CONFIDENTIAL

1979 AMENDMENTS TO LAJES AGREEMENT WITH PORTUGAL

Background. The 1951 Defense Agreement between Portugal and the US, previously extended in 1957 and 1971, defines US base rights in the Azores. The 1979 extension expires February 4, 1983; while of nine years in duration, it had been made retroactive to 1974 to cover the five years during which we had de facto but not de jure peacetime privileges.

General Objectives. Our main goal was to maintain the relatively unhampered use we have had of Lajes, and in particular to secure renewed coverage of our peacetime use of the facility. We succeeded fully. The facility is extremely valuable to us as a transit/staging point to Europe, Africa, the Middle East, and Asia. Lajes also serves us as a base for antisubmarine warfare.

Transits. The description of our transit rights in the 1951 agreement is ambiguous, stating only that "the transit of American military aircraft continues to be permitted." Since the agreement supports the NATO relationship of the two countries, Portugal has occasionally implied that transit is guaranteed only for missions in support of NATO. We maintain that we also have the right of non-NATO transit, but have carefully consulted with the Portuguese to avoid bringing the issue to a head.

In the spring of 1982, Portugal denied a (relatively minor) transit for the first time as a means of expressing its unhappiness over the sharply reduced levels of grant aid it is receiving. Behind this unhappiness lies the GoP's increasing worries about its ability to sustain needed force improvements and its fear of coming under Spain's shadow now that the latter has joined NATO. The USG is addressing these concerns.

Quids. The US offered to Portugal \$80 million in grant economic assistance in four equal installments during FY 80-83 (for use in the Azores) and \$60 million in grant military assistance during FY 1980-81.

Technical Arrangements. The 1979 amendments committed both parties to review technical arrangements at Lajes, including labor relations, a sensitive issue locally.

9/13/82

9A/B10

DECL: OADR

4 . F

CONFIDENTIAL

1980 DEFENSE AND ECONOMIC COOPERATION AGREEMENT (DECA) WITH TURKEY

General Objectives. The United States obtained Turkish acceptance of our most important objectives in the 1978-1980 DECA negotiations. The primary goal, reactivation of our military operations in Turkey under acceptable terms of use, was achieved.

Facility Rights and Flexibility of Use. Overall, the US was successful in obtaining satisfactory flexibility. In particular, we were able to obtain an annex on air operations which, while it could have been better, met our minimum requirements. In practice, we have not had serious problems with Turkish command, control, or oversight in the agreement's implementation. The limitation of our presence to "NATO activities" was carried over into the new agreement.

Out-of-Area Transits/Overflights. We did not gain Turkish acceptance of a provision authorizing us to conduct non-NATO use of Turkish facilities. We made it clear in private and public discussions following the signature of the agreement that this did not mean we considered ourselves prohibited from requesting use of Turkish facilities for other than NATO purposes.

Quid. We advanced for the first time the concept of an annual, non-specific "best effort" on defense support. Its incorporation in an agreement with one of the five major base host allies marked a departure from the specific, multi-year obligations of the Seventies.

11/3/82

9A/B11

CONFIDENTIAL