



UNITED STATES DEPARTMENT OF COMMERCE
Industry and Trade Administration
Washington, D.C. 20230

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MEMORANDUM OF CONVERSATION

Date: January 19, 1979

Participants: Congressman Jonathan Bingham (D-N.Y.)
Roger Majak, Staff Counsel, House International
Relations, Subcommittee on International
Trade and Economic Policy
Frank Weil, Assistant Secretary for Industry
and Trade, Department of Commerce
Kempton Jenkins, Deputy Assistant Secretary
for East-West Trade, Department of Commerce
Lawrence Theriot, Office of East-West Policy
and Planning, BEWT, Department of Commerce

Background

Congressman Bingham and eight colleagues just returned from a swing through the Caribbean, including a three day stop in Havana. High-level treatment included a four hour discussion with President Castro and meetings with Ministers of Foreign Trade, Justice, Education and Agriculture.

Bingham's View

Bingham described the Havana portion of the trip as very useful, although it broke little new ground. He rejected the opinion held by some that President Castro is not sincerely interested in normalizing relations with the U.S. in that the embargo continues to serve as a domestic crutch for explaining away economic problems. Bingham believes Castro wants the economic gains from renewed relations including MFN, GSP and Eximbank and CCC credits, as well as the extra degree of political flexibility it would afford him in dealing with the Soviets and others in Latin America.

Castro was still visibly incensed at being portrayed as a liar during the Zaire invasion controversy last summer. He emphatically denied any Cuban role and reiterated his sense of betrayal at publication of his confidential conversation with Lyle Lane. Fidel was quoted as saying, "I do not call in diplomats to lie to them." Bingham opined that the evidence of Cuban involvement was weak and the Administration's public position was unfortunate.

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Bingham noted that Castro has been particularly responsive on the prisoners issue and opening with the exile community and is disappointed at the lack of any U.S. response. While Castro still believes some positive response may be forthcoming before Presidential electioneering starts about June, he has now largely written off any substantial progress until 1981.

Bingham appears to agree with Castro's negative assessment. Any positive initiative before June would have to come from the Administration because, in Bingham's view, Congress is packed with foreign policy-related issues such as SALT and the Export Administration Act. He feels there is an entrenched attitude on the Hill that progress with Cuba must await some reduction of Cuban troops in Africa. Castro, in turn, will reduce his African presence only if asked to leave by African governments, but certainly not in response to U.S. concerns or pressures through maintenance of the embargo.

Nevertheless, Bingham will once again reintroduce his bill to lift the trade embargo. Though he expects no action, he remains convinced that the trade embargo is a political embarrassment which the U.S. should dispose of.

Commenting on the attitude of other CODEL members, Majak noted that conservative members were predisposed toward negative impressions and were not disappointed. However, as a minimum, they did accept the logic of lifting the embargo to eliminate its use by Castro as a propaganda tool for international and domestic consumption. The overall negative impression of Havana was compounded by administrative and logistical hassels resulting from Fidel's tight schedule and a generally strained visitor handling capacity due to the celebration of the twentieth Anniversary of the Revolution.

Weil asked if Castro drew any analogy for Cuba from re-establishment of U.S. relations with the PRC. Bingham noted Castro's only reference to China was a concern that the U.S. is attempting to use it as a military counterweight to the U.S.S.R.

Bingham said Castro was especially interested in release of U.S.-held Puerto Rican nationalists and would be certain to respond by freeing remaining U.S. political prisoners. Although Bingham is convinced the Puerto Ricans should be released, he believes our reluctance to do so is in deference to opposition by the current Puerto Rican government. A mutual release in Bingham's view would have a positive impact of U.S.-Cuban relations but would not precipitate any new initiatives from Capital Hill.

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Bingham spoke exceptionally highly of Cuba's Foreign Trade Minister, Marcelo Fernandez Font, whom characterized as the most able of Castro's ministers. Castro seemed healthy and vigorous at 50, but overweight--a fact Castro spoke of with concern. Finally, Havana has received a visible face-lifting in preparation for the Nonaligned Summit Conference in September.

Export Administration Act

Bingham and Majak have drafted a bill for the Export Administration Act (EAA) of 1979 and are planning hearings shortly. In general, their version would strengthen Commerce's role in the interagency Administrative process, and significantly lower existing impediments on exports. This tactic is designed to counter an attempt by Senator Jackson to centralize export controls in Defense. In Bingham's view, unencumbered by the SALT problem facing the Senate, the House can act expeditiously on the EEA. Chances for enactment of his version have improved with the increased interest of Congress in expanding U.S. exports; evidenced, for example, by a newly formed "export caucus".

Weil then described recent trade related developments, including textile industry support for the MFN, arranged by Ambassador Strauss, and Secretary Kreps' push for a complementary package of export expansion incentives, including establishment of a Department of International Trade. Bingham believes Congress will support such measures.

Majak was confident that the so-called Technology Transfer Ban Act (originated in the House by Miller (R-Ohio) with advice from Jackson in the Senate) can be successfully opposed. Bingham has authored a forthcoming article for Foreign Affairs to counter the "Huntington Approach" which is partly embodied in the bill (i.e., use of foreign policy export controls to deny U.S. technology as leverage on the U.S.S.R.). A central feature of Bingham's bill is a procedure for possible Congressional veto of any new export restrictions imposed for foreign policy reasons. The President would be required to address specific criteria before taking actions such as controlling oil technology and equipment to the U.S.S.R. Weil noted inherent problems in maintaining an even-handed approach in applying such restrictions. He cited as an example the current lack of similar oil controls on the PRC.

Weil said U.S. business community opposes tightening of export controls and Commerce would, in general, support the Bingham version of the new EAA.

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Regarding SALT, Bingham is very concerned that loss of Iran as a site for verifying Soviet compliance would hurt SALT's chances. He views Turkey as an alternative location for surveillance, with the added advantage of diminishing Congressional hostility over the Cyprus question. Bingham wondered whether Pakistan could serve as location for SALT verification activities.

Turning to nuclear nonproliferation, Bingham commended Administration success in discouraging the French sale of a nuclear plant to Pakistan. He voiced hope that we would succeed with the FRG in Brazil.

The meeting closed with mutual promises to coordinate efforts to secure passage of a responsible Export Administration Act.

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