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WITHDRAWAL SHEET

Ronald Reagan Library

Collection Name EXECUTIVE SECRETARIAT, NSC: COUNTRY FILE

Withdrawer

DLB

1/23/2007

File Folder

CANADA (07/02/1981-08/27/1981)

FOIA

F1554

Box Number	12				TAN 6	MMY NEMETH
ID Doc Type	Doo	cument Descriptio	n	No of Pages		Restrictions
32709 CABLE	#021	958Z JUL 81		1	7/2/1981	B1
	R	12/7/2007	NLRRF1554			
32710 CABLE	#022034Z JUL 81			2	7/2/1981	B1
	R	12/7/2007	NLRRF1554			
32711 CABLE	#030	045Z JUL 81		1	7/3/1981	B1
	R	12/7/2007	NLRRF1554			
32712 CABLE	#072	030Z JUL 81		4	7/7/1981	B1
	R	12/7/2007	NLRRF1554			
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32714 CABLE	#162	023Z JUL 81		4	7/16/1981	B1
	R	12/7/2007	NLRRF1554			
32715 CABLE		131Z JUL 81 - LET NCELLOR SCHM	TTER REAGAN TO	4	7/18/1981	B1
	R	12/7/2007	NLRRF1554			

Freedom of Information Act - [5 U.S.C. 552(b)]

B-1 National security classified information [(b)(1) of the FOIA]

B-2 Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]

B-3 Release would violate a Federal statute [(b)(3) of the FOIA]

B-4 Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]

B-6 Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
B-7 Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
B-8 Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]

B-9 Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

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Collection Name EXECUTIVE SECRETARIAT, NSC: COUNTRY FILE Withdrawer DLB 1/23/2007 File Folder CANADA (07/02/1981-08/27/1981) FOIA F1554 **Box Number** 12 TAMMY NEMETH ID Doc Type **Document Description** No of Doc Date Restrictions **Pages 32717 CABLE** #181701Z JUL 81 1 7/18/1981 B1 12/7/2007 NLRRF1554 **32718 CABLE** #301735Z JUL 81 1 7/30/1981 B1 12/7/2007 NLRRF1554 32719 MEMO ALEXANDER HAIG TO THE PRESIDENT, 4 7/15/1981 B1 RE: MAJOR THEMES AND **RELATIONSHIP TO ISSUES** 12/7/2007 NLRRF1554 **32720 CABLE** #102132Z AUG 81 1 8/10/1981 B1 12/7/2007 NLRRF1554 **32721 CABLE** #111419Z AUG 81 1 8/11/1981 B1

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NLRRF1554

2 8/13/1981 B1

Freedom of Information Act - [5 U.S.C. 552(b)]

32722 CABLE

B-1 National security classified information [(b)(1) of the FOIA]

#132009Z AUG 81

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B-3 Release would violate a Federal statute [(b)(3) of the FOIA]

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12/7/2007

B-2 Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]

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FOIA

F1554

Box Number

12

TAMMY NEMETH

1/23/2007

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ID Doc Type	Document Description	No of Doc Date Restrictions Pages		
32723 CABLE	#220035Z AUG 81 - LETTER, HAIG TO FOREIGN MINISTER <i>R</i> 12/7/2007 NLRRF1554	3 8/22/1981 B1		
32724 CABLE	#272115Z AUG 81 R 12/7/2007 NLRRF1554	1 8/27/1981 B1		

Freedom of Information Act - [5 U.S.C. 552(b)]

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******* E C R E T******

32709

DATE 07/09/81

WHITE HOUSE SITUATION ROOM

PAGE 01

WHTS ASSIGNED DISTRIBUTIONS

SIT: EOB: WETTERING WHAR COMMENT:

MESSAGE ANNOTATIONS!

NO MESSAGE ANNOTATIONS

MESSAGET

IMMEDIATE
DE RUEHOT #4023 1831959
O 021958Z JUL 81
FM AMEMBASSY OTTAWA

TO SECSTATE WASHOC IMMEDIATE 1222

SECRETOTTAWA 04023
NDDIS
E.O. 12055: RDS-1 7/1/01 (SMITH, RICHARD J.) OR-M
TAGS: PEPR, SF, WA, CA
SUBJECT: MESSAGE FROM THE SECRETARY ON NAMIBIA
REF: STATE 173891

1. (8 - ENTIRE TEXT.)

2' MESSAGE DELIVERED JULY 2. SMITH

DECLASSIFIED

NLRR F1554 1 32709

BY CI NARADATE 12/1/07

OTTAWA 4023

DTG:021958Z JUL 61 PSN1 012966 TOR: 183/2126Z

****** E C & E To*****

32/10

DATE 07/09/81

WHITE HOUSE SITUATION ROOM

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NLRR £1554 # 32710

BY CI NARADATE 12-17/07

PAGE 91

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SITE RVA NAN COL JP VP EOB! WETTERING

WHER COMMENTA

MESSAGE ANNOTATIONS!

NO MESSAGE ANNOTATIONS

MESSAGE!

IMMEDIATE
DE RUEHOT #4027 1832034
D 022034Z JUL 81
FM AMEMBASSY OTTAWA

TO SECSTATE WASHDC IMMEDIATE 1205

REP: STATE 173891

I'S ENTIRE TEXT .)

- 2. INITIAL SENIOR STAFF LEVEL REACTION TO SECRETARY 8 LETTER TO EXTAFF MINISTER MACGUIGAN ON NAMIDIA WAS ONE OF STRONG DISAPPOINTMENT. THEY HAD EXPECTED MORE INFORMATION BECAUSE CANADIAN EMBASSY IN WASHINGTON HAD ADVISED THEM TO EXPECT A DETAILED "FIVE POINT" REPORT ON PROGRESS WITH SOUTH AFRICANS, AND THE POSSIBILITY OF A CONTACT GROUP MEETING NEXT WEEK.
- 3. BASED ON JULY 2 CONVERSATION, WE EXPECT EXTAFF SENIOR STAFF TO ADVISE MINISTER MACGUIGAN THAT PRESENT STATE OF PLAY REQUIRES THAT NAMIBIA BE DISCUSSED AT THE SUMMIT IN A WAY THAT IMPRESSES PRESIDENT REAGAN WITH THE URGENCY OF THE MATTER AND THE IMPORTANCE OF SHIFTING US ADMINISTRATION FROM ITS "FRIENDLY" POSTURE OF DEALING WITH SOUTH AFRICANS.
- 4' EXTAFF EXPECTED THAT GERMANS WOULD ALSO EXPRESS NEED

OTTAWA 4027

DTG: 022034Z JUL 81 PSN: 012976 TOR: 183/2226Z

******* E C R E Tennese

DATE 07/09/81

WHITE HOUSE SITUATION ROOM

PAGE 02

MESSAGE (CONTINUED):

TO PRESS FOR HIGH-LEVEL DISCUSSION OF NAMIBIA DURING

OTT WA 4027

DTG:222034Z JUL 81 PSN: 012976 TAR: 183/2226Z

******* E R E T*****

3271

DATE 07/10/81

WHITE HOUSE SITUATION ROOM

PAGE Ø1

WHTS ASSIGNED DISTRIBUTIONS

ATT: JP . COL VP 208: PIPES, RENT, STEARMAN WHOR COMMENT:

MESSAGE ANNOTATIONS!

NO MESSAGE ANNOTATIONS

MESSAGET

TMMEDIATE
DE RUEHC #5081 1840100
D 030045Z JUL 81 ZFF6
FM SECSTATE WASHDC

TO AMEMBASSY OTTAWA IMMEDIATE 2777

TNPO WHITE HOUSE IMMEDIATE 6657

SER ET STATE 175081

MDDIS E.G. 12065: RDS-1 7/2/91 (NILES, THOMAS, M. T.)

TAGS: NATO PL

BUBJECT: CAT POLANDE CANADIAN POSITION ON CONTINGENCY

REFI STATE 171788

(8) CANADIAN EMBASSY HAS PROPOSED THAT TALKS DISCUSSED PARA 3. REFTEL, TAKE PLACE IN WASHINGTON JULY 9. DEPARTMENT HAS ACCEPTED THIS PROPOSAL AND ADVISED CANADIANS THAT DAS GOMPERT WILL HEAD US PARTICIPANTS. HAIG

DECLASSIFIED

NLRR 41554 #32711

BY W NARADATE 1/1/07

SECSTATE WASHDC 5081

DTG:030045Z JUL 81 P8N: 013216

****** E C A E T******

SITUATION LISTING

DATE 07/10/81//191

32712

SITUATION: CHECK SUBJECT CATAGORY: LIST

DECLASSIFIED

MESSAGE / ANNOTATION:

NLRR <u>61554 #3271</u>Z CAS NARADATE 12/1/67

MESSAGE !

EHA647

DO RUEADWW

DE RUEHOT #4081/01 1882034

ZNY CCCCC ZZH

D 072030Z JUL 81

FM AMEMBASSY DTTAWA

TO RUEHC/SECSTATE WASHDC IMMEDIATE 1252

INFO RUEADWW/THE WHITE HOUSE IMMEDIATE

BT

C D N F I D E N T I A L SECTION 01 DF 02 DTTAWA 04081 STATE FOR EUR-ASSISTANT SECRETARY EAGLEBURGER,

DEPT PLEASE PASS EPA FOR ADMINISTRATOR

DEPT PLEASE PASS EPA FUR AUMINISTRA

WHITE HOUSE FOR NSC/BOGGS

E.O. 12065: RDS-1 7/7/01 (SMITH, RICHARD J.) UR-M

TAGS: SENV, CA

SUBJECT: THE PRESIDENT'S JULY 10 MEETING WITH PRIME

MINISTER TRUDEAU--CLEAN AIR ACT

1. 10 - ENTIRE TEXT.)

2. SUMMARY: CANADIANS WENT AWAY DEEPLY CONCERNED AND FRUSTRATED FROM JULY 6 MEETING WITH EPA ADMINISTRATOR GORSUCH. THEY FEAR THAT ADMINISTRATION POSITION ON CLEAN AIR ACT REAUTHORIZATION WILL UNDERMINE PROSPECTS FOR EARLY REDUCTION IN ACID DEPOSITION IN CANADA. THEY RESENT LACK OF WHAT THEY CONSIDER PROPER AND TRADITIONAL CONSULTATION ON THRUST OF OUR PROPOSALS. THEY WILL ADVISE TRUDEAU TO RAISE CONSULTATION ISSUE WITH THE PRESIDENT JULY 10. I RECOMMEND ONE MORE TRY ON CONSULTATIONS TO MEET GOC

CONCERNS. END SUMMARY.

