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SPECIAL COORDINATION COMMITTEE MEETING

December 28, 1979

Time and Place: 9:00-9:45 a.m., White House Situation Room

Subject: Iran and Afghanistan

Participants:

The Vice President

State

Warren Christopher
David Newsom
Harold Saunders

Defense

Secretary Harold Brown
W. Graham Clayton

JCS

General David Jones
General John Pustay

Justice

Attorney General Benjamin Civiletti
John Shenefield

Energy

Secretary Charles Duncan*

CIA

Admiral Stansfield Turner
Frank Carlucci

White House

Stuart Eizenstat*
Lloyd Cutler*
Hedley Donovan
Zbigniew Brzezinski
David Aaron

OMB

John White**

NSC

Gary Sick

* Domestic Issues Only

** Political-Military Issues Only

SUMMARY OF CONCLUSIONS

Domestic Issues:

1. Energy. Secretary Duncan and Mr. Solomon reviewed yesterday's contacts with Shell and BP. Those companies are inclined to accept a \$30 per barrel price from Iran. The companies suggested more firm guidance as to what would be considered a "significant departure" from the OPEC price. Secretary Duncan proposed a meeting today with Energy, Treasury and State to develop more explicit guidance which could hold down the price escalation. He noted that Libya was proposing a \$34.50 price, which meant that the differential between the Saudi price (\$24) would be more than ten dollars. Mr. Solomon noted that this may be the proper moment to try to establish a consumer cartel to oppose the producer cartel

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Review December 21, 1999

Classified and Extended by Zbigniew Brzezinski

Reason: NSC 1.13(f) (b)

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per 9/26/07 CIA Itv.

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BY BOB NARA DATE 7/29/08

AND PER 2/24/12 NSS EOPAL

on prices. He noted that we had had some success bringing down the Iranian price, which had dropped nine dollars in the past month, and we might be able to extend our efforts if we had the support and cooperation of key nations such as the Japanese, British, Germans and French. Mr. Duncan agree but cautioned that we will be subject later on to accusation of preventing the oil companies from purchasing adequate supplies, particularly if there are shortages and gas lines. The SCC agreed that we had no alternative to attempting to hold down the price. The Energy/Treasury/State group will pursue this in their meeting today. (S)

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2. Trials. The Attorney General noted that the SCC should be prepared to deal with the issue of possible legal representation for the hostages in the near future. There was still a difference of opinion about whether or not we should provide counsel. Mr. Christopher said that, in his judgment, there was no reason to believe that we are closer to trials now than we were several days ago, but he did not object to discussing the representation issue. The SCC agreed that this issue would be raised at the next meeting. (C)

3. Next Steps. There was a brief discussion of our strategy after the question of UN sanctions is settled. All agreed that sanctions would not bring Iran to its knees, and we had to be prepared for additional steps we could take and when. Mr. Cutler noted that we could cut off all imports from Iran. The U.S. constitutes 30-40% of the Iranian market for carpets, as well as a few other items such as pistachio nuts. The SCC agreed that a total embargo on all Iranian products would not be a major economic blow to Iran, but that it should be considered in the context of a package of possible actions we can take in the next stage. (S)

Political-Military Issues:

1. Intelligence Finding. The group constituted itself as an SCC(I) to formally consider the intelligence finding on Afghanistan which was discussed at the PRC meeting yesterday. The SCC(I), including the Attorney General and OMB, unanimously approved the finding and recommended that it be signed by the President. The finding is attached to these notes. [REDACTED]

(S)

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2. Afghanistan. Dr. Brzezinski noted that the Germans were prepared to make a very tough statement about Soviet activities. Secretary Brown noted that the Soviets had justified their actions on the basis of a treaty of peace and friendship and Article 51 of the UN Charter. Other nations which have such treaties should find that significant; these include India, Iraq, South Yemen, and Cuba. With regard to possibly breaking relations with Afghanistan, Mr. Newsom noted that our present instructions were for the Charge not to have any contact with the new government. If called in, he will make it clear that the meeting does not constitute official recognition. Dr. Brzezinski said that a break in relations would make more sense if it were done by many countries. The situation in Afghanistan is very unstable. We do not know what may happen next, and we could prematurely cut ourselves off. Mr. Aaron pointed out that we are now going to be assisting rebel forces; when that becomes known it could put in jeopardy our people in Kabul. Mr. Saunders noted that we are reducing our people from 35 to 32, and 15 of those remaining are Marine Guards, so our presence is already very low. Mr. Newsom pointed out that we had resisted breaking relations thus far [REDACTED]

[REDACTED] It would be more significant with respect to our information of what is going on inside Afghanistan. Mr. Newsom pointed out that the Soviets may be there a long time. If we break relations, what excuse would we use to go back in? Mr. Christopher noted that we could withdraw our people but not formally break relations. (S)

Dr. Brzezinski said we should strongly condemn the Soviet actions, but we should recognize that there is not much we can do about it except to build international opposition. Dr. Brzezinski said that the cable to other Moslem governments should be strengthened to urge others to take a public position in opposition to the Soviet actions. Mr. Aaron said that we should also go to the non-aligned leaders, especially Yugoslavia who would have a strong incentive to oppose this attack. Mr. Aaron wondered if we should convene the North Atlantic Council. Dr. Brzezinski said that we must make this costly for the Soviets very quickly. Within three days we will see growing criticism of the U.S. for doing nothing and being afraid to act. (S)

Admiral Turner wondered if the Afghan situation could be used in any way to help with the hostage situation. Dr. Brzezinski said that the Iranians might be susceptible to arguments that

the Soviet activities in Afghanistan have changed the situation and required a resolution of the hostage situation. Mr. Newsom said that the Western ambassadors in Tehran planned a high level approach today, perhaps to Behesti. Admiral Turner said that the Afghan situation provides a possible reason for a change, but we would have to be prepared to offer some kind of concession as a face-saver for the Iranians if we were to expect them to respond. He wondered if we could offer to hold off on sanctions as a quid. The SCC found that interesting but recognized that a package approach could only be made to Khomeini directly, and there was no good candidate to carry such a message. The Iranians have formally rejected Waldheim as an intermediary and he could not in any event make the Soviet argument. This issue would have to be discussed more fully in the NSC meeting which was to follow at 10:00. (S)

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Finding Pursuant to Section 662 of the Foreign Assistance Act of 1961, As Amended, Concerning the Operations in Foreign Countries Other Than Those Intended Solely for the Purpose of Intelligence Collection

SCOPE

Afghanistan

DESCRIPTION

Provide lethal military equipment either directly or through third countries to the Afghan opponents of the Soviet intervention in Afghanistan.

Provide selective training, conducted outside of Afghanistan, in the use of such equipment either directly or via third country intermediaries.

Jimmy Carter

DECLASSIFIED

per 9/26/07 CIA letter
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BY 683 NARA DATE 7/27/08