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THE SECRETARY OF STATE
WASHINGTON

March 4, 1980

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DOS REVIEWED 13-Mar-2007: DECLASSIFIED IN FULL

MEMORANDUM FOR: THE PRESIDENT

FROM: Cyrus Vance *crv*

1. Turkish Aid - The FRG's Turkish Aid Coordinator, Finance Minister Matthoefer, told me today the FRG would match "any amount" we pledge for Turkey and asked that together we pledge \$600 million in economic aid at the March 26 pledging session. The FRG believes that a \$1.2 billion economic assistance program is required to save Turkey from economic collapse and that such a program depends upon the United States and FRG each putting up about one quarter of that sum. Matthoefer emphasized that each new dollar pledged by the US would generate three to four dollars from others. He claimed that in an election year the FRG cannot simultaneously increase its aid and defense expenditures, reduce its social programs, and also provide more assistance to Turkey than the United States. Notwithstanding our budgetary review, whose gravity I made clear to him, Matthoefer indicated that the exact level of US economic assistance to Turkey would be a central concern of the Chancellor in tomorrow's discussions.

2. Omani Foreign Minister Zawawi - I met with Zawawi today and he again made a strong pitch for US aid as an integral part of our developing relationship. While noting our very real budget concerns, I expressed our sensitivity to the need for an economic aspect to our relationship and said we would explore ways to respond to the Omani request.

3. North Yemen - Our Ambassador to Sana, George Lane, is in Washington for a review of our Yemen policy. As a result of these talks, we have instructed John West to see Prince Sultan this weekend to convey a proposal for a US-Saudi conference on next steps to improve military logistics and training for North Yemen. We are prepared to play a more direct role

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in the training program, but will stress cooperation with the Saudis and urge their continued financial support. Although there have been additional deliveries of Soviet equipment to North Yemen as a result of agreements made last year, we understand Saudi-YAR negotiations to blunt the impact of the Soviet arms deliveries are continuing.

4. Summer Olympics: The British Position -

The British Olympic Association decided today to postpone until March 25 a final decision on accepting an invitation to the Moscow Games. The British Committee has said it will confer between now and March 25 with other national Olympic Committees in Western Europe in an effort to reach a common position. The decision to delay represents a victory for the Thatcher Government, which has been lobbying hard among British athletic officials for many weeks.

5. Tanzanian Troops in Uganda - You asked us to follow up on President Moi's concerns about the continued presence of Tanzanian troops in Uganda. The Tanzanians are planning to withdraw about 5,500 of their 16,000 troops over the next month or so, to be replaced by Tanzanian-trained Ugandan soldiers. Although these replacement troops are Ugandans, they reportedly have little loyalty to the government of Ugandan President Binaisa.

A central concern for Binaisa is security in the Kampala-Entebbe area, and he has proposed the creation of a force of Indians and Nigerians to take over responsibility for Kampala-Entebbe from the Tanzanians. We have talked to the British about having such a force operate under the aegis of the Commonwealth. If this proves impossible, we will suggest that Binaisa approach the Indians and Nigerians directly, and will ask the British to support those approaches.

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