3. POLITICAL COUNSELOR DISCUSSED CANADIAN PERCEPTION OF OUTCOME OF JULY 6 MEETING BETWEEN MINISTER ROBERTS AND EPA ADMINISTRATOR GORSUCH WITH TED LEE, EXTAFF'S ASSISTANT UNDER SECRETARY FOR USA AFFAIRS AND RAY ROBINSON, ENVIRONMENT CANADA'S ASSISTANT DEPUTY MINISTER FOR ENVIRONMENTAL PROTECTION DURING RETURN TRIP TO OTTAWA JULY 6 AND AGAIN

WITH CHARGE AND TED LEE JULY 7.

4. THE REACTION OF BOTH CANADIAN OFFICIALS (AND REPORTED REACTION OF ROBERTS) WAS DISAPPOINTED, ANGRY AND FRUSTRATED. THEY BELIEVE THAT THE ADMINISTRATION WILL ADOPT A CLEAN AIR ACT REAUTHORIZATION POSITION WHICH WILL PRECLUDE ANY REAL, EARLY LIMIT OR REDUCTION IN ACID DEPOSITION IN CANADA. IN THEIR VIEW THIS WOULD DESTROY ANY BASIS FOR CLEAN AIR NEGOTIATIONS. THUS THEY FEAR THAT THE GOC'S ENTIRE CLEAN AIR POLICY IS AT A DEAD END. THEY EXPECT THAT THE PULITICAL COSTS OF SUCH AN OUTCOME WOULD BE

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EXTREMELY HIGH FOR ROBERTS AND THE GOVERNMENT. SUCH AN DUTCOME, IF ANNOUNCED BEFORE THE SUMMIT, COULD SOUR THE ATMOSPHERE AND LEAD TO RENEWED DEMONSTRATIONS HERE AGAINST THE PRESIDENT AT THAT TIME.

- 5. THE CANADIANS ALSO CAME AWAY FROM THE MEETING WITH A FEELING OF INJURY. IT IS THEIR VIEW THAT TRADITIONAL US-CANADIAN RELATIONS AND PROBLEM MANAGEMENT HAVE HERETOFORE BEEN BASED ON INTIMATE EXCHANGES OF INFORMATION (FORMALLY AND INFORMALLY) IN ADVANCE OF FINAL DECISIONS WHEN THE INTERESTS OF EITHER COUNTRY WERE AFFECTED BY A COURSE OF ACTION CUNTEMPLATED BY THE OTHER. THEY FEEL THAT WE HAVE LET THEM DOWN IN THIS INSTANCE.
- O. WHAT THE GUC WANTS IS A CLEAR UNDERSTANDING OF THE POLICY THRUST OF OUR PROPOSALS TO CHANGE THE CLEAN AIR ACT AS THEY AFFECT CANADA SO THAT GOC CAN EXPRESS ITS VIEWS ON THEM TO USG ON AN INFORMED AND TIMELY BASIS. THEY DO NOT RPT NOT WANT OR EXPECT TO CLEAR, REVIEW, VETO OR SUGGEST TEXTUAL CHANGES. THEY DO NOT RPT NOT NEED THE ACTUAL TEXTS OR ANY OTHER WRITTEN MATERIAL. BUT THEY DO WANT TO BE IN A POSITION TO SAY THAT THEY WERE ABLE TO DISCUSS THE GENERAL OUTLINE OF THE PROPOSALS AS THEY AFFECT CANADA WITH US AND THAT THEY HAD MADE THEIR VIEWS KNOWN WHILE THE PROPOSALS WERE STILL MALLEABLE.

 7. THIS IS THE KIND OF ACCESS WE WANT (AND USUALLY ENJOY)
- HERE, AND IT HAS BEEN TYPICAL OF OUR RELATIONSHIP WITH CANADA IN THE PAST. GIVEN THE CUMPLEXITY, RANGE AND IMPORTANCE OF OUR RELATIONSHIP WITH CANADA THIS KIND OF CLOSE WORKING ARRANGEMENT IS ESSENTIAL. EVEN IN THE DIFFICULT AND SENSITIVE CASE OF THE NEW ENERGY POLICY (NEP), WE HAVE HAD THIS KIND OF OPPORTUNITY TO MAKE OUR VIEWS KNOWN WHILE THE PROPOSALS WERE STILL AMENABLE TO CHANGE BY THE GOC, AND INDEED CERTAIN IMPORTANT CHANGES, E.G., ON BACK-IN AND PROCUREMENT, WHICH WE WANTED WERE MADE AS A RESULT OF THIS PROCESS. (IT SHOULD BE NOTED HERE THAT THE PERIOD DURING WHICH LEGISLATIVE PROPOSALS ARE STILL SUBJECT TO EASY GOVERNMENT ALTERATION IS DIFFERENT IN THE US AND CANADA. IN THE US, THAT PERIOD IS GENERALLY BEFORE A BILL IS INTRODUCED WHILE IN CANADA IT CONTINUES AFTER THE INTRODUCTION OF DRAFT LEGISLATION.)
- 8. THE CANADIAN OFFICIALS TULD US THAT IN VIEW OF THESE CIRCUMSTANCES (THE LIKELY FINAL FORM OF THE CLEAN AIR ACT CHANGES AND THE LACK OF NORMAL CUNSULTATION ON PROPOSED CHANGES) THEY WOULD RECOMMEND THAT THE PRIME MINISTER RAISE THE ISSUE OF CUNSULTATION WITH THE PRESIDENT JULY 10. BT

#4081

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SITUATION: CHECK

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SITUATION LISTING

DATE 07/10/81//191

SITUATION: CHECK SUBJECT CATAGORY: LIST

MESSAGE / ANNOTATION:

MESSAGE:
ÉHA648
UD RUEADWW
DE RUEHOT #4081/02 1882036
ZNY CCCCC ZZH
G 072030Z JUL 81
FM AMEMRASSY DTTAWA
TO RUEHC/SECSTATE WASHDC IMMEDIATE 1253
INFO PUFADWW/THE WHITE HOUSE IMMEDIATE

CONFIDENTIAL SECTION U2 OF U2 OTTAWA 04081
9. EMBASSY RECOMMENDATION: BEARING IN MIND WHAT THE CANADIANS MEAN BY CONSULTATION AND THE IMPURTANCE OF SUCH ACCESS TO US IN CANADA, I RECOMMEND THAT WE MAKE ONE MORE ATTEMPT TO MEFT THE GOC'S REAL, POLITICAL PROBLEM BY OFFERING AN OFFERING ON THE POLICY THRUST OF OUR CLEAN AIR ACT PROPOSALS AS THEY AFFECT CANADA AND INVITE THEIR COMMENTS AT THE SAME TIME. REGARDLESS OF THE FINAL OUTCOME, WE LOSE NOTHING AND GAIN MUCH RY PUTTING THE CANADIANS IN THE POSITION TO SAY THAT THEY WERE CONSULTED ON THE CHANGES WE HAVE IN MIND AND THAT THEIR VIEWS ON THOSE CHANGES WERE HEARD AND CONSIDERED. SMITH

#4081 NNNN

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SITUATION LISTING

DATE 07/29/81//210

SITUATION: CHECK SUBJECT CATAGORY: LIST

MESSAGE / ANNOTATION!

MESSAGE: EHA758

DO RUEADWW

DE RUEHOT #4290/01 1971841

ZNR UUUUU ZZH

D 161836Z JUL 81

FM AMEMBASSY OTTAWA

TO RUEHC/SECSTATE WASHUC IMMEDIATE 1411

RUEADWW/THE WHITE HOUSE IMMEDIATE

INFO RUFHOL/AMEMBASSY BONN IMMEDIATE 2890

RUFHBS/AMEMBASSY BRUSSELS IMMEDIATE 2537

RUEHLD/AMEMBASSY LONDON IMMEDIATE 4141

RUFHER/AMEMBASSY PARIS IMMEDIATE 4584

RUEHRU/AMEMBASSY ROME IMMEDIATE 2253

RUEHKU/AMEMBASSY TOKYO IMMEDIATE 2397

RUFHGY/USMISSION GENEVA PRIDRITY 2263

RUEHDT/USMISSION USUN NEW YORK PRIORITY 1923

BT

UNCLAS SECTION O1 DF 03 OTTAWA 04290

USEEC

USDECD ALSO FOR EMBASSY

STATE ALSO FOR E-RASHISH

WHITE HOUSE FOR MR. CAUZEN AND MR. STUDDERT, NSC FOR

REUTSCHLER

E.O. 12065:N/A

TAGS: ENSD, ECON, OVIP (REAGAN, RONALD)

SUBJECT: TRUDEAU'S REMARKS AT PRE-SUMMIT PRÉSS CONFERENCE

1. PRIME MINISTER TRUDEAU HELD A PRE-SUMMIT PRESS

CONFERENCE JULY 15. EXCERPTS FOLLOW.

2. Q. HAVE YOU GIVEN UP HOPE THAT THE SUMMIT COMMUNIQUE

WILL MENTION THE NEED FOR GLOBAL NEGOTIATIONS?

A. I HAVEN'T GIVEN UP HOPE. I DON'T KNOW IF IT WILL

BE MENTIONED OR NOT. I HAVE NO FIRM COMMITMENT.

3. Q. WILL IT BE POSSIBLE TO GIVE A POSITIVE SIGNAL TO

THE THIRD WORLD IF GLOBAL NEGOTIATIONS ARE NOT MENTIONED

IN THE COMMUNIQUE?

I HAVE NOBODY'S ASSURANCE, THAT WE WILL BE ABLE TO GIVE
MANY POSITIVE SIGNALS AS REGARDS NORTH-SOUTH IN THAT

COMMUNIQUE. THERE WILL NOT BE AN EVASION OF THE SUBJECT, OR A PUTTING OFF OF THAT SUBJECT UNTIL CANCUN, WHICH IS

A FEAR I HAD ENTERTAINED AT DNE POINT. BUT AS TO WHETHER THAT SPECIFIC BUZZ-WORD IS IN THERE, I DON'T KNOW.

