DECLASSIFIED E.O. 12958, as amended, Sect 3.5 NSC/Soubers to Smith 09/06/2002 THE WHITE HOUSE By 642 Date 02/13/07

WASHINGTON

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November 5, 1969

National Security Decision Memorandum 30

TO:

The Secretary of State

The Secretary of Treasury The Secretary of Commerce The Secretary of Agriculture

Administrator, Agency for International Development

Chairman, NSC Under Secretaries Committee

SUBJECT:

US Position for the Special Meetings of the Inter-

American Economic and Social Council

The forthcoming special meetings of the IA-ECOSOC will be regarded as an important test of United States intentions following the President's October 31 speech on Latin American policy. The President wants the US position at the IA-ECOSOC to be constructive and positive, and to reflect as specific and immediate an action program as possible, consistent with the thrust of his speech. He also wants the US position to reflect both in substance and style, the spirit of partnership set forth in his speech.

The President has approved the basic themes proposed for the US position in the Inter-American Economic and Social Council (IA-ECOSOC) in the report submitted by the Chairman of the NSC Under Secretaries Committee on October 17, 1969. With regard to the specific proposals contained in the Chairman's Report, the President has made the following decisions:

PROPOSALS APPROVED:

The President has approved the following proposals as they are stated in the Chairman's Report: Proposals 5, 11, 12, 14, 15, 17, 19, 20, 21, 24, 25, 26.

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PROPOSALS APPROVED AS MODIFIED:

Proposal 1: The President has approved the proposal as stated in the Chairman's Report with the understanding that we should adopt as a working target, an inter-American institution which would, over time, assume real decision-making and operational responsibilities with regard to development assistance in the Western Hemisphere (Option b). The President has authorized the US delegation to announce this decision at the IA-ECOSOC meeting and to indicate our readiness to assist in strengthening such an institution now. The President has also authorized the NSC Under Secretaries Committee to further explore the Budget Bureau suggestion for transfer of Alliance funds to IDB and IBRD. The Committee's recommendation should be submitted by December 1, 1969.

Proposal 2: The President has approved the proposal as stated in the Chairman's report. He has directed that immediate steps be taken to submit our economic programs and policies to CIAP review if CIAP so desires.

Proposal 4: The President has approved taking steps to propose a multilateral action program to reduce some of the existing non-tariff barriers to exports of particular interest to Latin America and other LDCs, on the understanding that this would not constitute a commitment to a definite schedule for removal or elimination of quantitative restrictions on all products. He has authorized reaffirmation of existing standstill commitments, but does not wish to announce any new standstill commitment. Initial efforts with the major industrialized nations should begin as soon as practicable, possibly as part of the overall discussions on non-tariff barriers already underway in the GATT. The President has directed the NSC Under Secretaries Committee in coordination with the Office of the Special Representative for Trade Negotiations to prepare a specific negotiating program no later than December 1, 1969.

Proposal 6: The President has approved announcement that we will no longer impose limitations on exports of similar commodities in PL 480 sales agreements with Latin America. Limitations on their export of the same commodities sold under the agreements should continue.

Proposal 7: The President has approved announcement of our willingness to seek authority from Congress to make unilateral reductions of duties on products of interest primarily to Latin America, and not produced in significant quantities in the United States. The President has authorized the US delegation to the IA-ECOSOC meetings to consult with the Latin Americans on products which might be covered by this proposal. The NSC Under Secretaries Committee should coordinate preliminary Congressional consultations as appropriate, and should submit to the President by December 1, 1969 recommendations on the list of products to be included, the timing of submission of necessary legislation and a draft of such legislation.

Proposal 8: The President has approved announcement at the IA-ECOSOC that the Administration will seek legislative authority to negotiate reductions in seasonal duties on imports of certain fruits and vegetables from Western Hemisphere countries in return for reciprocal concessions from those countries on US exports of agricultural commodities. The NSC Under Secretaries Committee should coordinate preliminary Congressional consultations and should submit to the President by December 1, 1969, recommendations on submission of necessary legislation, including a draft of such legislation.

Proposal 16: The President has approved taking steps to ease the terms of PL 480 Title I sales agreements in Latin America in cases where existing or potential debt problems so warrant. This decision does not imply that PL 480 Title I terms will necessarily be made consistent with AID development loan terms.

Proposal 18: The President has decided that the United States should not oppose commercially valid loans by international agencies for regional shipping enterprises in Latin America. However, we should not actively advocate such loans.

PROPOSALS NOT APPROVED:

The following proposals were not approved:

<u>Proposal 9:</u> The President has decided to defer any decision on meat imports for 1970, at this time.

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<u>Proposal 10:</u> The President has disapproved the proposal as stated in the Chairman's Report.

<u>Proposal 22:</u> The President has deferred decision on specific measures to relax foreign direct investment controls at this time pending completion of reviews now underway.

Proposal 23: The President has decided to defer decision on seeking revision of the Hickenlooper amendments at this time, pending his review of Peruvian strategy promised by the Chairman's Report.

PROPOSALS COVERED BY SEPARATE NSDMS:

<u>Proposal 3:</u> The President's decision on tariff preferences is contained in NSDM 29. The President has authorized the US delegation at the IA-ECOSOC meetings to indicate, in informal conversations as appropriate, that if a generalized preference system cannot be negotiated within a reasonable time frame, the US will be prepared to consider alternatives to assure that the Latin American nations will enjoy preferential access to the US market.

Proposal 13: The President's decision on partial untying of aid is contained in NSDM 28.

Henry A. Kissinger

cc:

Secretary of Defense
Secretary of Labor
Director, Bureau of the Budget
Chairman, Joint Chiefs of Staff
Director, Central Intelligence Agency
Special Representative for Trade Negotiations
Chairman, Council of Economic Advisors.