

November 19, 1985

NATIONAL SECURITY STUDY
DIRECTIVE 8-85

U.S.-SOUTH AMERICAN RELATIONS (U)

Introduction

This National Security Study Directive establishes the Terms of Reference for completing a thorough and comprehensive review of the overall relationship between the United States and South American countries. For the purposes of this study, the following countries should be included: Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Paraguay, Peru, Uruguay, Venezuela. (S)

Objectives of the Review

The objective of this review will be to produce a National Security Decision Directive (NSDD) whose subject is: "South America: Supporting, Protecting and Preserving Democracy." (S)

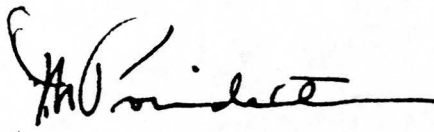
Scope

This review will result in reports to the National Security Council that will address the topics contained in the attached outline. (S)

Process

In order to minimize unauthorized disclosure of this policy review, the NSC requests that distribution of the NSDD be limited. Please provide the name of a point of contact for this review from your agency to the NSC Directorate for Latin America at 395-5830 by COB, Monday, November 25, 1985. An initial meeting to discuss process and procedures for the NSDD will be called shortly afterwards. (S)

FOR THE PRESIDENT:


for Robert C. McFarlane

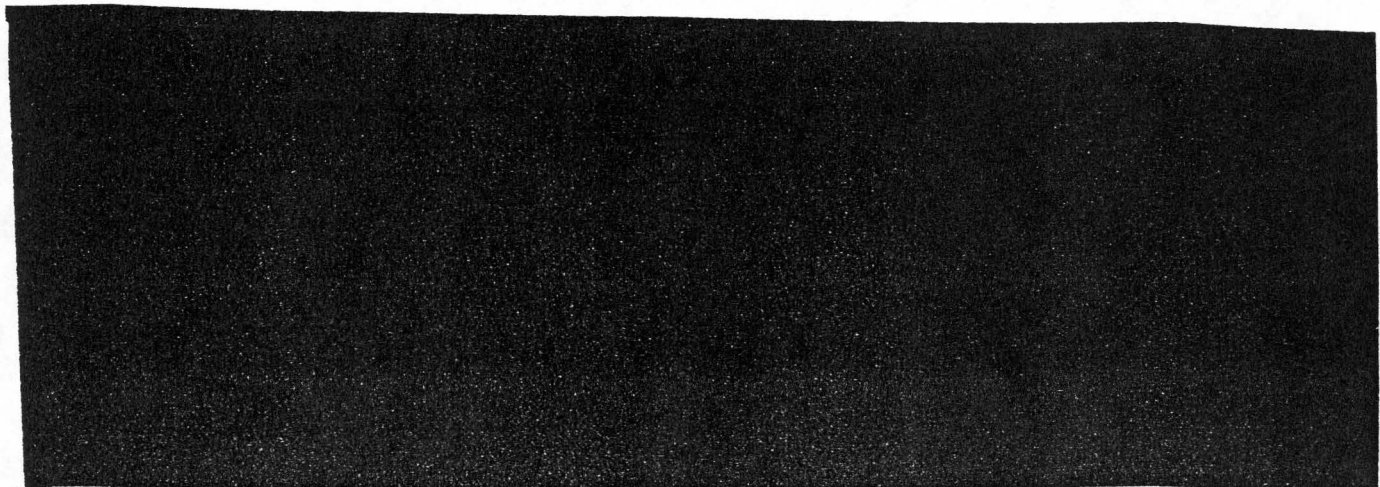
Attachment: NSDD Outline

Partially Declassified/Released on 6/16/96
under provisions of E.O. 12958
by D. Van Tassel, National Security Council
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THE UNITED STATES AND SOUTH AMERICA ~~X~~



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B. Political

(How South American Western alignment does and does not translate into political support. How non-aligned is Latin America?) ~~X~~