4. Q. WHAT POSITIVE SIGNALS MIGHT THE SUMMIT SEND TO THE SOUTH?

A. EVEN IF THERE ARE NOT PRECISE FIGURES GIVEN OR

SENSITIVE

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MESSAGE / ANNOTATION:

OBJECTIVES SPELLED OUT IN DETAIL, I AM CONFIDENT THAT THE SUMMITEERS WILL WANT TO GIVE A MESSAGE OF HOPE. THEY WILL NOT SAY, "LOOK, WE DON'T REALLY WANT TO TAKE ANY POSITION ON THE NORTH-SOUTH DIALOGUE. WE WILL BE DOING THAT IN CANCUN." THEY WILL WANT TO INDICATE, IN A CLEAR WAY, THAT THE NORTH-SOUTH PROBLEM IS ONE WHICH THEY ARE DETERMINED TO SOLVE. 5. Q. DO YOU THINK THERE WILL BE AN INCLINATION TO SHARE IN POWER? FOR EXAMPLE, IF NOT THE ENERGY AFFILIATE, SOMETHING ELSE? I CAN ONLY SAY I HUPE THERE WILL BE. ON THE BASIS OF DISCUSSIONS I HAVE HAD, I AM NOT PESSIMISTIC. 6. Q. AFTER YOUR VISIT AT THE WHITE HOUSE LAST WEEK, A SENIOR ADMINISTRATION OFFICIAL, WHO WAS IN AT SOME OF THE TALKS, TOLD US IN A BRIEFING, AND I QUOTE: "THERE IS NO GENERALLY ACCEPTED DEFINITION OF NORTH-SOUTH OR GLOBAL NEGOTIATIONS", AND HE WENT ON TO SAY THAT "THIS IS REALLY A COMPLEX SUBJECT, AND FOR SOME IT IS MORE A STATE OF MIND THAN A REALITY." I AM WONDERING (A) ARE THERE ANY OTHER SUMMIT PARTICIPANTS WHO SHARE THIS SAME UNCERTAINTY: (B) IS IT FAIR TO SAY THAT THE REAGAN ADMINISTRATION DOESN'T GRASP THE ISSUE, OR THEY DO AND THEY ARE OPPOSED: AND (C) CAN YOU TELL US WHAT YOU TOLD THE PRESIDENT BY WAY OF REASSURANCE AND EXPLANATION ABOUT THE NORTH-SOUTH ISSUE THAT YOU HAVE BEEN SPENDING SO MUCH OF YOUR TIME ON LATELY? IN A SENSE THE PERSON AT THE WHITE HOUSE WHO SAID THAT THE SOMETHING ABOUT IT BEING THE STATE OF MIND --YOU COULD SAY HE IS RIGHT. THE THING THAT KEEPS THE SOUTH TOGETHER IS A STATE OF MIND, MORE THAN A PRÉCISE DEFINI-TION. I DON'T WANT TO NECESSARILY AGREE WITH WHATEVER THE GENTLEMAN FROM THE WHITE HOUSE SAID, BUT THERE DBVIOUSLY IS SOME TRUTH IN IT. THERE IS SOMETHING OF A STATE OF MIND THERE, AND I THINK THAT IS PERHAPS THE STRONGEST ARGUMENT IN FAVOR OF THE GLOBAL NEGOTIATIONS ROUTE: THEY HAVE DECIDED THAT THEY DON'T WANT TO SEE US SETTLE ENERGY, FOR INSTANCE, TO GET A GOOD DEAL FOR DUTSELVES IF WE DON'T AT THE SAME TIME DISCUSS TRADE OR DEVELOPMENTAL ASSISTANCE, OR REFORM OF THE MONETARY INSTITUTIONS WHICH WILL BE A GOOD DEAL FOR THEM. AND IT BT #4290

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SITUATION LISTING

DATE 07/29/81//210

SITUATIONS CHECK SUBJECT CATAGORY: LIST

MESSAGE / ANNOTATION?

MESSAGE:

EHA772

DO RUEADWW

DE RUEHOT #4290/02 1971843

ZNR UUUUU ZZH

D 161836Z JUL 81

FM AMEMBASSY DTTAWA

TO RUEHC/SECSTATE WASHDS IMMEDIATE 1412

RUEADWW/THE WHITE HOUSE IMMEDIATE

INFO RUPHOL/AMEMBASSY BONN IMMEDIATE 2891

RUPHBS/AMEMBASSY BRUSSELS IMMEDIATE 2538

RUEHLD/AMEMBASSY LONDON IMMEDIATE 4142

RUFHFR/AMEMBASSY PARIS IMMEDIATE 4585

RUEHRO/AMEMBASSY ROME IMMEDIATE 2254

RUEHKU/AMEMBASSY TOKYO IMMEDIATE 2398

RUFHGV/USMISSION GENEVA PRIORITY 2264

RUEHDT/USMISSION USUN NEW YORK PRIDRITY 1924

BT

UNCLAS SECTION 02 DF 03 OTTAWA 04290

IS NOT AN ILLOGICAL POSITION, BUT IT IS A BARGAINING

STANCE.

7. Q. WOULD YOU MARK PRESIDENT REAGAN DOWN AS DUBIOUS.

THEN, ABOUT THIS CONCEPT?

A. OH YES. PRESIDENT REAGAN, IF I READ HIM RIGHT, WANTS TO SEE A TRANSFER OF POWER AND OF WEALTH TO THE COUNTRIES OF THE SOUTH. HE JUST DOESN'T THINK THE BEST WAY OF DOING IT IS GOING THROUGH GLOBAL NEGOTIATIONS.

MONETARY POLICY

9. Q. DO YOU FEEL THE RISKS ARE WORTH IT? WHETHER OR NOT ONE SETS OUT TO CREATE UNEMPLOYMENT, THAT IN FACT IS

SENSITIVE

^{8.} Q. DO YOU THINK THE MODD OF THE SUMMIT HAS BEEN AFFECTED BY THE EVENTS IN BRITAIN? HAVE YOUR OWN VIEWS ON THE FRIEDMAN-TYPE APPROACH TO SOLVING INFLATION BEEN AFFECTED?

I CAN'T SAY MY DWN VIEWS HAVE CHANGED IN RECENT WEEKS OR MONTHS. BUT I MUST POINT OUT THAT THOSE WHO ARE MONETARISTS, OR THOSE WHO DO FOLLOW CERTAIN MACROMECONOMIC POLICIES, DO SO FOR THE SAME REASON THAT MAYBE WE WOULD FOLLOW SLIGHTLY DIFFERENT POLICIES. EACH GOVERNMENT, IN ITS OWN COUNTRY, HAS TO MAKE A POLITICAL AND ECONOMIC DECISION AS TO WHAT POLICIES IT WILL TRY TO APPLY. ## THE EVENTS IN BRITAIN I DON'T THINK CAN BE INTERPRETED IN AN ABSOLUTELY CERTAIN WAY TO INDICATE THAT MONETARY POLICIES ARE EVIL PER SE.

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SITUATION! CHECK SUBJECT CATAGORY: LIST

MESSAGE / ANNOTATION:

WHAT IS HAPPENING. MR. SCHMIDT AND MR. MITTERRAND ARE ARGUING VERY MUCH ON THE OTHER SIDE OF THE EQUATION, THAT THE NEW EMPHASIS SHOULD BE ON CREATING JOBS. DO YOU THINK THAT THEIR ARGUMENT NOW WILL HAVE MORE WEIGHT AT THE SUMMIT? A. YOU MAY BE CORRECT ABOUT MR. MITTERRAND, BUT I DON'T RECALL MR. SCHMIDT MAKING THAT ARGUMENT WITH ALL THAT MUCH FORCE. HE HAS BEEN VERY CONCERNED WITH INFLATION, AS INDEED SO HAVE WE. I DON'T KNOW HOW YOU CAN REALISTIE CALLY EXPECT ONE TO SAY! "IF I WERE THE BRITISH PRIME MINISTER, I WOULDN'T DO IT THIS WAY." EACH HEAD OF GOVERNMENT HAS A TOUGH ENDUGH JOB RUNNING HIS OR HER OWN COUNTRY THAT I CERTAINLY DON'T PROPOSE TO SAY HOW I WOULD DO IT IN SOME OTHER COUNTRY. I DO FEEL ENTITLED, AS SOME OTHERS DO, TO SAY THAT (IF) SOMEBODY ELSE'S ECONOMIC POLICIES ARE HAVING A VERY NEGATIVE EFFECT ON MINE THAT I WOULD WANT THEM TO KNOW ABOUT IT, BUT THAT WOULD BE BECAUSE OF THE INTERDEPENDENCE THAT I AM TALKING ABOUT. 10. Q. DO YOU THINK IT IS POSSIBLE THAT A CLASH ON INTEREST RATES IS AVDIDABLE, IN PUBLIC OR PRIVATE, GIVEN THAT BOTH THE EUROPEAN COUNTRIES (FRANCE AND GERMANY) HAVE VERY RECENTLY SAID THEY WILL ASK THE U.S. FOR A CUT, AND THE U.S., IN ITS TURN HAS CALLED FOR PATIENCE ON THE PART OF THE OTHERS? A. I WOULDN'T BE PREPARED TO GUARANTEE THERE WON'T BE SOME CLASH IN PRIVATE, BUT I WOULD BE PREPARED TO WAGER THAT THERE PROBABLY WON'T BE IN PUBLIC. AFTER THE DISCUSSION IS OVER AND EVERYTHING HAS BEEN SAID AND DONE. THERE WILL PROBABLY BE A DISPOSITION TO SAY, "WELL, THAT'S INTERESTING. I DON'T THINK THAT WOULD WORK, BUT IF YOU ARE CONVINCED THAT IT WILL, WE WILL GIVE YOU A CITTLE BIT OF TIME TO SHOW WHETHER IT DOES OR NOT." 11. Q. DO YOU BELIEVE YOU CAN BE A BRIDGE BETWEEN MR. REAGAN AND MR. MITTERRAND ON MONETARY POLICY? AS CHAIRMAN I WILL TRY TO KEEP THE LINES OPEN BETWEEN THE DNE AND THE OTHER, BUT I DO NOT INTEND TO PROPOSE NEW THEORIES TO CONVINCE ONE OR THE OTHER THAT HE IS RIGHT OR WRONG. MEITHER PRESIDENT REAGAN NOR PRESIDENT MITTERRAND HAS YET HAD ANY OPPORTUNITY TO DISCUSS WITH EACH OTHER THEIR RESPECTIVE VIEWS ON ECONOMICS. THE SUMMIT WILL PROVIDE AN EPPORTUNITY TO BEGIN SUCH EXCHANGES. BT #4290 NNNN

