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THE SECRETARY OF STATE
WASHINGTON

May 23, 1977

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MEMORANDUM FOR: THE PRESIDENT
FROM: Cyrus Vance

State Department review completed

1. Message to Somalia: You indicated that you wished that the Somalis be made aware of the $500 million Soviet-Ethiopian arms agreement.

2. Soviet Jewish Emigration in April: We have been informed by the Dutch that the Soviets processed 1,243 Soviet emigrants with exit visas for Israel during April, bringing the cumulative total for the first four months of 1977 to 4,645 -- virtually identical to the figure for the same period in 1976 when 4,652 were processed.

It is worth noting that the emigration flow has continued at about the same pace in the past two years even while the Soviets have stepped up their harassment of Jewish activists in the Soviet Union. In the past several weeks, a number of prominent Soviet Jews have had their apartments searched, have been called in for questioning by the KGB, and have been named in the Soviet press as engaging in "anti-Soviet" actions or being in league with the CIA. At the same time, several Jewish "refuseniks" (those refused Soviet exit permission for Israel) have been allowed to emigrate. Of the some 900 "refusenik" families on the list presented to the Soviets during my Moscow visit, we know of about twenty-five who have received exit permission in the past month and a half.

This mix of tactics employed by the Soviets appears to have several objectives: (1) to allow the flow of emigrants to continue at a level which will reduce the danger of their being accused, particularly at Belgrade, of completely cutting off emigration opportunities; (2) through harassment and threats, to make emigration a risky business so that the desire to emigrate among Soviet Jews can be kept down; (3) by alleging subversive activities by Jewish activists, to prepare a case
(again possibly for Belgrade), that the "emigration problem" was invented by Western "anti-Soviet" forces and nurtured by Western intelligence.

3. Spanish -- NATO: During my conversations in Madrid with both the King and Prime Minister Suarez I raised the question of NATO and told them that we were prepared to sponsor or help in any way they feel appropriate to facilitate their entry into NATO. They were appreciative but indicated that this was going to be difficult politically and that they had to proceed with care. Even after next months' elections, in which Suarez expects to do well, he said they will have problems convincing the Spanish military to embrace the NATO tie. Their leading generals fear that membership in NATO would involve burdensome commitments to upgrade Spanish forces at a huge cost. In addition, Suarez said that he would have to face the delicate political problem of balancing left of center and right of center forces, which also inhibit his advocating NATO membership. I told both Suarez and the King that we would await their expression of readiness before pushing for Spanish membership in NATO.

4. Congressional Briefings and Consultations: This week I will meet with the House International Relations Committee, the Foreign Relations Committee and Scoop's Arms Control Subcommittee on SALT. All of these meetings will be in executive session.

On the matter of the F-15 for Saudi Arabia, I will see Hubert as soon as possible to begin the consultative process. My plan is to confine our initial discussion to those strong supporters of Israel who we need to bring on board before they are approached by the Israelis and their own constituents. There are about eleven key members of the Senate and House in this group. Once these members have been reached and we have some indication of Congressional sentiment we can expand the consultations.

5. State-USIA Reorganization: I received a report on this matter which was unsatisfactory. I have since designated Warren Christopher to chair an inter-agency task force that will produce recommendations for this reorganization by next month. There is considerable Congressional and some press interest in this issue with several key
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Senators arguing for and against having the Voice of America remain under government control.

Frank Stanton headed a panel that issued a report two years ago recommending that USIA give up most of its news production operations to State, that a new Information and Cultural Agency be formed to handle cultural exchange and general information programs, and the VOA become independent. I have discussed this plan with Stanton and believe that he has come up with at least some elements of desirable reform.

Stanton's conclusions have been challenged by a recent GAO report that recommends that USIA's cultural exchange programs be handled by State. The GAO report has led some to advocate the creation of an ACDA-like agency to handle all the U.S. government's cultural and information programs abroad.

I will have to wait until the report is finished before making my recommendations to you. I am convinced, however, that our management and approach to international public affairs has to be strengthened and streamlined. What I will aim for is a structure that gives our foreign information and cultural programs a new impetus. In this connection I will also make some suggestions regarding who should staff whatever new organization emerges. We have a wealth of talent in this country for such an operation, and we must get the very best to head it up.