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UNDER SECRETARY OF STATE  
FOR POLITICAL AFFAIRS  
WASHINGTON

June 23, 1981

MEMORANDUM FOR: THE PRESIDENT  
From : Walter J. Stoessel, Jr.  
Acting Secretary of State

1. Communists Enter New French Government. The Communists were given four ministerial positions in the new French government announced today: Equipment and Transport, Administrative Reform, Health, and Vocational Training. These portfolios open the door to Communist influence within the Cabinet and to the placement of Communist cadres at other levels of the bureaucracy. A joint Socialist-Communist party declaration announced today also indicates that the Mitterand leadership compromised a number of previous French foreign policy positions in order to obtain Communist participation. I called French Charge Plaisant today to express our concern over the effects of Communist participation in the government. He responded that the positions were not that important and that the Communists had "moderated" their usual stances in the provisions of the joint declaration.

2. World Bank Loan to China. As I mentioned to you yesterday, we have informed Treasury that we favor approval of a \$200 million World Bank loan to the PRC for university development. The Bank's Executive Board is expected to approve the loan today. As for the human rights aspect of the law governing this particular loan, we do not believe our stance will provoke any serious problems on the Hill.

3. Poland - Namibia. I met today with the British and West German Ambassadors and the French Charge to discuss developments in Poland. In a discussion of other subjects, they expressed concern over next steps on Namibia, wanting to know more about our plans in the wake of Judge Clark's mission to southern Africa. I assured them that we would be in touch with them in the Contact Group format as soon as Bill Clark has had a chance to report to you and Secretary Haig.

4. US-USSR. I had lunch today at his invitation with Soviet Ambassador Dobrynin. Expressing great concern about the state of our relations, he said U.S. policy seemed to be completely anti-Soviet, aimed at confrontation and at encirclement of the Soviet Union. He claimed that Brezhnev genuinely desired a better relationship and wants to discuss all problems, but that we consistently rebuff him. Dobrynin was also perturbed about our decision concerning arms sales to China. I reviewed our serious concerns about Soviet behavior and military build-up, saying we desire a more stable relationship but emphasizing that this can only be achieved if the Soviets demonstrate moderation and restraint.

DECLASSIFIED RDS-1 6/23/01 (STOESSEL, Walter J., Jr.)

NLRR 1453/2 #155645

BY Col NARA DATE 7/3/16

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MEMORANDUM

THE WHITE HOUSE  
WASHINGTON

SECRET ATTACHMENT

June 24, 1981

MEMORANDUM FOR THE PRESIDENT

FROM: RICHARD V. ALLEN

SUBJECT: Acting Secretary Stoessel's Evening Report

Attached is Acting Secretary Stoessel's Evening Report for June 23, 1981.

cc: The Vice President  
Ed Meese  
Jim Baker  
Mike Deaver

SECRET ATTACHMENT

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DECLASSIFIED  
Sec. 3.4(b), E.O. 12958, as amended  
White House Guidelines, Sept. 11, 2003  
BY NARA RW DATE 3/12/13

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THE WHITE HOUSE  
WASHINGTON

Send  
to California