SITUATION LISTING

DATE 07/29/81//210

SITUATION: CHECK SUBJECT CATAGORY: LIST

MESSAGE / ANNOTATIONI

MESSAGE:

EHA771

DE RUEHOT #4290/03 1971845

ZNR UUUUU ZZH

D 161836Z JUL 81

FM AMEMBASSY OTTAWA

TO RUEHC/SECSTATE WASHDC IMMEDIATE 1413

RUEADWW/THE WHITE HOUSE IMMEDIATE

INFO RUFHOL/AMEMBASSY BONN IMMEDIATE 2892

RUFHBS/AMEMBASSY BRUSSELS IMMEDIATE 2539

RUEHLD/AMEMBASSY LONDON IMMEDIATE 4143

RUFHER/AMEMBASSY PARIS IMMEDIATE 4586

RUEHRU/AMEMBASSY ROME IMMEDIATE 2255

RUEHKU/AMEMBASSY TOKYO IMMEDIATE 2399

RUFHGY/USMISSION GENEVA PRIDRITY 2265

RUEHDT/USMISSION USUN NEW YORK PRIORITY 1925

BT

UNCLAS SECTION 03 OF 03 OTTAWA 04290

CRISIS MANAGEMENT

12. Q. ARE YOU GOING TO PROPOSE TO THE SUMMIT PARTNERS SOME FORM OR SOME SYSTEM OF CRISIS MANAGEMENT OR CRISIS RESPONSE?

A. WHETHER I WILL HAVE ANY PRECISE MECHANISM PROPOSED OR ACCEPTED I CANNOT SAY. I WILL CERTAINLY BE DISCUSSING THE SUBJECT. IT HAS BEEN A PREOCCUPATION OF MINE FOR THE PAST FOR

THE PAST FEW YEARS.

THERE ARE MANY WAYS OF COORDINATING OUR RESPONSE TO MOMENTUS EVENTS. BY WAY OF EXAMPLE, IT COULD BE DONE, AND HAS BEEN DONE, WITH CONSULTATIONS IN NATO (I.E., POLAND). BUT SOME IMPORTANT COUNTRIES (JAPAN, AUSTRALIA) ARE NOT MEMBERS OF NATO. ANOTHER WAY MIGHT BE FOR THE SUMMITS THEMSELVES TO ..., BUT I AM NOT GOING TO MAKE ANY PRECISE PROPOSAL. I WILL PROBABLY TRY AND BRING A LIST OF POSSIBLE ALTERNATIVES AND SEE IF ANY OF THEM APPEAL TO THE SUMMITEERS.

GENERAL

13. Q. ARE YOU A LITTLE AFRAID THIS TIME THAT PERHAPS IT WILL BE MORE DIFFICULT THAN IT HAS BEEN IN PAST CONFERENCES FOR LEADERS TO RISE OUTSIDE THEIR DOMESTIC PROBLEMS AND TAKE THE GLOBAL VIEW?

A. I DON'T THINK SO. WE HAVE REALLY REALIZED THAT, IN THE SHORT-RUN, WE ARE NOT ALL THAT GOOD AT SHAPING OUR

SENSITIVE

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SITUATION LISTING

DATE 07/29/81//210

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MESSAGE / ANNOTATION?

(ECONUMIC) DESTINIES. WE COME TO SUMMITS TO TRY TO UNDERSTAND WHERE THE DEVIL THE WORLD IS GOING, AND ARE WE MANAGING IT WITH THE RIGHT PERSPECTIVE OVER THE LONG RUN. AND ARE WE IN FOR A LONG PERIOD OF RATHER SCOW GROWTH, OR WILL THERE BE A RETURN TO RAPID GROWTH AND, IF SO, IS IT DESIRABLE, AND, IF SO, HOW CAN IT BE MANAGED, AND WHAT HAS INSTITUTIONALLY JELLED THAT HAS TO BE UNJELLED? A SUMMIT IS A PLACE WHERE YOU TRY AND DEVELOP A CONSENSUS, A WAY OF THINKING, A PHILDSOPHY OF GOVERNING WHICH WILL BE COMPATIBLE WITH THE DITHERS IN THE GANG. ## AT VENICE THE SPECIFIC MESSAGE I GOT WAS THAT WE DON'T WANT TO MEET AGAIN AS LEADERS IN ORDER TO JUSTIFY A COMMUNIQUE THAT HAS BEEN PUT TOGETHER OVER MONTHS BY OFFICIALS WITH THE SPELLING OUT OF SPECIFIC OBJECTIVES. AND THAT IS WHY THERE HAD BEEN NO COMMUNIQUE WRITTEN UNTIL THE VERY LAST DAYS, AND EVEN THEN IT WAS ONLY IN DRAFT FORM. 14. Q. ARE YOU NOT RISKING AT THIS SUMMIT THE POSSIBILITY OF FAGING A CONSENSUS THAT PRIORITY SHOULD BE GIVEN TO THE INFLATION PROBLEM AND THAT OTHER ISSUES, ESPECIALLY NORTH-SOUTH, SHOULD BE RELEGATED TO A LOWER LEVEL? A. SUCH A DANGER DOES EXIST AND I WILL TRY, FOR MY PART, TO AVOID IT. AS CHAIRMAN I WILL TRY TO ESTABLISH THE ORDERTOF THE DAY AND ASSURE MYSELF THAT THE MACROS ECONOMIC DISCUSSION TAKES A CERTAIN PERCENTAGE OF OUR TIME, THAT QUESTIONS RELATING TO THE THIRD WORLD TAKE A CERTAIN PERCENTAGE AND THAT QUESTIONS RELATING TO TRADE, FOR EXAMPLE, OCCUPY A CERTAIN PORTION OF OUR MEETINGS. I DO NOT KNOW WHETHER I WILL SUCCEED, BUT I RECOGNIZE THE DANGER, WHICH APPLIES AS WELL TO NORTH-SOUTH, TRADE, ETC., AND I WILL TRY TO AVOID IT. ROBINSON BT #4290 NNNN

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******** *CONFIDENTIAL*****

DATE 07/21/81

WHITE HOUSE SITUATION ROOM

PAGE 01

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WHTS ASSIGNED DISTRIBUTION:

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NLRR £1554 "32714

BY OS NARADATE 10/7/02

MFSSAGE:

TMMEDIATE DE RUEHOT #4298/01 1972024 n 162023Z JUL 81 FM AMEMBASSY UTTAWA

TO SECSTATE WASHDC IMMEDIATE 1420

CONFIDENTIAL SECTION 01 OF 02 OTTAWA 64298 MODIS NOFORN S/S PLEASE PASS COPY TO EUR AND EUR/CAN F.O.12065: RDS=1, 7/16/01 (ROBINSON, PAUL H.) OR-M TAGS: PEPR, US, CA SUBJECT: (C) CANADIAN ACCOUNT OF PRESIDENT REAGAN'S JULY 10 MEETING WITH PRIME MINISTER TRUDEAU

1. LE - ENTIRE TEXT). BACKGROUND

- THIS MESSAGE REPORTS THE CANADIAN VIEW OF WHAT HAPPENED AT THE JULY 10 MEETING BETWEEN THE PRESIDENT AND THE PRIME MINISTER. IT IS BASED ON A BRIEFING FXTAFF OFFICIALS GAVE POLITICAL COUNSELOR JULY 16. FXTAFF IS HANDLING THIS SUBJECT ON A NODIS BASIS AND ASKED THAT WE NOT REPEAT NOT REVEAL THE FACT OR CONTENT OF BRIEFING.
- BRIEFER MADE FOLLOWING POINTS ABOUT MEETING: -- GLOBAL NEGOTIATIONS - THIS WAS PRIMARY TOPIC IN "RESTRICTED" MEETING. TRUDEAU TOLD THE PRESIDENT THAT HS APPEARED TO BE "ODD MAN OUT" ON ISSUE. PRESIDENT STRESSED IMPORTANCE OF SELF-HELP AND PRIVATE INVESTMENT. TRUDEAU POINTED TO SPECIAL PROBLEMS CREATED FOR LDC'S BY

OTTAWA 4298

DTG:162023Z JUL 81 PSN: 029962 TOR: 197/2241Z

*******C O N F I D E N T I A L ******

DATE 07/21/81

WHITE HOUSE SITUATION ROOM

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MESSAGE (CONTINUED):

RISE IN OIL PRICES. PRESIDENT COMMENTED THAT HE WAS NOT OPPOSED TO GLOBAL "DISCUSSIONS" BUT OID NOT THINK THAT "NEGOTIATIONS" WERE APPROPRIATE BECAUSE LATTER TERM TMPLIED THAT SOME RIGHT EXISTS ENTITLING LDC'S TO SAY HOW RESOURCES OF OTHERS SHALL BE ALLOCATED. PRESIDENT TOLD TRUDEAU THAT HE WOULD NOT OBJECT TO "GLOBAL DISCUSSIONS" OR TO SOME OTHER FORMULATION WHICH DID NOT CREATE THAT PRESUMPTION OF RIGHT.

-- EXTAFF COMMENT - THIS LOOKS LIKE PROGRESS. SECRETARY

HAIG ALSO TOLD FOREIGN MINISTER MACGUIGAN IN NASSAU JULY 11 THAT "HE WOULD REEXAMINE" THE US POSITION ON GLOBAL NEGOTIATIONS ISSUE.

-- NAMIBIA - PRIME MINISTER TOLD PRESIDENT THAT HE WAS

CONCERNED LEST THE US IN WORKING ON THE SOUTH AFRICANS BE DRAWN TOO MUCH IN THEIR DIRECTION. HE SAID THAT CONTACT GROUP DID NOT WANT TO BE FACED WITH A "FAIT ACCOMPLI" IT COULD NOT ACCEPT BUT ALSO WENT ON TO SAY THAT FOR THE PRESENT HE COULD "SEE NO ALTERNATIVE TO THE GANG-OF-FIVE APPROACH."

