THE SECRETARY OF STATE WASHINGTON

SECRET

March 5, 1981

MEMORANDUM FOR:

THE PRESIDENT

From

Alexander M. Haig, Jr.



1. El Salvador. A major threat to the Salvadoran Government from within the Armed Forces, fed by right-wing extremists, has been narrowly averted--at least for now.

Some officers of the Armed Forces leadership attribute El Salvador's economic and social disruption as much to the Duarte Government's reforms as to the communist guerrillas. On Tuesday retired Salvadoran Major d'Aubuisson surfaced at a press conference in San Salvador to state that he was informed this Administration would not be opposed to a removal of the Christian Democrats from the government.

Yesterday both I and Ambassador Chapin stated force-fully that we oppose coups and that we support the Duarte Government in its efforts to overcome the guerrillas, to institute reforms, and to build an electoral process. I also emphasized that our ability to assist the Salvadorans would be seriously undermined if the military forced out the civilians and, by implication, cancelled those reforms necessary to curtail popular support for the communists. (S)

2. Brezhnev-Polish Meeting. Judging by the makeup of the Soviet side and the tone of the communique, which Ambassador Meehan in Warsaw has termed "grim, bearish, and ultimately threatening", the March 4 meeting between Brezhnev and Kania and Jaruzelski has ominous implications. The TASS account seems to reflect frank talk and considerable differences of opinion in the meeting, much more so than at the October 30 Brezhnev-Kania meeting or the December 5 Warsaw Pact Summit. The Soviets laid out more starkly than before that they expect the Poles "to reverse the flow of events and liquidate the dangers which are threatening the socialist achievements of the Polish nation". We share Ambassador Meehan's assessment that Kania and Jaruzelski know they cannot hope to carry out such orders without major internal upset. As Meehan notes, however, Polish realities may temper the "Neanderthal severity" displayed by Soviets. (C)

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3. Meeting with Australian Foreign Minister. My meeting today with Australian Foreign Minister Tony Street involved a wide ranging and extremely friendly discussion of Administration foreign policy. I told Street that, in my view, Prime Minister Malcolm Fraser had led the way for us by turning around the inflationary economic mess left in 1975 by the outgoing Labor Government. Street responded by saying that Fraser, too, felt a special affinity for you and your policies and that the GOA believes the US-Australian alliance will be more effective as a result of your election. Street suggested a visit by Fraser, and I explained why this could not occur until after July. Street was informed that you will be sending a letter soon to Fraser suggesting that a firm date be worked out.

During our meeting we received word of Fraser's very firm public statement of support for our position on El Salvador, and I asked Street to convey our warm appreciation.

Street's visit underscored the convergence of U.S. and Australian interests on such issues as relations with the USSR and support for ASEAN on Kampuchea. (S)



THE WHITE HOUSE

WASHINGTON

SECRET ATTACHMENT

March 8, 1981

MEMORANDUM FOR THE PRESIDENT

FROM:

RICHARD V. ALLEN

SUBJECT:

Secretary Haig's Evening Report

Herewith Secretary Haig's Evening Report of March 5, 1981.

cc: The Vice President
Ed Meese
James Baker

SECRET ATTACHMENT

3/11/3