

DECLASSIFIED

E.O. 12958, as amended, Sect 3.5

NSC/Soubers to Smith 09/06/2002  
By HT Date 02/13/07

NATIONAL SECURITY COUNCIL

WASHINGTON, D.C. 20506

July 22, 1969

~~SECRET/EXDIS~~

National Security Decision Memorandum 21

TO: The Secretary of State

SUBJECT: Peru

The President has reviewed the NSC/IG/ARA paper on Peru dated May 24, and has approved the general strategy recommended therein, namely that the United States should:

- continue to maintain non-overt economic pressures on Peru to provide a framework for settlement and constructive change;
- defer applying the Hickenlooper Amendment so long as any plausible basis to do so can be found;
- actively seek a basis for such deferral even beyond the end of the administrative appeal process.

The President has asked that careful planning be undertaken to implement the strategy as set forth above, and that all possible options be carefully examined. In preparing plans, consideration should be given inter alia to the following:

- renewal and extension of bilateral negotiations;
- ways of promoting acceptance of a satisfactory debt reduction/net compensation formula;
- ways of helping develop a satisfactory "buy out" scheme;
- careful reassessment of the possible role of the Peruvian judiciary in the dispute.

The President has asked for a report by August 4 outlining what steps have been taken to implement the strategy, what plans have been made for the future and what options are available upon termination of the administrative process.

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Henry A. Kissinger

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cc:     The Secretary of Defense  
          The Secretary of the Treasury  
          The Director of Central Intelligence  
          The Administrator of the Agency for  
              International Development