SECRET

THE SECRETARY OF STATE

May 5, 1982

WASHINGTON

MEMORANDUM FOR Y 6 THE PRESIDENT

From

Alexander M. Haig, Jr.



- George Shultz. George Shultz is off this evening and will see all of your Summit colleagues (except the Italian Prime Minister, who had scheduling problems) before he reports back to you on May 15. George had a good round of briefings today. In addition to your meeting with him, George met with Don Regan, Mac Baldrige, Murray Weidenbaum, Bill Brock and me. He believes that he has a good grasp of your concerns and priorities and he particularly appreciated your taking time to see him before he left. There is no doubt that George will make a major contribution to a smooth and successful trip to Europe and the Summit meeting at Versailles. (e)
- CBI Status Report. The Trade Subcommittee of the House Ways and Means Committee concluded its markup on the trade portion of the CBI legislation, passing amendments that exclude footwear and leather goods and that include a tariff quota on duty-free imports of rum. Our efforts to reverse these damaging amendments in the full committee will require strong White House support. The Senate Foreign Relations Committee and the House Foreign Affairs Committee begin their markup of the CBI supplemental on Thursday, May 6. The Barnes and Bingham Subcommittees in the House will probably reduce El Salvador's share of the supplemental and switch a portion of the total supplemental from balance of payments support to development assistance. The Senate Foreign Relations Committee may also change the designation of some of the funds but we expect it to pass the full amount for El Salvador. (LOU)
- 3. Meeting with Spanish Foreign Minister. The Spanish Foreign Minister met with me today to try to resolve the principal remaining issues in our base negotiations. We made progress. Despite the Spanish military's dissatisfaction with the assistance we are prepared to provide, there is a reasonable chance that we can conclude a new agreement before the present treaty expires on May 21. (S)
- Continuing Soviet Challenge of USS LOCKWOOD. Since May 3 our Frigate, USS LOCKWOOD, has been conducting surveillance operations in the Sea of Japan in or near Soviet-claimed territorial waters just south of Vladivostok. The ship has been repeatedly harassed by the Soviets and after the first incident, the LOCKWOOD's operating area was moved southward where it is clearly in international waters. We anticipate further incidents until the LOCKWOOD leaves the area on June 3, but no actual hostilities. Meanwhile, we have protested through both Navy and diplomatic channels that Soviet actions are a violation of the Incidents at Sea Agreement. This incident will be raised by our Navy delegation during the annual review of the agreement in Moscow on May 22-27. Soviets have in turn made a diplomatic protest to our Embassy in Moscow.

RDS 2/3 5/05/02 (HAIG, Alexander M., Jr.)

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MEMORANDUM

UNCLASSIFIED PROCESSION WASHINGTON

SECRET ATTACHMENT

MEMORANDUM FOR THE PRESIDENT

FROM: WILLIAM P. CLARK

SUBJECT: Secretary Haig's Evening Report

Attached is Al Haig's Evening Report for Wednesday, May 5, 1982.

cc: The Vice President
Ed Meese
Jim Baker
Mike Deaver