-- SINAI MULTINATIONAL FORCE - TRUDEAU EXPRESSED CONCERN

THAT THE CAMP DAVIO PROCESS MIGHT BE AT A DEAD END IN VIEW OF THE ISRAELI ELECTION OUTCOME. PRESIDENT ASKED PRIME MINISTER TO "REMAIN FLEXIBLE" ON WHETHER OR NOT TO CONTRIBUTE TO THE SINAI MULTINATIONAL FORCE. PRIME MINISTER AGREED "FOR THE TIME BEING."

-- EXTAFF COMMENT - PARTICIPATION BY A WEST EUROPEAN

NATION WOULD MAKE A BIG DIFFERENCE IN CANADIAN ATTITUDE AS WOULD PARTICIPATION BY A MAJOR AFRICAN COUNTRY.
-- ACID RAIN - TRUDEAU STRESSED THE GREAT IMPORTANCE OF

ACID RAIN ISSUE AND EXPRESSED CONCERN THAT US COST/BENEFIT APPROACH MIGHT RESULT IN THE "US GETTING THE BENEFITS AND CANADA THE COSTS" IF THE US EXPORTED ITS POLLUTION TO CANADA. THE PRESIDENT TOLD THE PRIME MINISTER THAT THE US WAS NOT GOING TO EXPORT POLLUTION TO CANADA AND WAS "NOT GOING TO MAKE THE PROBLEM WORSE." BUT THE PRESIDENT ALSO STRESSED THE NEED FOR FURTHER STUDY AND DID NOT OFFER FURTHER CONSULTATIONS ON AMENDMENTS TO THE CLEAN AIR ACT. -- EXTAFF COMMENT - THE PRESIDENT'S STATEMENTS ABOUT NOT

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DATE 07/21/81

WHITE HOUSE SITUATION ROOM

PAGE 03

MESSAGE (CONTINUED):

EXPORTING POLLUTION AND NOT WORSENING THE SITUATION ARE MOST WELCOME AND ENCOURAGING. BUT THEY DO NOT SEEM TO BE CONSISTENT WITH THE REST OF HIS REMARKS ON THIS SUBJECT, WHICH SEEM TO BE VERY SIMILAR TO THE POSITION EPA TOOK WITH ENVIRONMENT MINISTER ROBERTS IN WASHINGTON JULY 6.

-- PIPELINE - THE PRESIDENT REAFFIRMED HIS MARCH COMMIT-

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DTG:162023Z JUL 81 PSN: 029962 TOR: 197/2241Z

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WHITE HOUSE SITUATION ROOM

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THMEDIATE
DE RUEHOT #4298/02 1972026
D 162023Z JUL 81
FM AMEMBASSY DITAWA

TO SECSTATE WASHOC IMMEDIATE 1421

CONFIDENTIAL SECTION 02 OF 02 OTTAWA 04298
NODIS
MENT TO FACILITATING THE COMPLETION OF THE NORTHERN GAS
PIPELINE.
-- EXTAFF COMMENT - THIS IS VERY ENCOURAGING BUT ALSO A

RIT OBSCURE SINCE NEITHER SIDE SEEMS TO HAVE DISCUSSED THE INDIVIDUAL WAIVERS OR PROBLEMS ASSOCIATED WITH THEM.

-- FIRA/TRADE - THIS SUBJECT WAS DISCUSSED AT SUME

LENGTH. BOTH SIDES PRESENTED THEIR CLASSIC POSITIONS AND NO PROGRESS WAS MADE.

-- EXTAFF COMMENT - GOC IS CONCERNED ABOUT CONGRESSIONAL

INITIATIVES TO RESTRICT OR PREVENT CANADIAN INVESTMENT TO THE US OR THE APPLICATION OF THE RESTRICTIONS IN THE MINERAL RIGHTS LEASING ACT. ON THE OTHER HAND CHANGING MARGIN REQUIREMENTS IS CLEARLY A US DOMESTIC MATTER ABOUT WHICH IT WOULD BE INAPPROPRIATE FOR CANADA TO COMPLAIN.

4. EMBASSY COMMENT: EXTAFF BRIEFERS WERE NOT REPEAT NOT PRESENT AT THE MEETING AND WERE WORKING FROM A DRAFT MEMCON. ROBINSON

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WHITE HOUSE SITUATION ROOM

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DE 180131Z JUL 81 ZFF6
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NLRR F1554 #32715

SY CIJ NARADATE 12/7/07

TO AMEMBASSY OTTAWA IMMEDIATE 0000

THEO AMEMBASSY BONN IMMEDIATE 0000 BT

S E C R E T STATE 189639

E.O. 12065: RDS-1 7/17/01 (EAGLEBURGER, LAWRENCE S.)

TAGS: GW

SUBJECT: MESSAGE FOR CHANCELLOR SCHMIDT

1. (SECRET - ENTIRE TEXT)

2. PLEASE DELIVER THE FOLLOWING LETTER TO CHANCELLOR SCHMIDT AS SOON AS POSSIBLE. NO SIGNED TEXT WILL FOLLOW.

3. BEGIN TEXT. DEAR MR. CHANCELLOR:

AMBASSADOR BURNS HAS REPORTED TO ME ON YOUR RECENT CON-VERSATIONS, AND I WELCOME YOUR WARM RECEPTION OF HIM TO THE FEDERAL REPUBLIC OF GERMANY.

T RECOGNIZE THE IMMENSE IMPORTANCE FOR YOU AND FOR THE ALLIANCE OF PURSUING A SOUND POLICY ON THE. IN MAY,

SECSTATE WASHDC 9639

OTG:180131Z JUL 81 PSN: 032250 TOR: 199/1339Z

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DATE 07/21/81

WHITE HOUSE SITUATION ROOM

PAGE 02

MESSAGE (CONTINUED):

SECRETARY HATG INFORMED THE NATO FOREIGN MINISTERS IN ROME THAT WE WANTED TO BEGIN THE NEGOTIATIONS WITH THE SOVIETS BY THE END OF THE YEAR. I PERSONALLY MADE THIS DECISION, AND I WANT TO TAKE THIS OCCASION TO REASSURE YOU IN THE CLEAREST TERMS THAT I AM ABSOLUTELY COMMITTED TO ITS IMPLEMENTATION. UNFORTUNATELY, OUR OWN PRESS HAS PUBLISHED STORIES INDICATING THERE MAY BE SOME QUESTION AS TO OUR THENT TO DO THAT. THESE STORIES ARE WITHOUT ANY FOUNDATION

THE FACT AND REPRESENT PURE SPECULATION BY SOME IN THE MEDIA.

THESE NEGOTIATIONS WILL DEAL WITH QUESTIONS VITALLY AFFECTING ALLIANCE SECURITY. THE FACT THAT THE SOVIET SYSTEMS INVULVED CAN STRIKE THE EUROPEAN ALLIES BUT NOT THE U.S. IN NO WAY DIMINISHES OUR DETERMINATION TO DO WHAT-FVER WE CAN TO LIMIT AND REDUCE WHAT IS, IN THE LARGER SENSE, A COMMON THREAT. IT IS THEREFORE IMPORTANT THAT WE PREPARE SYSTEMATICALLY FOR THE NEGOTIATIONS, ALONG THE ITNES DECIDED AT ROME. THESE PREPARATIONS ARE NOW MOVING FORWARD BOTH WITHIN THE U.S. GOVERNMENT AND WITHIN THE ALLIANCE. I AM DETERMINED TO ENSURE THAT WE HAVE THOROUGH CONSULTATIONS BEFORE THE NEGOTIATIONS BEGIN. WE ARE AS WELL PURSUING PREPARATORY DISCUSSIONS WITH THE SOVIETS. I ANTICIPATE THAT WE WILL BE IN A PUSITION TO REGIN FORMAL NEGOTIATIONS BETWEEN MID-NOVEMBER AND MID-DECEMBER. OF COURSE, SECRETARY HATG WILL BE INITIATING THE NEGOTTATING PROCESS IN SEPTEMBER BY ENGAGING HIS SOVIET COUNTERPART.

WE CAN OF COURSE EXPECT FURTHER SOVIET EFFORTS TO CAST DOUBT ON DUR WILLINGNESS TO NEGOTIATE AND TO DIVIDE THE ALLIANCE. THESE THEATRICS SHOULD NOT DETER US FROM PROCEEDING FIRMLY AND SERIOUSLY ON THE COURSE WE HAVE SET FOR DURSELVES. IN SAYING THIS, I AM WELL AWARE OF THE HEATED CONTROVERSY THAT SURROUNDS TOF IN EUROPE AND IN YOUR COUNTRY PARTICULARLY. I HAVE THE GREATEST ADMIRATION AND APPRECIATION FOR THE COURAGE, FIRMNESS, AND CLARITY WITH WHICH YOU HAVE SPOKEN OUT IN SUPPORT OF THE DECEMBER 1979 DECISION. THE U.S., FOR ITS PART, WILL IMPLEMENT BOTH ASPECTS OF THE DECEMBER 1979 DECISION.

TT IS OUR AGREED VIEW THAT THE NEGOTIATIONS SHOULD TAKE PLACE IN THE SALT FRAMEWORK. AS TO THE QUESTION OF NEGO-

SECSTATE WASHDC 9639

DTG:180131Z JUL 81 PSN: 032250 TOR: 199/1339Z

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DATE 07/21/81

WHITE HOUSE SITUATION ROOM

PAGE 03

MESSAGE (CONTINUED):

TIATIONS ON CENTRAL STRATEGIC SYSTEMS, YOU ARE AWARE OF MY VIEW THAT THE SALT II TREATY IS SERIOUSLY FLAWED AS IT STANDS. BUT RATHER THAN MOVING PRECIPITOUSLY, WITHOUT CONFIDENCE THAT WE CAN FOLLOW THROUGH, I HAVE INSISTED THAT WE BE SURE OF OURSELVES WITH REGARD TO BOTH STRATEGIC ARMS CONTROL AND STRATEGIC FORCE PROGRAMS.

