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THE SECRETARY OF STATE WASHINGTON

May 27, 1982

MEMORANDUM MORY: 28 THE I PRESIDENT

FROM:

Alexander M. Haig, Jr

- 1. OAS and Falkland Islands Dispute. The first day of the reconvened Rio Treaty meeting of Foreign Ministers witnessed a procession of speakers, headed by Argentine Foreign Minister Costa Mendez, who criticized harshly the US for its support of Great Britain and called for OAS action in support of Argentina, including condemnation of the UK, lifting of US "sanctions," and cessation of US materiel support for the British. Venezuela, Panama and Peru were also critical Nicaragua was vitriolic. More moderate expressions came later from Colombia, Trinidad and Tobago, and Costa Rica. I reiterated the US commitment to a strong inter-American system but rejected the argument that UK action constituted "aggression by an extra-continental power" as defined in the Rio Treaty.
- 2. Results of Buckley Group Meeting on Credit Restraints. Meeting in Paris on May 27, the Economic Summit participants agreed that the issue of restraining official credit guarantees to the USSR should be referred to the heads of government at the Versailles Summit itself for a decision based on the following four options: (1) a credit restraint mechanism along the lines we have proposed; (2) an agreement in principle on credit restraints with a specific mechanism to be referred to the Foreign and Finance Ministers for further work; (3) work largely within the OECD framework; and (4) further discussion. The French, who wanted at first to keep the issue out of the Summit, changed signals abruptly in agreeing to this outcome. The apparently deep divisions within the French government may explain this change. Jim Buckley feels that the meeting laid an adequate foundation for a Summit political decision on credit restrictions but that we face a tough uphill fight. Others who may agree on the objective do not necessarily share our view of the urgency of action. (e)
- 3. Access through Morocco Agreed. This morning Moroccan Foreign Minister Boucetta and I signed notes covering our agreement for the use of facilities in Morocco for transit to possible emergencies in Southwest Asia. Boucetta gave me a letter from King Hassan to you indicating that he would not expect the transit facilities to be used for actions against friendly Arab countries. We will send you a recommendation on whether we must respond. (8)
- 4. Iraq-Iran War Mediation. We have approached a number of governments, urging intensified mediation efforts and urgent Security Council action to prevent Iran from invading Iraq. Reaction has been mixed. While this more active US role has reassured our moderate Arab friends, there is little agreement on how to accomplish our goal. The Iraqis have informed us that they will seek Security Council action and asked for our support. However, the key Islamic states (Pakistan, Turkey, Algeria) are not yet convinced that Security Council action is desirable, a sentiment shared by our Allies on the Council. These same states also expressed serious doubts that the Islamic Conference has credible prospects as a mediator. Moreover, the Saudis have told us in confidence that they see a nascent Indian initiative as the most promising mediation track at present. Finally, Iran's ambassador to the UN has said, in response to my remarks in Chicago, that the US should "keep its nose out" of the war. (S)

RDS 2/3 5/27/02 (HAIG, Alexander M., Jr.)

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M., Jr.)

NLRR FOS-096 34335

BY OS NARA DATE 1/29/08

MEMORANDUM



THE WHITE HOUSE

WASHINGTON

SECRET ATTACHMENT

May 28, 1982

MEMORANDUM FOR THE PRESIDENT

FROM:

WILLIAM P. CLARK

SUBJECT:

Secretary Haig's Evening Report

Attached is Al Haig's Evening Report for Thursday, May 27, 1982.

cc: The Vice President
Ed Meese
Jim Baker
Mike Deaver