



POLICY

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THE UNDER SECRETARY OF DEFENSE

WASHINGTON, D.C. 20301

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OFFICE OF THE
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Chief, Records & Declass Div, WHS

Date: JAN 11 2018

MEMORANDUM FOR THE DEPUTY SECRETARY OF DEFENSE

SUBJECT: Latin America (U)

I understand you would like to discuss Latin American policy with Secretary Haig at Friday's breakfast meeting. Attached is a proposed letter to Haig, which somewhat fortuitously had been working in the building since December. I am forwarding it both because its substance is correct and because it has Joint Staff and Service support. I would like, however, to highlight several points:

- Latin America is such a large diverse area that it is hardly possible to have a single "policy" toward it.

-- In terms of economic potential, general world importance, and possible military contributions, the most important countries in Latin America are Brazil, Mexico, Venezuela, Argentina, and Chile. These countries are relatively stable, and our relations with them are susceptible to improvement through the use of ordinary (though presumably enlightened) diplomatic relations (which, especially to the extent these countries are military dictatorships, should not exclude a military relationship).

-- By contrast, the potential hotspots of the region and those countries most susceptible to inimical, Communist penetration are El Salvador, Guatemala, Honduras, and the island nations of the Caribbean. For these countries, serving US security interests will require going beyond ordinary diplomatic relations. At the least, we should be prepared to spend substantial sums of money on them; many are so poor that they have little prospect for stability absent our assistance. At most, we should be ready to consider both covert and various kinds of military assistance, as we are already doing to some extent; in so doing, however, we need to recognize that certain of these regimes are sufficiently repressive that they are going to be a fertile target for armed opposition unless they broaden their public support or virtually exterminate the opposition or both.

-- Thirdly, there is a group of countries which is actively hostile to the United States. Cuba is obviously in this category, so is Grenada, and Nicaragua is inching that way (the trick there being to halt and reverse that direction). Dealing with Cuba is somewhat suu generis; tough talk is easy, but I have yet to see a really effective plan. Covert action may be appropriate here, but it should get very careful scrutiny.

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-- Finally, there is everybody else not mentioned, some of whom are rather unimportant, e.g., Paraguay, and some are rather more important, e.g., Panama, but for the most part and with the exception of keeping the Panama Canal open, these countries are supporting actors in the main drama.

- Our peacetime requirements are very different from our wartime requirements. Generally, our past strategies have focused on peacetime because Latin America was a secure southern flank. The expansion of Cuban military capabilities are, however, forcing us to consider how to deal with a force sufficiently significant that, in a NATO/Warsaw Pact war, we might well have to divert forces away from Europe to secure shipping from Gulf ports. Likewise, the increased ability of Soviet submarines to operate in the southern Atlantic and the expanded dependence of the US and Western Europe on Persian Gulf oil has made protection of South Atlantic SLOCs more important. The Navy, however, is stretched so thin that it probably cannot do the job alone. Wartime cooperation with Brazil and Argentina for ASW thus could be especially valuable and affects the DOD perspective of how we should conduct our relations with these countries.

- Lastly, although relations with many Latin American countries were bad during the early part of the Carter Administration, there was something of a rebound with respect to some, e.g., Brazil, and quite good relations were maintained with others, e.g., Venezuela. Thus, there is something of a base to move forward on. Aside from the general issues noted above, you should also be aware of the following open issues, which, in substantial part, are Carter Administration vestiges:

-- Chilean Participation in UNITAS: In consequence of the rather desultory Chilean response to the Letelier/Moffitt murders, the decision was made to exclude Chile from last year's annual UNITAS naval exercise. We were, however, also authorized to tell the Chileans that we expected the exclusion would not last more than one year. The decision will have to be made as to whether to invite them.

-- Arms Sales to Argentina: Congress has prohibited arms sales to Argentina whose air force will be making a major modernization decision this summer. The restrictions came about because the Argentine government was involved in the killing of thousands of persons deemed to be in the leftist opposition. Such killings have been very much reduced in the last two years. It's hard to judge how significant the opposition on the Hill to such sale would be, although the change in the Senate's composition should help.

-- Military Relationship with Guatemala: Guatemala faces an armed insurgent threat, although obviously not yet of the magnitude faced in El Salvador. The Guatemalans have responded to this threat by going to an "Argentine" solution, i.e., killing those suspected of being involved with the left, a definition broad enough to include persons that one would have hoped the government would have tried to deal with. At the same time, they have sought military assistance from us. The Carter Administration took the tack that progress in arms sales would be possible if the Guatemalans made progress in controlling repression.

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(U) In sum, Latin America, as everywhere else, offers some difficult decisions. The attached paper provides an outline of issues which very much deserve inter-agency review, along with some initial DOD perspectives. While I would have been inclined to work it somewhat more, the immediacy of tomorrow's meeting with Haig leads me to offer it as a tool to get the interagency dialogue moving.



Franklin D. Kramer
Under Secretary of Defense
for Policy (Acting)

Office of the Secretary of Defense
Chief, RDD, ESD, WHS

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