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TO IMMEDIATE F C O

TELEGRAM NO 2257 OF 25 JUNE

INFO IMMEDIATE UKMIS NEW YORK, PARIS, BONN, MOSCOW, UKDEL NATO,

UKREP BRUSSELS

INFO SAVING CG'S IN USA

HAIG'S RESIGNATION

1. I HAVE SPOKEN TO HAIG, WHO SAID HE DID NOT WANT TO SINGLE OUT ANY PARTICULAR REASONS FOR THE RESIGNATION. HE PROFOUNDLY DISAGREED WITH VARIOUS DIRECTIONS THAT WERE BEING GIVEN TO US FOREIGN POLICY AND HE DID NOT "LIKE THE SMELL". OBVIOUSLY WHAT HE WAS REFERRING TO WAS THE EXACERBATION OF RELATIONS BETWEEN HIMSELF AND THE WHITE HOUSE. REAGAN'S ENTOURAGE HAVE FROM THE DAY HAIG WAS APPOINTED CONTESTED HIS ATTEMPT TO HAVE COMPLETE DIRECTION OF US FOREIGN POLICY AND BE THE SOLE SPOKESMAN. THIS HAS NOW COME TO A HEAD.

2. HAIG TOLD ME THAT THE PROBLEM HAS BEEN AGGRAVATED BY PERSONALITIES BECAUSE SOME OF THE PEOPLE IN THE WHITE HOUSE, WHOM HE DESCRIBED TO ME AS "SICK CHARACTERS", HAVE BEEN CONVINCED THAT HE WAS INTENDING TO RUN FOR HIGH OFFICE. THIS WAS BOUND TO GET WORSE AS THE PRESIDENTIAL ELECTION APPROACHED. EVEN THIS WEEK RUMOURS ON THIS SCORE HAD BEEN SPREAD BY THE WHITE HOUSE. THERE WAS NO BASIS WHATEVER FOR THESE RUMOURS ABOUT HIS POLITICAL INTENTIONS. HAVING SAID THIS, HAIG TOLD ME, IN ANSWER TO MY QUESTION, THAT HE WOULD NOT BE RETURNING TO UNITED TECHNOLOGIES, THOUGH HE KNEW THAT HIS PLACE WAS STILL VACANT THERE. HIS INTENTION WAS TO "DO A BIT OF SPEAKING".

3. HE SAID THAT OVER THE FALKLANDS CRISIS IN WHICH WE HAD BOTH BEEN SO CLOSELY INVOLVED HE HAD HAD GREAT DIFFICULTY OVER POLICY. HE WAS NOT SPECIFIC BUT I AM SURE THAT WHAT HE WAS GETTING AT WAS THE INFLUENCE EXERTED ON THE PRESIDENT BY JEANE KIRKPATRICK, CLARK AND OTHER PRO-LATINOS.

4. AS REGARDS CLARK, IT MIGHT HAVE BEEN THOUGHT THAT HIS APPOINTMENT TO THE WHITE HOUSE AFTER SERVING UNDER HAIG AT THE STATE DEPARTMENT WOULD HAVE LED TO AN IMPROVEMENT IN RELATIONS. BUT THIS HAS NOT HAPPENED. CLARK HAS NOT REPRESENTED HAIG'S POINT OF VIEW TO THE PRESIDENT; BUT NOR HAS HE, I KNOW IN HAIG'S VIEW AND THAT OF OTHERS AT THE TOP OF THE STATE DEPARTMENT, BEEN ABLE TO FORMULATE COHERENT POLICIES OF HIS OWN. HIS IGNORANCE OF FOREIGN POLICY BRINGS HIM INTO CONTINUING CONTEMPT WITH THE STATE DEPARTMENT.

5. HAIG SAID THAT HE IS CONFIDENT THAT HIS DEPARTURE WILL NOT JEOPARDISE US INTERESTS OR THOSE OF HER ALLIES. IF HE HAD HAD FEARS

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/ ABOUT THIS,

ABOUT THIS, HE WOULD NOT HAVE GONE. BUT SHULTZ WAS FIRST RATE. THE WHITE HOUSE WOULD BE LESS INCLINED TO GIVE SHULTZ THE TROUBLE THE HAD METED OUT TO HIM.

6. I HAVE HAD A SEPARATE TALK WITH EAGLEBURGER, WHO WAS RATHER MORE EXPLICIT. HE REFERRED TO A "SUBTERRANEAN GOVERNMENT", BY WHICH HE MEANT THE WHITE HOUSE AND SOME IN THE PENTAGON, WHO SENT MESSAGES TO OTHER COUNTRIES THAT HAD THE EFFECT OF UNDERMINING US POLICY. EAGLEBURGER MENTIONED IN PARTICULAR THE FALKLAND ISLANDS ISSUE, ON WHICH HE SAID THAT THERE HAD BEEN COVERT POLICIES AND MESSAGES WHICH HAD "ENCOURAGED ARGENTINIAN RECALCITRANCE".

