MIDDLE EAST: ADVANCE COPIES .

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CABINET OFFICE DIO

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TO IMMEDIATE FCO

TELEGRAM NUMBER 3311 OF 5 HOVEMBER

INFO PRIORITY UKMIS NEW YORK, EC POSTS, TEL AVIV, CAIRO, JEDDA,

AMMAN. BEIRUT AND DAMASCUS

YOUR TELEGRAM NO 1666 : SINAL : MFO

- 1. IN THE ABSENCE OF HAIG AND VELIOTES I SPOKE THIS MORNING TO
  EAGLEBURGER WHO WAS ACCOMPANIED BY ONE OF VELIOTES' DEPUTIES, DRAPER.
  I TOOK THEM CAREFULLY THROUGH ALL THE POINTS IN YOUR
  TELEGRAM UNDER REFERENCE. EAGLEBURGER SAID THAT THIS ACCOUNT OF OUR
  VIEWS WOULD BE BROUGHT DIRECTLY TO HAIG'S ATTENTION.
- 2. EAGLEBURGER HAD ONLY ONE POINT OF SUBSTANCE TO MAKE. HE SAID THAT HAIG FULLY ACCEPTED THAT ANY GOVERNMENT HAD TO JUSTIFY ITS DECISIONS TO ITS OWN PARLIAMENT AND IT WAS ENTIRELY FOR THE BRITISH GOVERNMENT TO DECIDE WHAT TO SAY ON THIS SCORE. HOWEVER, HAIG THOUGHT IT WOULD BE DESTRUCTIVE IF ANY OF THE GOVERNMENTS WERE TO

THOUGHT IT WOULD BE DESTRUCTIVE IF ANY OF THE GOVERNMENTS WERE TO STATE THAT THE POSITION THEY WERE EXPRESSING WAS THAT OF THE TEN OF THE FOUR AS A GROUP. HAIG HOPED THAT THIS CONSIDERATION WOULD BE REFLECTED IN THE VARIOUS STATEMENTS SO THAT THEY WOULD HAVE THE RIGHT RESONANCE IN TEL AVIV. HE ALSO HOPED THAT THERE COULD BE A LITTLE DELAY BETWEEN THE ANNOUNCEMENT OF PARTICIPATION AND THE ISSUE OF THESE EXPLANATIONS IN PARLIAMENTS ETC. I SAID THAT HOWEVER THE STATEMENTS WERE WORDED ONE COULD NOT AVOID CONFIRMING IN RESPONSE TO A QUESTION THAT SIMILAR STATEMENTS WERE BEING MADE ELSEWHERE. EAGLEBURGER SAID HE DID NOT KNOW HOW THIS COULD BE HANDLED BUT REPEATED HAIG'S VIEW ANYTHING WHICH WAS PRESENTED AS A STATEMENT OF THE POSITION OF THE TEN OR THE FOUR WOULD BE DAMAGING. I LEFT IT THAT WE WOULD BE BACK IN TOUCH WITH THE AMERICANS AFTER FURTHER CONSULTATIONS IN EUROPE TOMORROW.

- 3. EAGLEBURGER DID NOT ATTEMPT TO REBUT THE POINTS IN YOUR TELEGRAM, BUT SAID PRIVATELY THAT VELICIES FELT QUOTE BADLY USED UNQUOTE IN RELATION TO HIS TALKS IN LONDON. VELICIES HAD ACKNOWLEDGED IN LONDON THAT THE US HAD A VERSION OF THE STATEMENT FROM THE ISRAELIS BUT HAD BEEN TOLD THAT THIS WAS AN EARLIER DRAFT AND THAT THE US NEED NOT WORRY ABOUT IT. THE US HAD THEN REASSURED THE ISRAELIS ON THIS BASIS. THEY HAD ASSUMED THAT THE REVISED DRAFT WOULD NOT ONLY DROP THE REFERENCE TO A PALESTINIAN STATE BUT WOULD AVOID ANY EMBELLISHMENT OF THE VENICE DECLARATION. I REPLIED BY RESTATING RELEVANT POINTS IN YOUR TELEGRAM UNDER REFERENCE.
- 4. EAGLEBURGER DREW A MORAL FROM ALL THIS ABOUT THE DANGERS HE
  FORESAW FOR EUROPEAN/US RELATIONS IN THE NEXT TWO OR THREE YEARS
  AND THE PROBLEM FOR THE AMERICANS IN KEEPING ABREAST OF DISCUSSIONS I
  AND DECISIONS IN POLITICAL COOPERATION. HE HAD NOTHING SPECIFIC
  TO SUGGEST AND SAID THAT HE WAS ONLY SPEAKING FOR HIMSELF, NOT FOR
  HAIG. HE VENTURED THE PRIVATE THOUGHT THAT MISUNDERSTANDING MIGHT
  HAVE BEEN AVOIDED IF THE US HAD BEEN SHOWN THE DRAFT STATEMENT DURING
  VELIOTES' VISIT TO LONDON.
  - 5. MY OWN READING OF THIS SITUATION IS THAT THE PROFESSIONALS IN THE STATE DEPARTMENT WERE PROBABLY NEITHER SURPRISED NOR DISMAYED WHEN THEY SAW THE TEXT OF THE STATEMENT. VELIOTES DID NOT REACT AT ALL STRONGLY TO IT. BUT HAIG SEEMS TO HAVE FLOWN OFF THE HANDLE AND THE STATE DEPARTMENT NOW HAVE TO JUSTIFY THIS BY SHOWING THAT THEY WERE NOT FULLY IN THE PICTURE. HAIG REMAINS ACUTELY CONCERNED ABOUT THE RISK OF A VIOLENT ISRAELI REACTION.

    (THE US AMBASSADOR IN TEL AVIV HAS EVIDENTLY REPORTED THAT HE HAS NEVER SEEN THE ISRAELIS IN SUCH A STATE OF TENSION AND UNCERTAINTY

AS THEY ARE AFTER THE AWACS DECISION AND THE FAVOURABLE REFERENCES
BY US LEADERS TO FAHD'S EIGHT POINTS.) HAIG EVIDENTLY BELIEVES
THE ISRAELIS MAY BE ABOUT TO GO OVER THE EDGE AND WANTS TO DO EVERYTHING POSSIBLE TO STOP THEM. HE IS VIEWING THE EUROPEAN STATEMENT
EXCLUSIVELY IN THIS LIGHT: INDEED HE IS EXPORTING ON TO THE EUROPEANS
THE PRESSURE HE IS GETTING FROM THE ISRAELIS BECAUSE OF THEIR FEAR
THAT WASHINGTON IS GETTING CLOSER TO SAUDI ARABIA.

HENDERSON

CCN: PARA 2 LINE 15

HAIG'S KKRXXRXX VIEW THAT

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