THE SECRETARY OF STATE
WASHINGTON

SECRET/SENSITIVE

February 19, 1981

MEMORANDUM FOR:

THE PRESIDENT

From:

Alexander M. Haig, Jr.

1. General Walters' Meeting with the Mexican President on El Salvador. Following his meeting with the Mexican President on February 18, General Walters reports that he sought to allay Lopez Portillo's fears on three counts: (1) a U.S. military adventure in El Salvador, (2) an eventual U.S. seizure of Mexican oil fields, (3) possible doubts as to whether the U.S. would prevail over the Soviets in the long run. Walters sought to link Soviet strategic interest in future sources of foreign oil with its support of the Salvadoran rebels (at the doorstep of Guatemala and Mexico). He stated that the U.S. would not allow the Soviets to overthrow a government in the Americas by force.

Lopez Portillo argued that El Salvador's social and economic ills were the sources of the country's conflict. He said Mexico was prepared to assist a political solution—within a multiparty framework—that would remove the causes of violence, injustice and oppression. He acknowledged the influx of arms to the rebels, and said he was personally "working on" a couple of the more extremist Sandinistas in the Nicaraguan government.

In closing, Walters urged that Mexico not undercut our efforts to achieve peace with freedom for the Salvadorans.

At my request a copy of Vernon Walters' complete report will be sent to you. (S)

2. Meeting of the Senior Interdepartmental Group on El Salvador. The Senior Interdepartmental Group on El Salvador met today to follow up yesterday's National Security Council Meeting. We noted that we do not yet have a longterm strategy because the situation in El Salvador is so unpredictable and our intelligence is so limited. The NSC should continue to give guidance and impetus while we work to remedy this.

RDS 2/3 2/19/01 (HAIG, Alexander M., Jr.)

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BY QI NARA DATE 7/3/16

The SIG will submit to next week's NSC meeting its views on a brief general policy statement, in-country training by U.S. military, and intelligence on the Honduras-El Salvador border. We will also report on our efforts to consider additional economic and military aid, to mount an international and domestic information program and to enlist Latin American military and economic support. (SECRET/SENSITIVE)

- 3. Turkey. Turkish Deputy Prime Minister Ozal, the senior civilian in the current Turkish government and the man largely responsible for Turkey's ambitious economic reform program, met with me today. Ozal was assured of the great importance we attached to Turkey both as part of NATO and in the vital southwest Asian region. We welcomed and supported the progress made by the current military government in re-establishing law and order. Ozal was pleased that our assistance proposals for Turkey (almost \$800 million including an Export-Import Bank guarantee) will not be cut. I promised that we would speak on Turkey's behalf to the West Germans, the Japanese, and other donors as well as to the Saudis, Kuwaitis and the Emirates. Ozal will now go to Bonn to meet with Finance Minister Matthofer to make plans for an economic pledging meeting in April. (C)
- 4. Meeting with Ambassador Sam Lewis. Our Ambassador to Israel, Sam Lewis, discussed with me Friday's visit of Foreign Minister Shamir. Ambassador Lewis believes that Shamir will press hard on our Saudi F-15 decision for domestic political reasons, despite Israel's realization that the decision cannot be reversed. Lewis recommended that we act quickly after Shamir's departure to keep the F-15's out of Israel's election campaign.

Shamir will probably also push for reconsideration of your decision to delay an invitation to Israel's Prime Minister until after the June 30 election. Sam suggested that Shamir and Begin would best understand if we stressed our wish not to "intervene" in Israel's domestic politics.

On the peace process, we agreed that it would be best to go slowly -- even if the Begin Government pressures us to do otherwise -- until you have had an opportunity for long talks with the new Israeli Prime Minister and Sadat. Ambassador Lewis was worried about holding off on Sadat until June, however, and recommended that we send a high-level emissary to reassure him in April or May. His proposal will be considered and I hope to discuss the issue with you in more

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detail. We also talked about instituting regular US-Israeli military consultations and for dealing with them frankly and as genuine allies on strategic issues.

Ambassador Lewis is willing to stay on in his post and will remain in Israel pending your decision. I think it would be appreciated by Israel if he stayed, given the critical role he is currently playing. You will meet him next Tuesday when Foreign Minister Shamir calls on you. (S)

- 5. Proposed Luns Visit. Several days ago we mentioned our instructions to support Secretary General Luns of NATO if he should desire to continue in his post. Luns has now thanked us warmly and reiterated his desire to pay a courtesy visit, either March 2-4 or April 13-17. As recommended earlier, I think you should meet Luns for twenty minutes. It would be a most worthwhile gesture for NATO. (C)
- 6. Meeting with Greek Orthodox Archbishop Iakovos. Bill Clark and I had a good conversation yesterday with Greek Orthodox Archbishop Iakovos, who was accompanied by Tom Korologos. The Archbishop and Tom expressed their readiness to help the Administration, particularly with respect to policy on Cyprus, Greece and Turkey. They stressed the Archbishop's role as leader of the Greek American community. The Archbishop was assured that the Administration values our relationship with Greece and is concerned that there be no adverse change this year in the Greek political scene. (Elections will be held not later than November and Prime Minister Rallis faces a stiff challenge from the far left.) I also told them he would work with all interested parties in search of a Cyprus settlement. (LOU)

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TKS, WHSR

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