7. EAGLEBURGER ALSO SPOKE OF THE CURRENT CRISIS IN THE MIDDLE EAST, ON WHICH "PEOPLE WERE DELIBERATELY SENDING MESSAGES ENCOURAGING THE PLO TO HANG TOUGH". EAGLEBURGER SAID THAT HE KNEW I WOULD NOT AT ALL AGREE WITH HIS VIEW, AND BY THAT I THINK HE ALSO MEANT HAIG'S VIEW, BUT THE US OBJECTIVE NOW SHOULD BE "TO GET THE PLO OUT OF BEIRUT"; NOTHING SHOULD BE DONE TO ENCOURAGE THEM TO STAY THERE BUT THIS WAS JUST WHAT SOME ELEMENTS IN THE US GOVERNMENT WERE DOING.

8. EAGLEBURGER ALSO MENTIONED THE PERSONAL FRICTION THAT HAD ARISEN BETWEEN HAIG AND THE WHITE HOUSE ENTOURAGE ON THE EUROPEAN TRIP. WHAT EXASPERATED HAIG, AND FOR THAT MATTER EAGLEBURGER, WAS THE LACK OF EXPERIENCE AND NUANCE AND THE PREVALENCE OF IGNORANCE AMONG THOSE OUTSIDE THE STATE DEPARTMENT WHO WERE TRYING TO INFLUENCE US FOREIGN POLICY. HE REPEATED THAT "CLARK IS PART OF THE PROBLEM".

9. EAGLEBURGER ALSO SAID THAT THE DIFFERENCES OVER THE PIPELINE HAD BEEN CONTRIBUTORY; THE CRUCIAL MEETING OF THE NSC LAST WEEK HAD BEEN HELD WHILE HAIG WAS GRAPPLING WITH GROMYKO IN NEW YORK. THIS HAD RANKLED WITH HIM, AS HE EARLIER TOLD ME HIMSELF.

10. IN HAIG'S PRESS STATEMENT, THE TEXT OF WHICH IS GIVEN IN MY SECOND IFT, THERE IS LITTLE LIGHT ON THE REASONS FOR HIS RESIGNATION. THIS DOES NOT MEAN THAT THERE WILL NOT BE THE MOST EXTENSIVE SPECULATION ABOUT IT. NO DOUBT THE WHITE HOUSE WILL BE DOING THEIR BEST TO DENIGRATE HAIG.

11. IT SAYS SOMETHING ABOUT THE NATURE OF THE GOVERNMENT HERE AT THE PRESENT TIME THAT THE PRESIDENT HIMSELF, HAVING ANNOUNCED HAIG'S RESIGNATION, GAVE NO EXPLANATION FOR IT AND THEN WENT OFF BY HELICOPTER TO CAMP DAVID FOR THE WEEKEND. THERE HAVE BEEN PICTURES OF HIM ON TELEVISION WAVING GOODBYE AS HE BOARDS THE HELICOPTER, TO BE FOLLOWED BY PICTURES OF BEIRUT UNDER BOMBARDMENT FROM AIR AND ARTILLERY.

12. WHAT IT BOILS DOWN TO, I THINK, IS THAT THE RESIGNATION HAS COME ABOUT AS A RESULT OF AN ACCUMULATION OF DIFFERENCES ON POLICY AND A CONFLICT OF TEMPERAMENT. HAIG, AS YOU KNOW, IS IMPETUOUS AND

HAS NO SENSE OF TIMING. HE IS ALSO COMBATIVE SO FAR AS CONCERNS HIS OWN TURF, TO USE ONE OF HIS FAVOURITE WORDS. IT IS INHERENT IN THE SYSTEM THAT THERE WILL BE A CONFLICT BETWEEN THE WHITE HOUSE AND THE STATE DEPARTMENT ON THE CONDUCT OF FOREIGN POLICY UNLESS THE SECRETARY OF STATE IS EXCEPTIONALLY COMPLIANT AND PASSIVE. EVEN IF, AS IS THE SITUATION AT THE MOMENT, THE PRESIDENT HIMSELF DOES NOT SEEK TO DIRECT THE DAY-TO-DAY DIRECTION OF POLICY, THOSE AROUND HIM WILL BELIEVE THAT THE US CONSTITUTION DOES NOT PERMIT THE PRESIDENCY TO ABDICATE ITS RESPONSIBILITY. HAIG CAME TO THE STATE DEPARTMENT WITH AN ENORMOUS REPUTATION, THE IDOL OF THE REPUBLICAN PARTY. THE REASONS FOR HIS CONSTANT CLASHES SINCE THEN, THE DECLINE IN HIS ESTEEM, AND HIS INABILITY TO FIND A WAY THROUGH THE INHERENT CONTRADICTIONS OF THE WASHINGTON SYSTEM, RESULT NOT FROM INABILITY OR LACK OF INTEGRITY BUT FROM HIS PARTICULAR ABRASIVE AND VARIABLE PERSONALITY. THE ODD THING IS THAT HE HAS IN PRACTICE ACHIEVED A LARGE PROPORTION OF HIS OBJECTIVES ON POLICY BUT THIS HAS NOT PREVENTED A SENSE OF TENSION AND FRUSTRATION AND A BELIEF ON HIS PART THAT HE IS IN SOME WAY BEING UNDERMINED AND CIRCUMVENTED.