REGARDING FRANCE, WHILE I CAN UNDERSTAND MITTERRAND'S RATIONALE FOR BRINGING COMMUNISTS THTO HIS GOVERNMENT, I AM LESS SANGUINE THAN YOU ABOUT THE PROSPECT FOR SUCCESS. BUT WHATEVER THE DOMESTIC POLITICAL RATIONALE, THIS STEP DOES POSE SERIOUS SECURITY QUESTIONS FOR THE ALLIANCE. IN PARTICULAR, THE PRESENCEOFCOMMUNIST MINISTERSIN THE

TRANSPORT AND CTVIL SERVICE SECTORS RAISES SPECIAL CONCERNS, WHICH WE HOPE THE FRENCH WILL MOVE TO ALLAY BY
TAKING CONCRETE ACTIONS IN ACCORD WITH THEIR DECLARED
POLICY OF KEEPING THE COMMUNISTS OUT OF MATTERS AFFECTING
NATIONAL SECURITY, I BELIEVE A CAREFUL REVIEW SHOULD BE
CONDUCTED AT NATO TO ENSURE THAT CLASSIFIED INFORMATION OF
THE ALLIANCE WILL NOT BE COMPROMISED. I ALSO BELIEVE AN
APPROPRIATE SIGNAL SHOULD BE SENT TO OTHER COUNTRIES WHICH
MAY FACE THE QUESTIONS OF COMMUNIST ENTRY INTO THEIR
GOVERNMENTS. ITALIAN POLITICAL LEADERS, FOR EXAMPLE, MUST
SEE THAT ITALY'S STANDING AND ACCESS WITHIN THE ALLIANCE
WOULD SUFFER TF THE PCI ENTERED THE GOVERNMENT.

YOU CAN BE SURE THAT WE WILL HANDLE THIS QUESTION CARE-FULLY. DUR GOAL SHOULD BE TO STRENGTHEN FRANCE'S DESIRE TO WORK ACTIVELY FOR THE COMMON DEFENSE, NOT WEAKEN IT THROUGH HIGHLY VISIBLE PUNITTVE ACTION. I AM CONFIDENT WE CAN AGREE ON A REASONABLE, PRUDENT COURSE.

AS I MADE CLEAR DURING OUR MEETING IN MAY, WE ARE KEENLY AWARE OF OUR ECONOMIC INTERDEPENDENCE AND THE IMPACT OUR POLICIES HAVE ON THE ECONOMIES OF WESTERN EUROPE. CONTINUED HIGH THTEREST RATES ARE DIFFICULT FOR ALL OUR FCONOMIES, AND FOR AMERICANS AS WEL. AS EUROPEANS, BUT WE MUST PERSEVERE UNTIL WE HAVE SUCCEEDED IN OUR EFFORTS TO COMBAT INFLATION, A GOAL WE SHARE AND MUST CONTINUE TO PURSUE IF WE ARE TO ACHIEVE LONG-TERM ECONOMIC STABILITY.

I LOOK FORWARD TO EXCHANGING THOUGHTS ON THESE AND OTHER MATTERS SOON IN OTTAWA. SINCERELY, RONALD REAGAN

SECSTATE WASHDC 9639

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DATE 07/21/81

WHITE HOUSE SITUATION ROOM

PAGE 04

MESSAGE (CONTINUED):

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SECSTATE WASHDC 9639 DTG:180131Z JUL 81 PSN: 032250 TOR: 199/1339Z

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DATE 07/21/81

WHITE HOUSE SITUATION ROOM

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TMMEDIATE
DE RUEHOT #4369 1991702
D 181701Z JUL 81
FM AMEMBASSY OTTAWA

TO SECRETATE WASHDC IMMEDIATE 1476

SECRETOTTAWA 04369
NODIS
E.O. 12065: RDS=1 7/18/01 (SMITH, R.J.) OR=M
TAGS: GW
SUBJECT: MESSAGE FOR CHANCELLOR SCHMIDT
PEF: STATE 189639
LETTER FROM PRESIDENT REAGAN TO CHANCELLOR SCHMIDT
WAS DELIVERED BY HAND AT 1245 PM, 7/18/81. ROBINSON

NLRR <u>£1554 #327</u>/7

OTTAWA 4369

DTG:181701Z JUL 81 PSN: 032452 TOR: 199/1744Z

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DATE 08/02/81

WHITE HOUSE SITUATION ROOM

PAGE 01

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DE RUEHOT #4609 2111736
P 301735Z JUL 81
FM AMEMBASSY OTTAWA

TO SECSTATE WASHOC PRIORITY 1628

CONFIDENTIAL OTTAWA 04629
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DEPT FOR ASST SECRETARY ENDERS
DEPT PASS SAN SALVADOR AND SAN JOSE FOR AMBASSAUDR ONLY
F.O. 12065: GDS 7/30/87 (SMITH, RICHARD J.) OR=M
TAGS: PDIP, CA, ES
RUBJECT: CANADIAN AMBASSADOR TO ASSESS ELECTORAL PROSPECTS
REF: SAN SALVADOR 4067

1. (C ENTIRE TEXT.)

P. EXTERNAL AFFAIRS SOURCE TOLD EMBOFF JULY 29 THAT CANADIAN AMBASSADOR R. DOUGLAS SIRRS WILL BE VISITING EL SALVADOR IN NEXT FEW DAYS UNDER INSTRUCTIONS TO ASSESS PROSPECTS FOR CREDIBLE ELECTIONS IN 1982. SOURCE REQUESTED THAT INFO RE AMBASSADOR'S MOVEMENTS BE TIGHTLY HELD.

OTTANA 4609

OTG:3017352 JUL 81 PSN: 047777 TOR: 211/1934Z

SEGRET ID 8103925 NSC/S PROFILE RECEIVED 30 JUN 81 10 cl/6 1/23/07 TO ALLEN -FROM BREMER DOCDATE 29 JUN 81 BREMER 15 JUL 81 HAIG, A 15 JUL 81 CM KEYWORDS: OTTAWA SUMMIT URGENT SUBJECT: BRIEFING BOOKS FOR OTTAWA ECONOMIC SUMMIT ACTION: FOR RECORD PURPOSES DUE: STATUS C FILES WH FOR ACTION FOR COMMENT FOR INFO NAU BAILEY TYSON COMMENTS 2 BOOKS RECD -- ONE ECONOMIC -- ONE POLITICAL -- BOTH BOOKS 7/16: SENT TO NAU REF# 8121287 LOG (C/C) NSCIFID ACTION REQUIRED DUE COPIES TO ASSIGNED ACTION OFFICER (S) ACTION REQUIRED DUE ACTION OFFICER (S) ASSIGNED COPIES TO W/ATTCH DISPATCH

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DATE 08/13/81

WHITE HOUSE SITUATION ROOM

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TMMEDIATE
DE RUEHOT #4837 2222144
D 102132Z AUG 81
FM AMEMBASSY OTTAWA

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NLRR F1554 # 35-720

NARA DATE 12-17/02

TO SECSTATE WASHDC IMMEDIATE 1757

SECRET OTTAWA 04837
NODIS
E.O. 120651 RDS-1 8/10/01 (SMITH, RICHARD) OR-M
TAGS: PEPR, SF, WA
SUBJECT: SECRETARY'S MESSAGE TO CONTACT GROUP
BEF1 STATE 209877

CHARGE MADE POINTS REFTEL TO ASSOCIATE UNDER SECRETARY OF STATE FOR EXTERNAL AFFAIRS MARCHAND AUGUST 10. MARCHAND TS ACTING MINISTER AT THE MOMENT.

MARCHAND EXPRESSED APPRECIATION FOR THE SECRETARY'S
MESSAGE. HE COMMENTED SAYING THAT "TO THE EXTENT
ANGOLA IS A PRECONDITION TO A NAMIBIA SETTLEMENT, WE
HAVE PROBLEMS. OUR WORRY IS THAT WE MIGHT HAVE JR
CREDIBILITY COMPLETELY SHOT WITH THE AFRICANS. ASSOCIATION OF THE TWO ISSUES EXPLICITLY AND OPENLY PLAYS
TION OF THE TWO ISSUES EXPLICITLY AND OPENLY PLAYS
TINTO THE HANDS OF SOUTH AFRICA AND IS COUNTERPRODUCTIVE."
MARCHAND CONTINUED, SAYING THAT THE LAST TWO MEETINGS
HAVE "FAILED TO ELIMINATE THIS SHADOW", ADDING THAT "WE
HAVE EXPECTING YOU TO SPEAK TO THE ANGOLANS AT SOME POINT
SOON." SMITH

OTTAWA 4837

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PRIORITY DE RUEHOT #4848 2231420 P 111419Z AUG 81 FM AMEMBASSY OTTAWA

TO SECSTATE WASHDC PRIORITY 1764

STOR E T OTTAWA 04648

NDDIS

G.O.12055: RDS-1 8/11/01 (SMITH, RICHARD J.) OR-M
TAGS: MPOL, MNUC
SUBJECT: ERW: STATUS UPDATE
REF: STATE 210411

- CHARGE MADE POINTS REFTEL TO ASSOCIATE UNDER SECRETARY OF STATE FOR EXTERNAL AFFAIRS MARCHAND, WHO WAS ACTING IN THE MINISTER'S ABSENCE ON AUGUST 10.
- MARCHAND EXPRESSED APPRECIATION FOR INFORMATION BUT SHOWED SOME SURPRISE ON THE TIMING OF THE DECISION. HE SUGGESTED THAT BY DECIDING TO MOVE AHEAD NOW WE MIGHT BE STRENGTHENING THE HAND OF THOSE IN WESTERN EUROPE OPPOSED TO THE, NATO AND INCREASED DEFENSE SPENDING.
- ANY GUIDANCE WE COULD USE WITH EXTAFF ON THIS POINT WOULD BE APPRECIATED. SMITH

DECLASSIFIED

NLRR F1554 # 32-721

BY CJ NARO DATE 12/7/07

OTTAWA 4848

DTG:111419Z AUG 81 P8N: 204914 TOR: 223/1518Z

MEMORANDUM

NATIONAL SECURITY COUNCIL

August 5, 1981

MEMORANDUM FOR HENRY NAU

FROM:

ALLEN LENZ

SUBJECT:

Priority Correspondence

Is the attached listing correct? If yes, why?

Attachment

Allen,

The briefing books are still pending with R.Allen per Secretariat. Why would a briefing book be listed as an action anyway? There is no action to be taken.