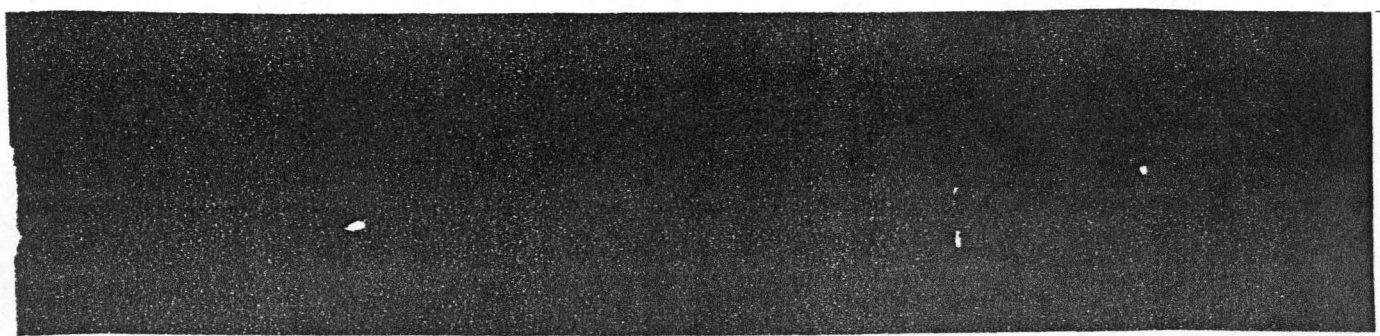
C. Economic

(How important is South America to U.S. trade? How important are raw materials imported from the region to U.S. economy? How important is resolving the debt crisis to the U.S. financial system? Levels of U.S. private sector investments) ~~X~~

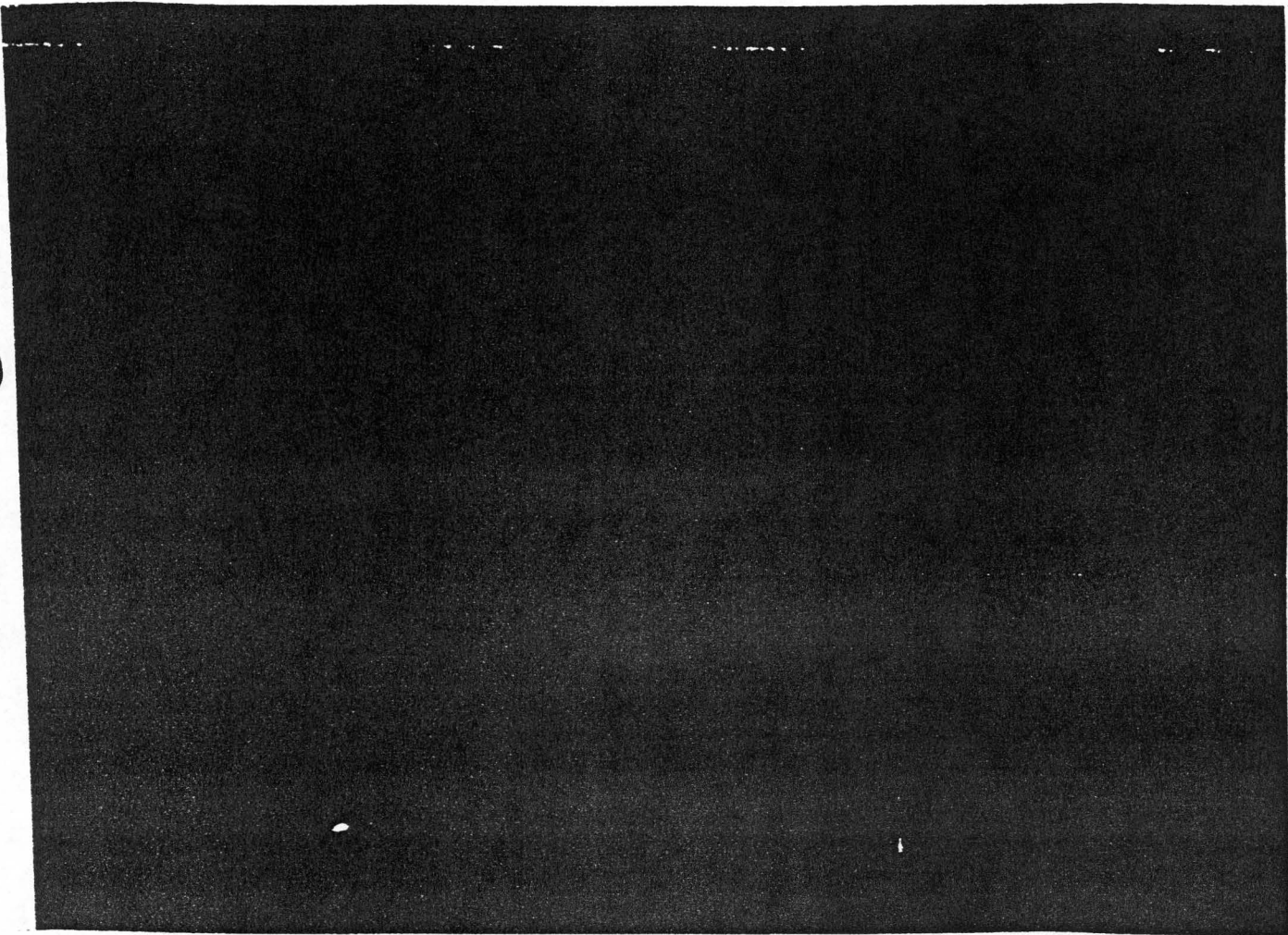
D. Other Issues:

- a. narcotics
- b. migration/refugees
- c. nuclear non-proliferation
- d. human rights
- e. technology transfer
- f. trade

(What are U.S. interests and current policy?) ~~X~~



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III. U.S.-South American Relations Under the Reagan Administration ~~DB~~

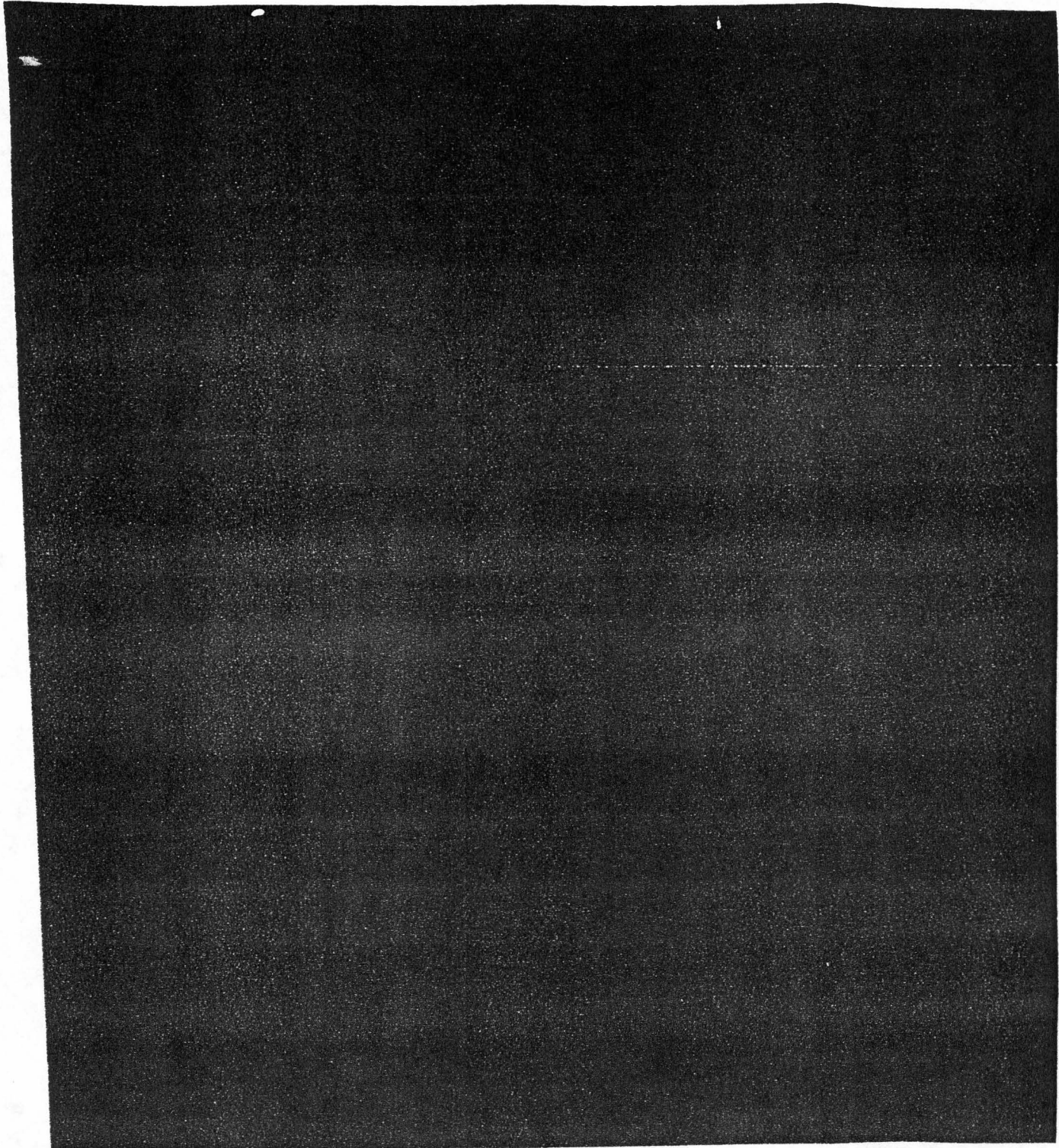
A. General

- 1. Description of policy from 1981-1984.
- 2. Impact of major events (e.g. Falklands/Malvinas) on bilateral relations. ~~DB~~

B. Country Specific

- 1. Table by country of official representation, trade statistics.
- 2. Description and evaluation by country of major programs and status of bilateral relations.
- 3. Description of U.S. economic presence and economic relations.
- 4. Description and evaluation of U.S. political influence and relations.

- 5. Description of U.S. private presence and programs.
- 6. Description and evaluation of military-to-military relations. ~~X~~

