: Pik Botha has come back to us saying that the South African government has reached no decision on the US-UK package but urging Andy and David Owen to come to Pretoria as soon as possible. Botha also expressed hope that we were actively pursuing the summit idea, and Jim Callaghan has just gotten word to us that he might like to join you here for that meeting.

We need to get front in support first. UK here seems like white folks ganging up -

Gerry Smith will be seeing the French tomorrow morning (and he may be received by Giscard) to discuss the South African nuclear problem. He will tell the French that we are sending our Ambassador in Pretoria in to ask for more adequate assurances from South Africa on their intentions with respect to nuclear explosions and in particular the operations of the Kalahari installation. The French will be invited to make a parallel approach to the South Africans. After Gerry's meetings I intend to have our Ambassador in South Africa raise not only the nuclear problem with Botha but also say that, while the site of any summit would be here, the timing will depend on South African willingness to prove forthcoming on both the Rhodesian and the nuclear issues. I do not believe it wise to receive Vorster unless his government has completely reassured us on its nuclear intentions in addition to making a positive contribution to a peaceful transition to majority rule in Rhodesia.

ok

4. Return of US Citizens from Cuba: In following up on Castro's offer to Senator Church to permit US citizens, accompanied by their

SECRET

SECRET

SECRETSECRET

- 3 -

Cuban families, to leave Cuba, we have asked the Swiss on an urgent basis for an up-to-date list of citizens and their Cuban relatives. We are pressing for a prompt reply. The Swiss list will be collated with HEW's master list and we will then instruct the Swiss to begin interviewing the US citizens in order to determine precisely which wish to be repatriated and which members of their families would accompany them. The process of interviewing may be complicated; some of the families live some distance from Havana and are difficult to reach. If everything proceeds without major impediment, the first planeload of repatriates, with families, should arrive next week.

5. PRC: In a briefing on China, John Brademas told Dick Holbrooke that it was his strong view that no other major foreign policy issue should go to the Congress while the Panama Canal was before the Senate. If, however, the Canal issue is successfully resolved, then it was Brademas' view that the Administration would have built up important momentum, and that immediately following such a victory, it could, and should, send up other matters. In Brademas' view, this could include normalization with the PRC, provided that following normalization we would still be able to conduct economic relations and sell arms to Taiwan.

6. The International Nuclear Fuel Cycle Evaluation (INFCE): This responds to your request for additional information concerning the INFCE terms of reference circulated August 5.

The study areas, broken down in detail in the full terms of reference, are the following:

1. Uranium, thorium and heavy water availability
2. Enrichment availability
3. Supply assurances
4. Reprocessing, separated plutonium, and recycle
5. Fast breeders
6. Spent fuel and waste disposal
7. Increased uranium use in thermal reactor
8. Other reactors and fuel cycle concepts.

SECRET**SECRET**

SECRETSECRET

- 4 -

Technical, economic, safety, and environmental aspects would be examined in each case.

International working groups with designated lead countries plus other interested participants will be created at the October kick-off meeting in Washington for each of the eight study areas listed above. The working groups, coordinated by a steering committee and possibly using the resources of the IAEA, will report the results of their studies to a conference of all participating countries which would meet at least once a year.

7. Puerto Rico: The UN Committee on Decolonization (Committee of 24) is in the second day of its annual consideration of Puerto Rico. We have made our views known to Committee members but we are not participating in the discussions because we consider the entire Puerto Rico status question to be outside the competence of the UN. This year for the first time twenty-six spokesmen from Puerto Rico representing supporters of independence, commonwealth and statehood have made statements. We expect the session to end August 17.

We are working to avoid a Committee vote on a Cuban sponsored resolution which would have the effect of declaring Puerto Rico to be a colony. The prospect of achieving this appears reasonable.

SECRET**SECRET**