CONFIDENTIAL 155902

July 30, 1981

## THE SECRETARY OF STATE

WASHINGTON

MEMORANDUM FOR:

THE PRESIDENT

From

Alexander M. Haig, Jr.

- 1. Testimony Before Senate Armed Services Committee.
  In my prepared comments before a closed session of the Committee, I stressed your view on the essential relationship between foreign policy and the role of military power. I also stressed the vital importance of security assistance and urged the passage of this year's bill. The Senators seemed most interested in AWACS and their support will be crucial this Fall if are to succeed in the sale. The Committee will expect an in-depth briefing on the subject and they have urged your participation in the process. (U)
- 2. Assurances for Mauritania. Mauritania's Ambassador called on Under Secretary Stoessel this afternoon to express his government's serious concern over the recent newspaper articles alleging CIA plans to undo his country's government. He was fearful that these reports would encourage opponents of close ties between the US and Mauritania. When he was informed that today we had issued a strong statement of support for his government, he seemed assured. (C)
- 3. Security Assistance and Human Rights in Guatemala. Department witnesses today testified before the House Foreign Affairs Committee on human rights and our security assistance approach to Guatemala. We reassured the Committee that absolutely no consideration was being given to military advisors or trainers. Although today's potentially explosive hearing went well, it is clear that Congressional acquiescence to any significant security assistance relationship will depend on real improvements in the Guatemalan human rights performance. (U)
- Nicaraguan Reprogramming. We are notifying Congress now that we intend to reprogram for the Sinai Peace Keeping Operation \$3 million of the \$15 million Nicaraguan economic support funds. At a later date, we intend to notify Congress that we are reprogramming an additional \$7 million for Sinai from the same source. The delay between the two notifications will cushion the impact of the news on Managua. We do not want to give the Nicaraguans an excuse for taking additional measures against the private sector and the democratic forces. At the same time, we are planning to disburse \$3.7 million in economic support grant funds for the Nicaraguan private sector as soon as possible. These funds will go to private sector associations, the Church, the Red Cross, and the Wisconsin Partners of the Americas. Such disbursements may also ease the effects of the reprogramming decision and are consistent with our policy of encouraging pluralism in Nicaragua. (C)

RDS 2/3 7/30/01 (HAIG, Alexander M., Jr.)



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CONFIDENTIAL ATTACHMENT

July 31, 1981

MEMORANDUM FOR THE PRESIDENT

FROM: RICHARD V. ALLEN

SUBJECT: Secretary Haig's Evening Report

Attached is Secretary Haig's Evening Report for July 30, 1981.

cc: The Vice President
Ed Meese
James Baker
Michael Deaver

Received July 31, 1981 - 11:00 a.m.