MN

Henry Nau

White House Guldelines, August 28, 1997 NARA, Date

NSAJCOOA AS OF 04 AUG 1981 CABINET LEVEL CORRESPONDENCE W/RVA STAFF OFFICER TO RCV DATE DOC DATE DUE DATE LOG DESCRIPTION 04 MAY 81 04 MAY 81 04 MAY 81 2404 WEINBERGER, C PRES BLAIR DOD RPT ON US SUBMARINE COLLISION W/ JAPANESE FREIGHTER COMMENTS: ** W/ RVA FOR ACTION AS OF MAY 4TH PRES SCHWEITZER W/RVA 03 JUN 81 03 JUN 81 05 JUN 81 3130 HAIG, A SCHWEITZER KRAEMER PREPARATORY CONTACTS ON THE NEGOTIATIONS COMMENTS: ** W/ RVA AS OF JUNE 4TH NAU BREMER ALLEN W/RVA 30 JUN 81 29 JUN 81 BREMER HAIG, A NAU BAILEY BRIEFING BOOKS FOR OTTAWA ECONOMIC SUMMIT COMMENTS: 2 BOOKS RECD -- ONE ECONOMIC -- ONE POLITICAL -- BOTH BOOKS SENT TO NAU W/RVA HAIG, A SCHWEITZER 16 JUL 81 15 JUL 81 16 JUL 81 4242 SCHWEITZER STRATEGIC NUCLEAR FORCE DECISIONS COMMENTS: ** 3 HOUR TURNAROUND ** WEINBERGER, C ALLEN LILLEY W/RVA 16 JUL 81 13 JUL 81 17 JUL 81 4286 LILLEY US - CHINA SECURITY RELATIONSHIP COMMENTS: 3 HR TURNAROUND. CY ONLY REC'D W/RVA 25 JUL 81 24 JUL 81 28 JUL 81 4491 HAIG, A PRES SCHWEITZER ALLEN SCHWEITZER FEITH IMPLICATIONS OF A TURNDOWN OF AWACS TO SAUDI ARABIA COMMENTS: URGENT: 3 HOUR TURNAROUND

NATIONAL SECURITY COUNCIL

UNCL	ASSIFIED	
HILIW	SECRET A	TACHMENT

July 16, 1981

ACTION

MEMORANDUM FOR RICHARD V. ALLEN

THROUGH:

NORMAN A. BAILEY 7/5

CLASSIFIED ENCLOSURES Ab 1/23/07

FROM:

HENRY R. NAU LORN

SUBJECT:

State's Cover Memo for the President's

Briefing Book on the Ottawa Summit

Haig has sent forward a signed cover memorandum for the President's briefing book on the Ottawa Summit. This should be delivered immediately to Dick Darman's office for placement in the President's briefing book (which currently has an unsigned cover memorandum from State).

RECOMMENDATION: That you have Haig's memo delivered to Darman's office immediately.

APPROVE	DISAPPROVE	

Attachment

Tab A Memo to the President from Haig

re Ottawa Summit

UNCLASSIFIED
WITH SECRET ATTACHMENT

THE SECRETARY OF STATE WASHINGTON

32719

July 15, 1981

MEMORANDUM FOR:

THE PRESIDENT

From:

Alexander M. Haig, Jr.

Subject:

Major Themes and Relationship to Issues

Economic Summitry. The Ottawa Summit is the seventh of these annual meetings which have now been hosted by each of the participants. (The President of the European Community is an eighth participant.) President Giscard and Chancellor Schmidt suggested the meetings in 1975 to deal with the effects of the first oil crisis.

Schmidt, the only remaining charter member of the Summit, believes the meetings have been particularly useful in concluding the Tokyo Round of Trade Negotiations in 1979 and maintaining an open and expanding international economic system, despite oil-induced economic setbacks.

The last two Summits at Tokyo and Venice focused on energy and involved negotiations on increasingly specific and detailed items, such as oil import targets and coal production goals.

Preparations for the Summit have become increasingly extensive. Each leader designates a Personal Representative. These Representatives meet to prepare background papers and preliminary communique language. The Personal Representatives met six times (four times since January) to prepare for Ottawa.

The Ottawa Summit -- Themes and Issues. This Summit is characterized by new personalities (five of the eight participants), serious economic problems in Europe, and uncertainty about the direction of U.S. and French policies. Most Summit leaders come to the meeting -- the United States and France are exceptions -- with a relatively weak political base.

Economic issues dominate the agenda of these meetings. The Venice Summit in 1980 created the expectation that North-South issues and foreign aid would be major themes at Ottawa. Trudeau, the Canadian host, has stressed these themes and traveled in the past year to Africa, Latin America and Asia. Economic difficulties in the Summit countries and U.S. economic policies since January have shifted more attention to

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NLRR <u>F1554 4 32 719</u>

BY NARA DATE 12/1/07 RDS-3 7/15/07

macroeconomic and trade issues. Some European countries have criticized high U.S. interest rates, claiming that they complicate European economic recovery. Japan and the European Community are involved in a heated trade dispute. Influenced by strategic considerations, the United States raised with the other Summit countries the issue of trade and financial relations with the Soviet Union. Energy issues are less prominent by contrast to recent Summits, but vulnerability to disruptions of oil supply persists.

Political issues have not been central to previous Summits. The Venice Summit in 1980 marked the first official departure from an economic agenda, devoting a separate afternoon session to the Soviet invasion of Afghanistan. Although no separate political agenda is set for Ottawa, political issues will have particular significance.

Poland is certain to be a central topic, against the backdrop of the Polish Party Congress on July 14-18. Schmidt wants to discuss arms control; Trudeau, Mitterrand, and others will raise political aspects of North-South issues, such as southern Africa (Namibia) and Central America. There is widespread interest in the Mideast/Persian Gulf crisis belt -- from Iran, through the Arab-Israeli dispute, to Afghanistan, highlighted by the recent Soviet rejection of the European Community initiative.

Political and economic themes interact. Mitterrand has noted that the United States cannot ask Europe for cooperation on defense issues and pursue economic policies that weaken Europe. Trudeau and others worry that East-West political issues threaten to overshadow and distort North-South economic issues. The United States is concerned that economic relations with the Soviet Union may expose the West to new political vulnerabilities.

- U.S. Objectives. Given economic difficulties and political uncertainties, it will be particularly important that you and the other leaders work to keep the Summit from becoming contentious and downbeat, and reflecting disarray and lack of confidence among the Summit countries. Thus, the United States should seek, above all, to:
 - -- Inspire confidence that you are firmly committed to close cooperation with the other countries and optimism that, with such cooperation, international economic growth can be achieved (bringing to bear internationally what has

happened domestically where 46 percent of the American people believe things will get better, compared to 24 percent two years ago);

- -- Affirm a sense of <u>fundamental political unity</u> among the major industrial countries, all of which share democratic institutions, market economies and a belief in human dignity and freedom (stressing thereby that these countries are more than a power alignment or a group of economic competitors);
- -- Convey a firm and confident strategic view of the basic challenge to the economic and security interests of the industrial democracies, and a sensitivity to the problems of others and to the requirement for consultation and cooperation among the industrial countries (making clear that America is willing to assume its responsibilities but cannot achieve progress alone).
- <u>U.S. Strategy</u>. To achieve these objectives, the United States should:
 - -- Stress the priority of combatting inflation and achieving economic growth, which depends primarily on domestic (by implication, not international) policies and is the basis for the international objectives the Summit countries seek to achieve -- free trade, monetary and exchange stability, aid to developing countries, and reduced dependence on oil;
 - -- Focus attention on the accomplishments and potential of economic systems in the Summit countries (by implication, contrasting them with the communist alternative) and the vitality of democratic societies, as expressed most recently in the U.S. and France.
 - -- Point out the effort that has been made to <u>explain</u> and seek understanding for our domestic economic policies and indicate that we are ready to consult anywhere anytime;
 - -- Direct attention to the near-term goals which all Summit countries share (lowering inflation, encouraging economic growth which will increase employment, improving productivity, further liberalizing trade, reestablishing the balance with the Soviet Union, integrating the developing countries into the international system, etc.) as a way to contain short-term disagreement over choice of policy instruments (influencing interest or exchange rates, imposing new restraints on trade, timing of arms control discussions, etc.);

- -- Reassure other countries about U.S. policies toward the Soviet Union and use the fundamental agreement among these countries on East-West security issues (as reflected in the Rome NATO meeting and Suzuki visit to the United States) to put economic differences into perspective and to elevate the significance of economic growth as a basic component of security for the Summit countries.
- -- Ensure that our sensitivity to European and Japanese concerns on basic East-West and political issues is reciprocated by their sensitivity to our positions on economic policy, North-South and trade issues.



DEPARTMENT OF STATE

Washington, D.C. 20520

UNCLASSIFIED WITH SECRET ATTACHMENT

July 15, 1981

MEMORANDUM FOR MR. RICHARD V. ALLEN THE WHITE HOUSE

Subject: President's Briefing Books for Ottawa

Summit

The attached memo to the President is included in the Ottawa briefing book for the President which has been transmitted separately.

Attachment:

As stated.

Executive Secretary

DECLASSIFIED Department of State Guidelines, July 21, 1997 NARA, Date 122107

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SENSITIVE

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SITUATION LISTING

DATE 09/16/81//259

SITUATION! NODIS IN SUBJECT CATAGORY: EU

MESSAGE / ANNOTATION:

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NLRR F1554 # 32722 BY OH NARADATE 12/7/07

MESSAGE: HCE734 STU4876 DD RUEHC

DE RUEHOT #4929 2252009

ZNY SSSSS ZZH ZZY

FM AMEMBASSY OTTAWA

TO SECSTATE WASHDC IMMEDIATE 1815

BT

SECRET OTTAWA 04929

MODIS

E.O.12065: RDS-1 8/13/01 (MASON, DWIGHT N.) OR-B

TAGS: PEPR, SF, WA

SUBJECT: NAMIBIA: SECRETARY'S AUGUST 12 MESSAGE TO

CONTACT GROUP

REF: (A) STATE 214221, (8) OTTAWA 4837, (C) STATE 209877

1. 48 - ENTIRE TEXT).

