

155757
~~CONFIDENTIAL~~

6

THE SECRETARY OF STATE
WASHINGTON

September 8, 1981

MEMORANDUM FOR: THE PRESIDENT

From : Alexander M. Haig, Jr. *A*

1. Canadian National Energy Program. Under Secretary Rashish and Canadian Ambassador Towe co-chaired a thorough meeting on the Canadian National Energy Program (NEP). This was the second in a series of consultations that you and Trudeau proposed last March in Ottawa. The Canadians showed no flexibility on the issues at this meeting, but they appeared concerned about the NEP's ultimate effect on our bilateral relationship. We will have two opportunities soon to apply further pressure for a change in Canadian policy. Next week Don Regan will meet with Finance Minister MacEachen, who is considered to be one of the most open-minded Canadian Ministers. In addition, you could convey your personal concerns about these matters to Prime Minister Trudeau at your scheduled meetings in Grand Rapids September 17-18. If we miss these chances, then pressure will mount for actions that could have detrimental economic and political affects on both countries. (C)

2. Lebanon: Last week's quadripartite meetings in Lebanon (involving the Saudis, Kuwaitis, Syrians, and Lebanese) produced surprisingly good results. This is a tribute in part to continued Saudi perseverance in trying to improve basic conditions in Lebanon. The Kuwaitis are also being helpful. Maronite leader Bashir Gemayel was extremely pleased with the outcome, which he described as "the beginning of a beginning", and he is grateful for our counsel and our efforts with the other parties. Lebanese President Sarkis was satisfied with the results and said that the Syrians seemed to be in a conciliatory mood. We will be telling Prime Minister Begin that the actions agreed at these meetings constitute small but significant steps toward the changed conditions we are seeking in Lebanon. Among the steps are: (1) an announcement prohibiting the importation of arms into Lebanon except by "legal authorities" (although focused on Lebanese sea lanes, this could theoretically cut some shipments to the PLO through Syria); (2) all crossings linking east and west Beirut will be opened; (3) the Syrians will cease shelling the Phalange-controlled east Beirut and the Phalange and the Syrian media will stop attacking each other; (4) other Lebanese leaders have endorsed Bashir Gemayel's declaration distancing his organization from the Israeli arms connection as a "positive step." (C)

RDS 2/3 9/08/01 (HAIG, Alexander M., Jr.)

~~CONFIDENTIAL~~

DECLASSIFIED
NLRRM453/2 #155757
BY CW NARA DATE 2/3/12

MEMORANDUM

President has seen

THE WHITE HOUSE
WASHINGTON

CONFIDENTIAL ATTACHMENT

September 9, 1981

MEMORANDUM FOR THE PRESIDENT

FROM: RICHARD V. ALLEN

SUBJECT: Secretary Haig's Evening Report

Attached is Secretary Haig's Evening Report for September 8, 1981.

cc: The Vice President
Ed Meese
James Baker
Michael Deaver

CONFIDENTIAL ATTACHMENT

Received Wednesday, September 9, 1981 - 9:30 a.m.

.81 25b-2 V0:20