13. I DO NOT KNOW WHETHER YOU HAVE ALREADY COMMUNICATED WITH HAIG. BUT I SUGGEST YOU MIGHT SEND HIM A MESSAGE ON THE FOLLOWING LINES.

BEGINS:

MAY I EXPRESS TO YOU MY DEEP PERSONAL REGRETS THAT I SHALL NO LONGER HAVE YOU AS A COLLEAGUE IN THE FOREIGN SECRETARIES CLUB. FROM THE TIME YOU CAME TO LONDON AT THE BEGINNING OF APRIL WHEN I HAD JUST TAKEN OVER MY POST, I HAVE BEEN PERSONALLY AWARE OF THE ENERGY, CONVICTION AND INTEGRITY WHICH YOU HAVE BROUGHT TO THE CONDUCT OF US FOREIGN POLICY. THESE WERE THE QUALITIES THAT YOU BROUGHT TO BEAR UPON THE FALKLAND ISLANDS CRISIS; AND I SHOULD LIKE TO TAKE THE OPPORTUNITY OF LEAVING YOU IN NO DOUBT OF OUR GRATITUDE TO YOU FOR THE GREAT EFFORTS YOU MADE DURING THOSE DIFFICULT WEEKS. YOUR DECISION OF 30 APRIL WAS NOT AN EASY ONE AND I ASSURE YOU THAT THE US SUPPORT ENUNCIATED IN IT WAS OF THE GREATEST HELP TO OUR CAUSE AND I BELIEVE TO THE ANGLO/AMERICAN PARTNERSHIP.
ENDS.

14. PLEASE SEE MIFT ABOUT GEORGE SHULTZ.

HENDERSON

FCO/WHITEHALL
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26/6/82

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MY TELNO 2257: HAIG'S RESIGNATION

1. HAIG READ OUT TO THE PRESS HIS LETTER OF RESIGNATION. HE REFUSED TO ELABORATE ON IT. HE PAID TRIBUTE TO THE STATE DEPARTMENT AND TO HIS SUCCESSOR WHOM HE DESCRIBED AS AN OLD FRIEND AND A MAN OF EXPERIENCE, PROFESSIONALISM AND INTEGRITY.

2. FOLLOWING IS TEXT. QUOTE.
DEAR MR PRESIDENT, YOUR ACCESSION TO OFFICE ON JANUARY 20 1981 BROUGHT AN OPPORTUNITY FOR A NEW AND FORWARD-LOOKING FOREIGN POLICY, RESTING ON THE CORNERSTONES OF STRENGTH AND COMPASSION. I BELIEVE THAT WE SHARED A VIEW OF AMERICA'S ROLE IN THE WORLD AS THE LEADER OF FREE MEN AND AN INSPIRATION FOR ALL. WE AGREED THAT CONSISTENCY, CLARITY AND STEADINESS OF PURPOSE WERE ESSENTIAL TO SUCCESS. IT WAS IN THIS SPIRIT THAT I UNDERTOOK TO SERVE YOU AS SECRETARY OF STATE. IN RECENT MONTHS, IT HAS BECOME CLEAR TO ME THAT THE FOREIGN POLICY ON WHICH WE EMBARKED TOGETHER WAS SHIFTING FROM THAT CAREFUL COURSE WHICH WE LAID OUT. UNDER THESE CIRCUMSTANCES, I FEEL IT NECESSARY TO REQUEST THAT YOU ACCEPT MY RESIGNATION. I SHALL ALWAYS TREASURE THE CONFIDENCE WHICH YOU REPOSED IN ME. IT HAS BEEN A GREAT HONOUR TO SERVE IN YOUR ADMINISTRATION AND I WISH YOU EVERY SUCCESS IN THE FUTURE. SINCERELY. UNQUOTE.

HENDERSON

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