National Security Decision Memorandum II

TO: The Secretary of State
    The Secretary of Defense
    The Secretary of the Treasury
    The Director of Central Intelligence
    The Administrator of the Agency for
    International Development
    The Director of the U. S. Information
    Agency

SUBJECT: Peru

The President’s recent decision to defer application of the
Hickenlooper Amendment with respect to Peru was based inter
alia on the premise that this action would provide additional time to:

1. Prepare our political position in the hemisphere
   for a confrontation with Peru, if that becomes
   necessary, and

2. Maximize pressures on Peru to induce the Peruvians
   to agree to a satisfactory settlement of the IPC issue,

In preparing our political position, the President wishes to maintain
a restrained, reasonable, and conciliatory public posture while the
United States works carefully with friendly governments in an effort
to assure that they will not support Peru in a future confrontation.

In maintaining maximum pressure, the United States should try to
influence the decisions of both public and private sector entities to
the extent possible. However, the President wishes to avoid overt
actions which the Peruvian Government can exploit as acts of bad
faith or economic aggression, and which Peru might use as an
excuse to:
1. Terminate the administrative appeal processes currently available to IPC and the discussions with the United States, and/or

2. Mobilize popular sentiment in Peru and the hemisphere against the United States.

Henry A. Kissinger

cc: The Secretary of Agriculture
    The Secretary of Commerce