SECRET

X I hope the Bunch know what they are doing. Hexander. I am not storthly me that the Egyphians moves flowed in head on tollision. I would have the taght is me foof both to law to both to had.

Secretary of State's second private discussion with Mr Haig: 27 February 1981

Libya/Chad

Haig said that the French were inciting the Egyptians to move against Qadhafi. The Saudis, to whom the French were increasingly close, were thinking in the same direction.

Middle East

Haig listened to the Secretary of State's exposition of our thinking. His mind was clearly not closed, though he said emphatically that he could not deliver politically either on a Palestinian state or negotiations with the PLO.

China

Haig said that he had inherited from Reagan's election campaign a difficult situation over US relations with Taiwan, and that it would take time to mend America's fences with Peking.

Arms Control

Lord Carrington explained the importance in a European context for continuing to show interest in arms control. Haig took the point.

State Department/White House Relations

Haig was even more emphatic in his private discussion with the Secretary of State than in the formal session of the talks at the State Department about his determination to be the President's main adviser on foreign policy. He told Lord Carrington that if his authority were challenged (eg from the White House or the Defense Department) he would resign.

(G G H Walden)

2 March 1981