

155302

9

THE SECRETARY OF STATE
WASHINGTON

~~SECRET~~

February 5, 1981

MEMORANDUM FOR: THE PRESIDENT

From : Alexander M. Haig, Jr. @

1. Polish Ambassador Repeats Need for Financial Assistance: Polish Ambassador Spasowski called on Under Secretary-designate Stoessel today to present a new version of Poland's request for economic assistance. His request, modified in light of the January meeting in Paris of Poland's creditors, consisted of three elements:

(a) the US should influence the Western Europeans to support Poland's request for refinancing of government credits;

(b) the USG should persuade American banks to cooperate with Poland's plan to establish a "credit consortium";

(c) The US should provide guarantees for an additional \$200 million in credits from the Commodity Credit Corporation.

Significantly, Spasowski stressed that he was not repeating Poland's October request for an additional \$3 billion in official credits. The present Polish request, he said, was "extremely important" for the process of liberalization currently taking place.

Stoessel replied that we remained sympathetic to Poland's situation and wished to be helpful. We would do whatever was appropriate with the banks. On the Commodity Credit Corporation issue, Stoessel recalled that we had already provided \$670 million in guarantees. (This Administration is giving very active consideration to the new request and to the US position at the next meeting of creditors in Paris.)

RDS 1/2/3 2/5/01 (HAIG, Alexander M., Jr.)

~~SECRET~~

DECLASSIFIED
NLRR M453/2-455302
BY CN NARA DATE 2/3/16

10

~~SECRET~~

-2-

Stoessel also took the opportunity to remind Spasowski of the importance we attached to a resolution of the Polish problems without resort to force. Spasowski replied that it was still his government's intention to "reach solutions by talking rather than by force." (C)

2. Meeting with Saudi Ambassador: The Saudi Ambassador, Faisal Alhegelan, made his initial courtesy call on me today. I indicated to him that Saudi Arabia's military requests were being handled in a positive way and that we would be consulting with interested parties--including Saudi Arabia--on the Arab-Israeli problem. We had a very warm discussion of our shared strategic views regarding Africa, Asia, and the Middle East. Alhegelan did stress, however, the importance of the Palestinian issue. He expressed Saudi concern about our position on the legality of Israeli settlements in the West Bank and our policy towards the PLO. The Ambassador was informed of our determination to stand by our friends and to establish acceptable norms of international behavior for the Soviet Union. (S)

3. Discussion with Greek Ambassador on US-Greek Relations: A new defense cooperation agreement is being negotiated with Greece and, in his call on me today, the Greek Ambassador sought a US commitment to provide Greece with military assistance in a fixed ratio to that which we give to Turkey. He said this was needed to protect the pro-Western government in Athens which faces elections this year. The Ambassador was informed that we could not agree to fixed assistance quotas between any two countries but that we did not expect to handle our military assistance to Greece and Turkey in a manner widely divergent from the past. I agreed that it was important to maintain a Western orientation in Athens. The Ambassador was told that we would work with the Greeks to write the new agreement in a way that would not harm the current government. (C)

4. Dutch Ambassador's Visit: Dutch Ambassador Lubbers called today to express profound regret over damages (smashed windows and paint smears) inflicted on our Amsterdam Consulate by demonstrators on February 5. Lubbers also discussed the

~~SECRET~~

~~SECRET~~

-3-

proposed March visit of Dutch Prime Minister van Agt; we hope to reply next week. He expressed concern that press reports of Cap Weinberger's comments on the neutron bomb would affect adversely the debate in the Netherlands on the deployment of tactical nuclear weapons (TNF). I shared with him our recent disturbing news on Poland and also the Giscard-Schmidt discussion today on Afghanistan.

Lubbers, who is also representative of the European Community's ten members (currently the Netherlands is President under the rotating system), said that the Dutch would use the Presidency to avoid conflict with US efforts in the Middle East.

Finally, the Ambassador declared that Queen Beatrix was hoping to pay a state visit to the US on the occasion of the bicentennial celebration of US-Dutch diplomatic relations in 1982. (C)

5. Special NATO Council Meeting on Poland: After prior consultation with our major Allies, our NATO Ambassador convened a private meeting of the NATO Council today. The Council discussed the situation that might arise if the Polish regime used force on the unions and people. Our Ambassador telephoned this morning to say that the American paper proposing Allied political measures to deal with such a situation had been very well received; a wide degree of unity was expressed. The Council will continue its efforts to obtain as firm an understanding as possible among the Allies of the measures to be undertaken. (S)

6. Soviet Refugee in US Embassy in Malta: The Soviet refugee Badri Chelidze, who sought asylum on January 27, 1981, remains at the US Embassy in Valletta. We have been working through the UN High Commissioner for Refugees (UNHCR) to arrange Chelidze's exit from Malta and resettlement in another country. The local representative of the UNHCR has declared Chelidze a "refugee" and has asserted UNHCR jurisdiction over the case but the Maltese Government has rejected this determination. The Maltese want to interview Chelidze themselves

~~SECRET~~

12

~~SECRET~~

-4-

at police headquarters "to determine his wishes," possibly with a Soviet representative present. We have not agreed to the Maltese request because they refuse to recognize their obligations under the UN Refugee Convention, including the provision of security for Chelidze. Instead, we have invited the Maltese to interview Chelidze at the Embassy, but they have not responded. We are also working through the UNHCR on a proposal: we would agree to an interview at police headquarters by Maltese authorities provided that 1) an impartial Russian-speaking UNHCR official participates, and 2) that the Maltese agree to permit Chelidze to proceed to a destination of his choice. These assurances would be given through an exchange of notes between the Government of Malta and the Embassy. Meanwhile, the Government of Malta leaked the Chelidze incident to the press on February 4. (S)

7. Judiciary Committee Interest in Counter-Terrorism: Senator Jerry Denton, an old friend, called on me this afternoon to discuss how his Subcommittee on Security and Terrorism can work with us on counter-terrorism. He shares our strong conviction that ways must be found to enable the FBI to investigate potential and actual terrorist activities. Our counter-terrorism office will be staying in close touch with him. (C)

~~SECRET~~

The President has seen

6

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

SECRET ATTACHMENT

February 6, 1981

MEMORANDUM FOR: THE PRESIDENT
FROM: RICHARD V. ALLEN
SUBJECT: Secretary Haig's Evening Report

Herewith Secretary Haig's Evening Report of February 5.

SECRET ATTACHMENT

RW
3/8/13