

155792
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THE SECRETARY OF STATE
WASHINGTON

October 29, 1981

MEMORANDUM FOR: THE PRESIDENT

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

1. Poland. Walt Stoessel met on Poland today with the UK, German and French Ambassadors and shared our assessment of the military and political situation. The Ambassadors agreed that Jaruzelski is pursuing a two-pronged strategy: (1) a tougher law-and-order stance, (2) simultaneously, an attempt to negotiate a resolution to the crisis with Solidarity, the Church, and other elements of Polish society. Walt suggested that statements might be issued by our Governments warning of the consequences of an internal crackdown. The Ambassadors said they would seek instructions. They also agreed to get back to us on an interim step--our Ambassadors might seek high-level clarification from Polish officials of the specific measures contemplated by the Polish authorities. (S)

2. Poland and Hungary Decide to Join the IMF. We have learned from the chief of the IMF's European bureau that Poland has decided--in principle--to join the IMF. If Poland applies soon it could become a member in 6-9 months. The Soviet Union has reportedly indicated its consent to the Polish move. It is significant that the Polish Government informed Solidarity of its decision at about the same time it informed the IMF. According to the IMF official, Hungary expects to submit its application for IMF membership next week in Washington. He anticipated that Hungary could become a member in three to four months. (C)

3. El Salvador: Thaw in Government's Position on Talks with the Left. Key military and civilian leaders in El Salvador have decided on a flexible response to the Mexican proposal for discussions with the radical left. Salvadoran Foreign Minister Chavez Mena told Ambassador Hinton that the Government will inform Mexico it does not reject the idea of possible talks on election issues with the radical leftist political-military front (FDR), but that internal problems preclude such talks at present. El Salvador will request a restricted, secret, government-to-government meeting with Lopez Portillo and his aides instead of meeting directly with the FDR. The purpose of this meeting would be to "educate" the Mexican President on the true situation in El Salvador. President Duarte, Vice President (and Army Chief of Staff) Gutierrez, and Chavez Mena would participate in the talks. (S)

4. Spain. The lower house of the Spanish Parliament voted 186 to 146 today to support the Government's bid to enter NATO. Final approval will come next month in the Senate where the Government has a solid majority. Today's vote was the crucial test, and the Calvo Sotelo government passed it with flying colors. (LOU)

RDS 2/3 10/29/01 (HAIG, Alexander M., Jr.)

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NLRR 11453/2 # 155792

BY CW NARA DATE 2/3/10

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

The President has seen 11/3/81

October 30, 1981

RZ

~~SECRET ATTACHMENT~~

MEMORANDUM FOR THE PRESIDENT

FROM: RICHARD V. ALLEN

SUBJECT: Secretary Haig's Evening Report

Attached is Secretary Haig's Evening Report for Thursday,
October 29, 1981.

CC: The Vice President
Ed Meese
Jim Baker
Mike Deaver

81 OCT 30 6 15A

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Received Friday, October 30, 1981 - 1:21 P.M.