2. SECRETARY'S MESSAGE (REPTEL A) TO FOREIGN MINISTER
DELIVERED AUGUST 13. DATE OF GOC RESPONSE IS UNCERTAIN
SINCE MAC GUIGAN HAS JUST RETURNED BRIEFLY TO OTTAWA PRIOR
TO BEGINNING VISIT TO PRC ON AUGUST 17 AND WILL NOT RETURN

ASSURED THE SECRETARY'S MESSAGE WILL RECEIVE IMMEDIATE ATTENTION. INITIAL UNDFFICIAL REACTION FROM EXTAFF

OFFICIALS WHO WILL BE INVOLVED IN DRAFTING WHATEVER SUB-STANTIVE GOC RESPONSE IS FORTHCOMING FOLLOWS:

-- NOTHITHSTANDING OUR EXPLICIT DISAVOWAL, GOC SEES USG AS PERSISTING IN A "LINKAGE" OF CUBAN WITHDRAWAL FROM ANGULA TO SAG MOVEMENT ON NAMIBIA. USG'S SEPARATE CONCERN OVER THE CUBAN PRESENCE IS PERCEIVED AS A

"CONVERGENCE" FOR ALL PRACTICAL PURPOSES WITH THE SAG

DA THIS ISSUE.

-- CANADA AND THE OTHER CG MEMBERS HAVE CONSISTENTLY HELD THAT ANGOLA IS AN ISSUE SEPARATE FROM NAMIBIA, WHICH THE US SHOULD PURSUE BILATERALLY OUTSIDE OF THE NAMIBIA SETTLEMENT CONTEXT. FRONT LINE AFRICANS WILL REACT VIGOROUSLY AGAINST ANY ATTEMPT TO INCLUDE ANGOLA IN THE NAMIBIAN CONTEXT AS WAS MOST RECENTLY INDICATED TO TRUDEAU BY NYERERE IN TANZANIA SINCE THE CUBAN PRESENCE IS A MATTER THAT CONCERNS ANGOLA'S AUTHORITY AS A SOVEREIGN STATE.

THE ANY CASE, DNLY THE US HAS THE "CARROT" (DIPLOMATIC RECOGNITION AND/OR AID) AND "STICK" (REPEAL OF THE CLARK

AMENDMENT) NECESSARY TO INFLUENCE ANGOLA.

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SITUATION: NODIS IN SUBJECT CATAGORY: EU

MESSAGE / ANNOTATION:

4. NEVERTHELESS, OUR INTERLOCUTORS CONCEDED THAT, REGARDLESS OF THE US PERSPECTIVE ON ANGOLA, THE SOUTH AFRICAN POSITION ON ANGOLA IS A PRACTICAL AND IMPORTANT REALITY WHICH MUST SOMEHOW BE DEALT WITH BY THE CG. SMITH BT #4929

SITUATION LISTING

DATE 09/16/81//259

SITUATION: NODIS SUBJECT CATAGORY: DUT

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MESSAGE / ANNOTATION:

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BY GI NARA DATE D

MESSAGE:

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DE RUEHC #4112 2340045

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FM SECSTATE WASHDC

TO RUEHOT/AMEMBASSY OTTAWA IMMEDIATE 3510 RUESUZ/AMEMBASSY BRASILIA IMMEDIATE 9609 RUESRS/AMEMBASSY CARACAS IMMEDIATE 5625 INFO RUEADWW/ WHITE HOUSE IMMEDIATE 6781

BT

SECRET STATE 224112

NODIS

FOR THE AMBASSADOR OR CHARGE

E.O. 12065: GDS 8/17/87 (BRIGGS, EVERETT E.)

TAGS: PINT, PEPR, NU, MX

SUBJECT: -FTTER TO FOREIGN MINISTER ON ENDERS'
TRIP TO MANAGUA

- 1. 18 FNTIRE TEXT)
- 2. FOLLOWING IS TEXT OF LETTER FROM THE SECRETARY TO YOUR FORFIGN MINISTER, REPORTING ON TOM ENDERS! AUGUST 11-12 VISIT TO MANAGUA AND THE CURRENT STATE OF U.S.-NICARAGUAN RELATIONS.
- 3. BEGIN TEXT.
- I THOUGHT IT WOULD BE OF INTEREST TO YOU TO KNOW THAT WE HAVE BEEN IN DIRECT TOUCH WITH THE SANDINISTA LEADERSHIP IN MANAGUA. AT MY REQUEST, ASSISTANT SECRETARY THOMAS ENDERS VISITED NICARAGUA ON AUGUST 11-12, TO REVIEW WITH THE JUNTA THE PRESENT STATE OF AMERICAN-NICARAGUAN RELATIONS.

AMBASSADOR FNDERS HAD EXTENSIVE EXCHANGES WITH THE SANDINISTA LEADERS, CULMINATING IN A LENGTHY, PRIVATE MEETING WITH DANIEL DRTEGA. AT THE MEETING, AMBASSADOR ENDERS STRESSED THAT FOR THE UNITED STATES, THE PRIMARY SOURCE OF CONCERN HAS BEEN THE CONTINUED TRANSIT ACROSS NICARAGUA OF ARMS

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DATE 09/16/81//259

SITUATION: NODIS SUBJECT CATAGORY: DUT

MESSAGE / ANNOTATION:

AND OTHER WAR MATERIEL DESTINED FOR THE MARXIST-LENINIST GUERRILLAS IN EL SALVADOR. COMANDANTE ORTEGA DID NOT DENY THE EXISTENCE OF THIS TRAFFIC, WHILE DISCLAIMING RESPONSIBILITY FOR IT.

AMBASSADUR ENDERS ALSO EMPHASIZED THE UNACCEPTABILITY OF THE EXPANSION IN THE NUMBER OF ARMED FORCES IN NICARAGUA ITSELF, AND OF THE ACQUISITION BY THE SANDINISTAS OF MODERN, OFFENSIVE WEAPONS OUT OF ALL PROPORTION TO THE DEFENSIVE NEEDS OF THAT COUNTRY OR TO ANY SUPPOSED EXTERNAL THREAT. HE POINTED OUT THAT NICARAGUA NOW POSES A REAL THREAT TO ITS NEIGHBORS. HE MADE CLEAR OUR REJECTION OF RECENT ARBITRARY ACTS AGAINST AMERICAN CITIZENS AND INSTITUTIONS, INCLUDING REPRESENTATIVES OF THE AFL/CIO WHO ARE IN NICARAGUA TO HELP THE PEOPLE OF THAT COUNTRY.

COMMANDANTE DRTEGA AND AMBASSADOR ENDERS REACHED AN INFORMAL UNDERSTANDING AT THE CONCLUSION OF THEIR MEETING THAT THERE WOULD BE NO PUBLICITY GIVEN TO THE SUBSTANCE OF THE EXCHANGES, THAT BOTH SIDES WOULD ASSESS OUR BILATERAL RELATIONS IN THE WEEKS AHEAD, AND THAT AMBASSADOR ENDERS WOULD BE PREPARED TO RETURN TO MANAGUA TO REVIEW DEVELOPMENTS WITHIN A FEW WEEKS. IN THE MEANTIME, BOTH SIDES WOULD MAKE SPECIFIC PROPOSALS ON WAYS OF LOWERING BILATERAL AND REGIONAL TENSIONS. THEY ALSO AGREED THAT BOTH SIDES WOULD AVOID RHETURICAL ATTACKS ON EACH OTHER AND ANY ACTS TENDING TO DISRUPT THE CURRENT STATE OF RELATIONS.

IN ADDITION TO NICARAGUA'S CURTAILING ARMS TRAFFICK-ING, THE PROPOSALS WE HAVE IN MIND FOR LOWERING TENSIONS MIGHT INCLUDE ARMS CONTROLS AND MILITARY FORCE LEVEL RESTRICTIONS, A REAFFIRMATION OF RIO TREATY AND DAS COMMITMENTS, IMPROVED MONITORING OF EXILE GROUPS, AND PERHAPS THE RESUMPTION OF CERTAIN TYPES OF ECONOMIC AND TECHNICAL COOPERATION. WE AND THE NICARAGUANS WILL BE STUDYING THOSE POSSIBILITIES IN THE DAYS AHEAD.

WE SINCERELY HOPE IT WILL BE POSSIBLE TO ACHIEVE AN UNDERSTANDING WITH THE SANDINISTA LEADERSHIP IN THE NEXT FEW WEEKS, AND THAT THEY WILL SHARE OUR STRONG DESIRE FOR A RESTURATION OF NORMALCY

SITUATION LISTING

DATE 09/16/81//259

SITUATION: NODIS SUBJECT CATAGORY: DUT

MESSAGE / ANNOTATION:

IN OUR RELATIONS. WE HAVE BEEN AT GREAT PAINS TO REASSURE THEM THAT WE RESPECT THE NICARAGUAN REVOLUTION AND WISH TO HAVE AMICABLE AND COOPERATIVE RELATIONS WITH THE GOVERNMENT AND PEOPLE OF THAT COUNTRY, ON THE BASIS OF MUTUAL RESPECT AND RECIPROCITY.

I HAVE GONE INTO CONSIDERABLE DETAIL SO THAT YOU WILL APPRECIATE THAT OUR PURPOSE IS A SERIOUS ONE. LET US REMAIN IN CLOSE TOUCH ON THIS.

WITH EVERY GOOD PERSONAL WISH.

SINCERELY, (SIGNED) ALEXANDER M. HAIG, JR. END TEXT.

4. FOR DTTAWA - SALUTATION IN LETTER TO MCGUIGAN SHOULD READ: "DEAR MARC" AND MESSAGE SHOULD BE SIGNED "AL". HAIG BT #4112

32724

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#5200 NNNN SITUATION LISTING

DATE 09/16/81//259

SITUATION NEDIS IN SUBJECT CATAGORY! EU MESSAGE / ANNOTATION! MESSAGE: HCE211 STU5090 RR RUEHC DE RUEHOT #5200 2392115 ZNY CCCCC ZZH R 272115Z AUG 81 FM AMEMBASSY DTTAWA TO SECSTATE WASHOC 1964 BT CONFIDENTIAL STTAWA 05200 E.O. 12065; RDS-1 8/26/01 (ROBINSON, PAUL H., JR.) TAGS: PEPR, SF, WA SUBJECT: MESSAGE FROM SECRETARY TO CONTACT FOREIGN MINISTER REFI STATE 228596 (NODIS) 1. CONFIDENTIAL - ENTIRE TEXT. MESSAGE CONTAINED REFTEL DELIVERED TO SECRETARY OF STATE FOR EXTERNAL AFFAIRS MARK MACGUIGAN'S OFFICE

THURSDAY AFTERNOON, AUGUST 27, 1981. ROBINSON

DECLASSIFIED

NLRR F1557 #32724

BY CU NARA DATE 12/1/07