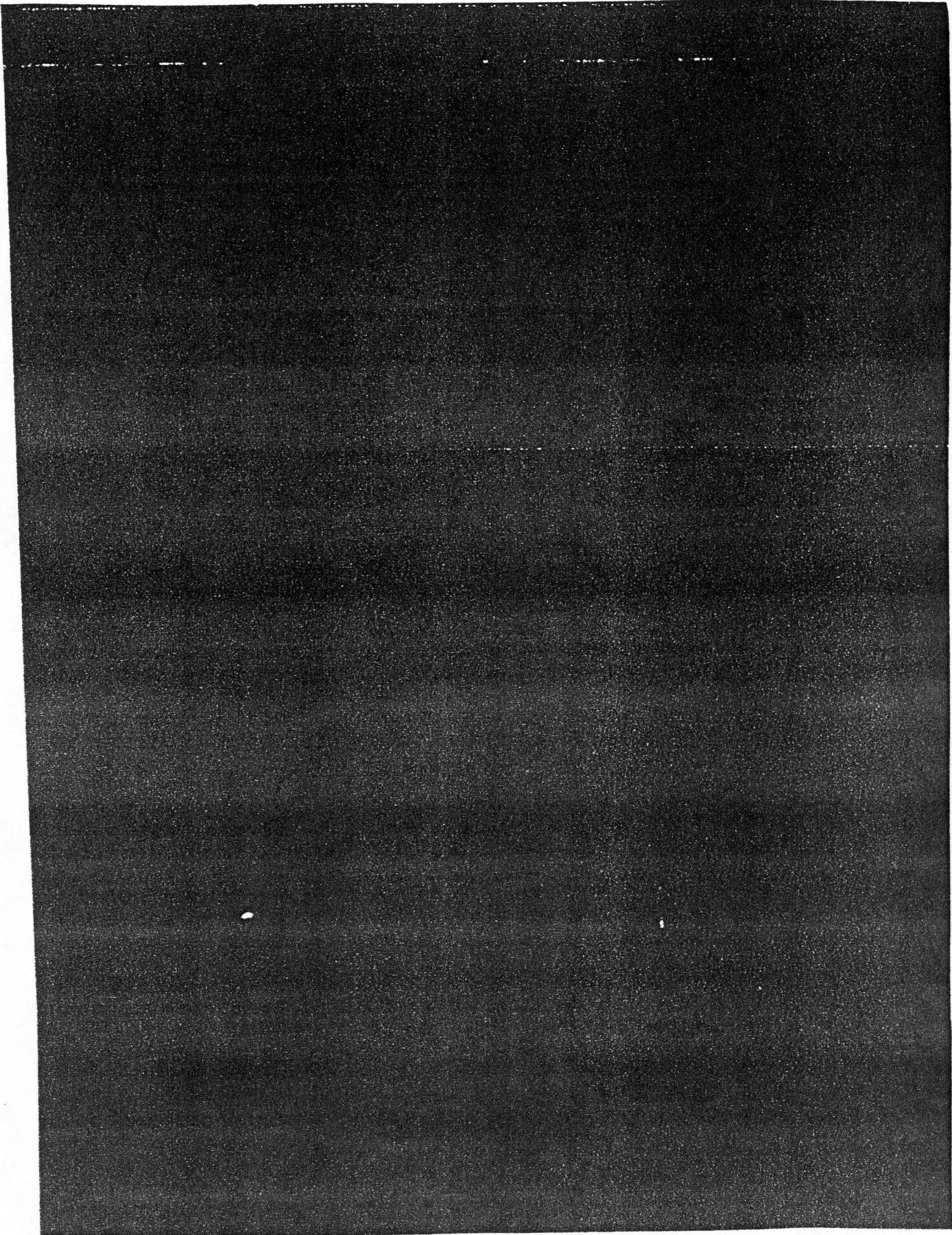


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SECRETVI. Reagan Administration Policy: Goals and Programs ~~X~~

A. Future Prognosis

(What will happen if policy approach does not change?
Is new policy warranted? If so, how?) ~~X~~

B. Goals

(Sustainable and moderate U.S. involvement with
mutually reinforcing elements which reflects the
importance of the region to the U.S.) ~~X~~

1. Supporting Democracy

- a. Prudently supporting democratic transitions without contributing to increased instability.
- b. Strengthening democratic institutions and habits. ~~X~~

2. Protecting Democracy

- a. Prevent USSR and its partners from projecting, overtly or covertly, its power in this hemisphere.
- b. Help to combat terrorism/insurgency without resorting to repression or loss of democratic gains.
- c. Reduce USSR and its partners ability to influence institutions and actors (parties, labor, media, front organizations, etc.)
