SECRET 18

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14 December 1981

MEMORANDUM FOR:

THE PRESIDENT

WHITE HOUSE SITUATION ROOM

FROM:

William P. Clark, Acting wr

- 1. NATO Position on Poland. The North Atlantic Council (NAC), attended by Assistant Secretary Eagleburger, met today and agreed the Polish situation was serious but should be treated in a low key manner. In his press statement following the meeting, Secretary General Luns said: NATO is following the situation with careful attention and great concern; NATO Allies are in continuous close consultation; the Allies believe Poland's problems should be solved by compromise and consensus; and the Allies would observe a policy of non-intervention and expect all CSCE signatories to do the same.
- 2. Departure of U.S. Citizens from Libya. The Libyans have so far posed no problems for the departure of U.S. citizens, and have reportedly established a special office for processing U.S. exit visas. Several score U.S. citizens left Libya over the weekend, and 300 or more of the 1,500 Americans are expected to depart by the end of this week. We hope the larger U.S. companies will soon propose a precise plan for removing their U.S. citizen employees.
- 3. Economic Relations with Brazil. I met with Brazilian Planning Minister Delfim Netto this morning to discuss economic relations between our two countries. The Minister expressed relief that U.S. interest rates had been reduced, pointing out that the reduction of each percentage point means a savings of \$500 million to Brazil. He said that if interest rates and oil prices hold firm, Brazil may be able to move out of its current recession in 1982.

I used the opportunity to press the Brazilians on two current trade issues -- civil aviation and restrictions on light aircraft imports. The Minister and I agreed it would be helpful, perhaps beginning early next year, to have annual senior-level consultations on our broader economic interests.

4. Congressional Notification: Aircraft Spare Parts for Taiwan. On 11 December we informed Congress, and Taiwan's representative Tsai Wei-ping, of our intention to sell \$97 million of aircraft spare parts to Taiwan. Tsai was pleased with the news and said he would transmit the information to Taipei. We also reconfirmed to Tsai our intention to move forward on the Taiwan arms package you approved in August. The initial, informal notification to Congress was classified, as it always is, and there have so far been no stories in the press. We also made clear to Beijing that we would be proceeding with this transaction.

SECRET RDS - 2/3 12/14/01 (CLARK, William P.) THE WHITE HOUSE

WASHINGTON

SECRET ATTACHMENT

December 15, 1981

MEMORANDUM FOR THE PRESIDENT

FROM: JAMES W. NANCE

SUBJECT: ACTING SECRETARY CLARK'S EVENING REPORT

Attached is Bill Clark's Evening Report for December 14, 1981.

CC: The Vice President
Ed Meese
James Baker
Michael Deaver

SECRET ATTACHMENT
Received 14 December 1981, 8:15 p.m.