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TELEGRAM NUMBER 3267 OF 2 NOVEMBER

INFO JEDDA, TEL AVIV, CAIRO, AMMAN, DAMASCUS, JERUSALEM, BEIRUT.

MY TEL NO 3259: U S/ISRAEL

1. THE ISRAELIS AND THEIR COMMITTED SUPPORTERS IN THE U S MEDIA, LIKE SAFIRE, APPEAR DETERMINED TO UNDERCUT WHAT THEY SEE AS A CLOSER U S/SAUDI RELATIONSHIP FOLLOWING THE AWACS DECISION AND, IN PARTICULAR, TO PREVENT ANY FURTHER SHIFT OF U S OPINION IN FAVOUR OF FAHD'S EIGHT POINTS.

2. THE ISRAELI AMBASSADOR, WHO HAS NOW BEEN RECALLED FOR CONSULTATIONS, CALLED ON HAIG ON 30 OCTOBER TO REAFFIRM ISRAEL'S TOTAL REJECTION OF THE FAHD PLAN. EVRON WARNED THAT ANY SHOW OF AMERICAN BACKING FOR THE SAUDI PLAN WOULD BE SEEN AS A WEAKENING OF U S SUPPORT FOR THE CAMP DAVID ACCORDS. IN AN INTERVIEW ON THE SAME DAY EVRON SAID QUOTE THE VERY FACT THAT THIS PLAN IS PRAISED, EVEN IF THE PRAISES ARE SOMEWHAT RESTRAINED, UNDERMINES THE CHANCES FOR PROGRESS IN THE AUTONOMY TALKS, MUST, OF NECESSITY HAVE AN ADVERSE EFFECT ON THE EGYPTIAN GOVERNMENT'S APPROACH, ENCOURAGES THE HOSTILE EUROPEAN INTERVENTION AND, OF COURSE, RULES OUT ANY CHANCES THAT THE PALESTINIAN ARABS WILL JOIN THE NEGOTIATIONS UNQUOTE.

3. IN AN INTERVIEW WITH ABC TV ON 1 NOVEMBER (TEXT BY BAG TO NENAD AND TEL AVIV), BEGIN SAID THAT HE HAD WRITTEN TO REAGAN ABOUT THE SO-CALLED SAUDI PEACE PLAN, WHICH HE DESCRIBED AS A PLAN TO LIQUIDATE ISRAEL IN STAGES. IT WAS A GREAT OBSTACLE TO THE PEACE PROCESS AND A COMPLETE DEVIATION FROM CAMP DAVID. THERE WERE NO GOOD POINTS IN IT. HE CRITICISED IN PARTICULAR THE SUGGESTION THAT ISRAEL SHOULD WITHDRAW TO ITS 4 JUNE 1967 BORDERS, BECAUSE ITS ENEMIES NOW HAD LONG RANGE KATYUSHA MISSILES AND 135 MM GUNS WHICH WOULD BE INSTALLED ON THE WEST BANK. 200 OF THE LATTER WERE NOW CONCENTRATED IN LABANON. BEGIN ALSO REJECTED THE PROPOSAL FOR A PALESTINIAN STATE WHICH WOULD BE A MORTAL DANGER TO ISRAEL AND WOULD TURN IN NO TIME INTO A SOVIET BASE.

4. BEGIN SAID THAT THE AWACS DEAL HAD NOT CAUSED ANY REASSESSMENT OF ISRAEL'S COMMITMENT TO WITHDRAW FROM SINAI NEXT APRIL. HE HOPED THAT AGREEMENT ON THE AUTONOMY ISSUE WOULD BE REACHED BY THE END OF THE YEAR, BUT IF IT WAS NOT NEGOTIATIONS WOULD CONTINUE. HE REGRETTED THAT THE U S HAD NOT APPOINTED A SUCCESSOR TO LINOWITZ. THERE WOULD BE A MINISTERIAL MEETING ON 11 NOVEMBER IN CAIRO AND HE EXPECTED THE U S TO BE REPRESENTED BY A MEMBER OF THE CABINET. BEGIN SAID THAT NOBODY COULD COMPEL THE PALESTINIANS TO ACCEPT AN AGREEMENT REACHED BY THE U S, EGYPT AND ISRAEL: BUT IF THE INHABITANTS OF THE OCCUPIED TERRITORIES DID NOT ACCEPT IT THE STATUS QUO WOULD HAVE TO CONTINUE.

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5. IN REPLY TO A QUESTION, BEGIN SAID THAT THE SUPPLY OF MODERN AND SOPHISTICATED ARMS TO JORDAN WAS A DIRECT THREAT TO ISRAEL AND THAT HE HOPED THAT THE UNITED STATES WOULD TAKE THIS INTO CONSIDERATION (WE UNDERSTAND THAT THIS SUBJECT WAS ALSO COVERED IN BEGIN'S LETTER TO REAGAN). HE SAID THAT ISRAEL WOULD NEED ARMS TO DEFEND ITSELF AGAINST THE GREAT QUANTITIES OF WEAPONS BEING SUPPLIED TO ARAB COUNTRIES, AND STRESSED REAGAN'S PROMISE TO MAINTAIN ISRAEL'S TECHNOLOGICAL AND MILITARY ADVANTAGES.

6. ON LEBANON, BEGIN SAID THAT THE ISRAELIS DID NOT RUSH INTO WAR-LIKE OPERATIONS AND THEY WOULD GIVE HABIB MORE TIME TO TRY TO BRING ABOUT WITHDRAWAL OF THE SYRIAN SAMs. HABIB HAD PROMISED IN REAGAN'S NAME THAT THE MISSILES WOULD BE WITHDRAWN. BEGIN SAID THAT HE DID NOT KNOW WHAT HELP THE SAUDIS HAD GIVEN OVER LEBANON BUT ADDED, ENIGMATICALLY, THAT AT THEIR LAST MEETING IN ALEXANDRIA, SADAT HAD MADE A QUOTE VERY CURIOUS AND VERY SERIOUS STATEMENT ABOUT THE SO-CALLED SAUDI ARABIAN CONTRIBUTION UNQUOTE.

HENDERSON

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