- d. Assisting imaginatively with debt and other economic problems to help produce growth oriented economies that will be able to cope with internal social problems.
- e. Assisting with social and other problems (narcotics). ~~X~~

3. Preserving Democracy ~~X~~

- a. Strengthening hemispheric cooperation and consultation.

(Are the OAS and Rio Treaty adequate? Are changes needed? To what extent should

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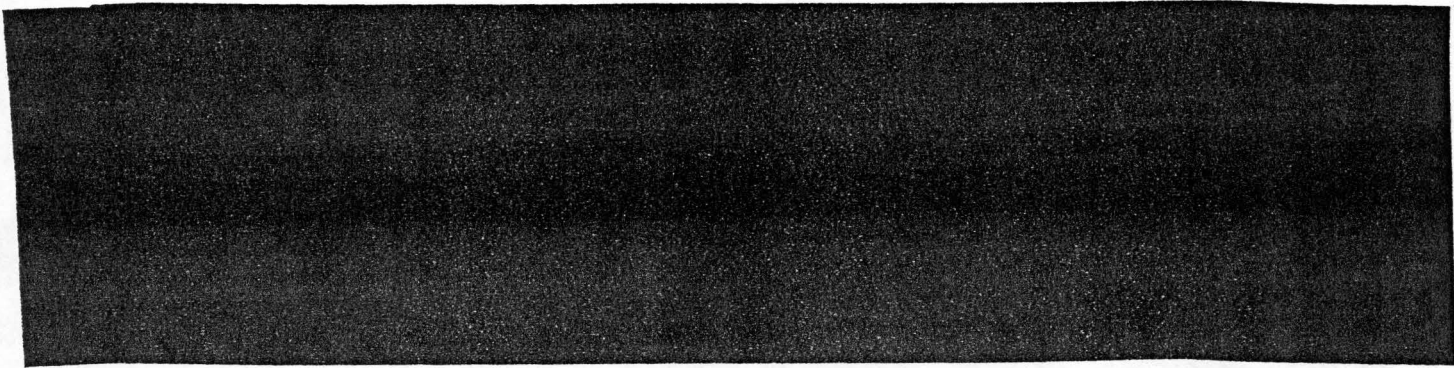
efforts be multilateral, bilateral? How to constructively engage nationalism, anti-Americanism.)

- b. Building constructive military-to-military relations.

(What level of coalition capability is desired? For what tasks? What should our regional strategic posture be in 2000? What missions or military roles do we want to support or emphasize?)

- c. Building constructive economic relations.

(Trade protectionism and barriers, technology transfer, investment levels, adequate assistance levels, interdependence, engaging the private sector.) ~~TA~~



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