June 14, 1982

THE SECRETARY OF STATE WASHINGTON

MEMORANDUM FOR: A 9: 14 THE PRESIDENT

From

Alexander M. Haig, Jr.

- Meeting with Egyptian Foreign Minister Ali. Ali indicated today that the Egyptians were reassured by the announcement of our objectives in Lebanon, even though U.S.-Egyptian views diverge on a number of related issues. In our brief meeting with the press, he provided unexpectedly strong support for our overall policy in the region, including Lebanon. Privately, he and his colleagues stressed the importance of giving early public expression of our intentions to deal with the Palestinian issue, still the key to resolving many of the problems in the Middle East. (S)
- European Community (EC) Proposal on Credits. The EC Finance Ministers in Brussels agreed today on a proposal that could serve as a basis for an agreement along the lines we seek in the export credit field. Most importantly, the EC proposal would give us virtually all we want concerning reclassification of the Soviets to the highest interest category--effective immediately. Interest on this category would also increase by one percent, further diminishing the subsidy element to the USSR. The middle income lesser developed countries would also be reclassified to the intermediate interest rate category. This would also reduce greatly interest subsidies to the countries that receive the bulk of our export credits. Other lesser details remain to be worked out, but there is a good chance that the whole package can be agreed upon soon.
- Meeting with Pakistan Foreign Minister Yaqub Khan. Yaqub and I discussed our plan to propose unpublicized specialists' talks with the Soviets on Afghanistan. We felt it was important to get the Pakistanis on board before discussing the matter with the Soviets. Yaqub agreed that we should coordinate and orchestrate our diplomatic efforts, which have Soviet withdrawal as their common aim. On other matters, Yaqub confirmed that Pakistan was using its influence to dissuade Iran from moving into Iraq. This was not easy. The Iranians were deeply suspicious of efforts to deprive them of what they regarded as the fruits of a costly victory. Turning to U.S.-Pakistan relations, I told him of your determination to honor our commitments to Pakistan despite Congressional opposition. Yaqub reiterated that Pakistan would not develop nuclear weapons. (5)
- UN Security Council Members Consult on Lebanon; No Formal Meeting Scheduled. Lebanon's UN Ambassador has resisted pressure to call for Security Council action and, after an informal consultation on Sunday, most members showed little enthusiasm to do anything. A deteriorating situation in Beirut, however, could change the picture at the UN very quickly. We have strongly opposed Security Council involvement at this stage of Phil Habib's mission. (C)

DECLASSIFIRDS 2/3 6/14/02 (HAIG, Alexander M., Jr.)

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THE WHITE HOUSE

WASHINGTON

SECRÉT ATTACHMENT

June 15, 1982

MEMORANDUM FOR THE PRESIDENT

FROM:

WILLIAM P. CLARK

SUBJECT:

Secretary Haig's Evening Report

Attached is Al Haig's Evening Report for Monday, June 14, 1982.

cc: The Vice President Ed Meese

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Jim Baker Mike Deaver