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TELEGRAM NUMBER 497 OF 16 FEBRUARY

INFO PRIORITY UKMIS NEW YORK, BEIRUT, AMMAN, DAMASCUS, TEL AVIV

YOUR TELNO 271: PUS'S TALK WITH STOESSEL: MIDDLE EAST

1. WHEN THE PUS SAW STOESSEL TODAY HE ASKED HIM ABOUT THE ANXIETY OF THE AMERICANS AT THE END OF LAST WEEK THAT THE ISRAELIS WERE GOING TO PROVOKE TROUBLE IN SOUTH LEBANON. WHAT WAS THE EVIDENCE FOR THIS? WAS THERE SOME CONNECTION BETWEEN THIS AND WEINBERGER'S VISIT TO JORDAN AND THE FEAR IN ISRAEL THAT THIS HAD CREATED?

2. STOESSEL SPOKE ABOUT INTELLIGENCE INFORMATION THAT HAD BEEN RECEIVED FROM THEIR PEOPLE IN ISRAEL WITH DETAILS ABOUT EQUIPMENT, SUGGESTING THAT ACTION WAS GOING TO BE TAKEN. HE DID NOT THINK THAT THIS WAS ANYTHING TO DO WITH THE WEINBERGER VISIT TO JORDAN. THE ISRAELIS WERE CERTAINLY IN A VERY TENSE MOOD AND ANY SUGGESTION OF A BUILD-UP IN JORDAN ADDED TO THEIR CONCERN.

3. HAIG HAD SENT A MESSAGE TO BEGIN, WHO HAD GIVEN AN ASSURANCE THAT THE ISRAELIS WERE NOT GOING TO TAKE ANY ACTION. STOESSEL WAS NOT SURE WHETHER THIS HAD HEADED OFF AN ISRAELI MOVE OR NOT.

4. THE PUS REFERRED TO THE ACTION WE HAD TAKEN WITH VARIOUS GOVERNMENTS - THE LEBANESE, THE JORDANIANS AND THE SYRIANS, AS WELL AS THE PLO. THEY HAD REJECTED THE IDEA THAT THEY WERE GOING TO MAKE ANY MOVE AND HAD URGED US TO GET THE AMERICANS TO EXERT PRESSURE ON THE ISRAELIS.

5. STOESSEL SAID THAT HABIB, WHO WAS DUE IN WASHINGTON TODAY, WOULD BE LIKELY TO RETURN TO THE MIDDLE EAST IN THE NEAR FUTURE. MEANWHILE, FAIRBANKS WAS LEAVING TODAY. IN ANSWER TO THE PUS'S QUESTION ABOUT WHAT THE AMERICANS WERE SEEKING TO ACHIEVE IN THE NEAR FUTURE ON THE PALESTINE ISSUE, AND HOW THEY SAW MUBARAK'S VIEWS, STOESSEL SAID THAT THE LATTER, WHILE SUPPORTING THE CAMP DAVID PROCESS, OBVIOUSLY COULD NOT DO ANYTHING THAT WOULD BE CRITICISED BY THE MODERATE ARABS, INCLUDING THE PALESTINIANS.

6 THE PUS ASKED WHETHER THE REPORT OF WEINBERGER'S VIEWS INDICATED SOME SHIFT IN AMERICAN POLICY OR WHETHER IT WAS SIMPLY HIS OWN PERSONAL OPINION. TO WHICH STOESSEL REPLIED THAT THE AMERICANS WANTED TO HAVE MORE THAN ONE FRIEND IN THE AREA. THEY SOUGHT TO IMPROVE THEIR RELATIONS WITH THE MODERATE STATES THERE. HE REFERRED AGAIN TO THE ISRAELIS MOOD OF SUPER-SENSITIVITY AND INSECURITY. HE ADMITTED THAT THERE WAS A QUOTE MORE QUESTIONING MOOD ABOUT ISRAEL IN THE USA UNQUOTE. THIS INCLUDED THEIR TRADITIONAL FRIENDS.

7. ON THE SUBJECT OF THE FUTURE OF THE WEST BANK, THE PUS SAID THAT AT SOME STAGE THE EGYPTIANS WOULD BE TOLD BY THE PLO THAT THERE COULD BE NO SOLUTION FOR THE WEST BANK PROBLEM WITHOUT THE PALESTINIANS. HE ASKED WHAT PROSPECTS STOESSEL SAW OF THE US COMING TO TERMS WITH THE PALESTINIANS. STOESSEL SAID THAT HE SAW NO PROSPECT OF CHANGE IN THE US ATTITUDE TO THE PLO. BUT THEY WOULD BE ON THE LOOK-OUT FOR OTHER PALESTINIANS, EG. WEST BANK MAYORS, WHO COULD BE INVOLVED IN THE AUTONOMY TALKS. THE PUS SAID THAT IT WAS DIFFICULT TO SEE HOW ANY SETTLEMENT COULD EMERGE UNLESS THE PLO WERE INVOLVED.

8. STOESSEL DID NOT REVEAL ANYTHING NEW ABOUT HOW THE AMERICANS ARE GOING TO PROCEED IN KEEPING THE CAMP DAVID PROCESS TALKS GOING. BUT HE SAID THAT IT WAS ESSENTIAL TO KEEP UP THE MOMENTUM.

9. AS REGARDS MUBARAK, THE PUS REFERRED TO HIS PRESENCE IN LONDON AND TO THE GOOD IMPRESSION THAT HE HAD MADE THERE. STOESSEL SAID

9. AS REGARDS MUBARAK, THE PUS REFERRED TO HIS PRESENCE IN LONDON AND TO THE GOOD IMPRESSION THAT HE HAD MADE THERE. STOESEL SAID THAT HE HAD ALSO MADE A GOOD IMPRESSION IN WASHINGTON. HE HAD DEVELOPED A GREAT DEAL SINCE TAKING OVER FROM SADAT. HE HAD BEEN MATTER-OF-FACT IN EXPLAINING THE INVITATION TO THE SOVIET SPECIALISTS TO RETURN TO COMPLETE OUTSTANDING PROJECTS. HIS ATTITUDE TO RESUMING BETTER RELATIONS WITH THE OTHER ARAB STATES HAD APPEARED TO THE AMERICANS TO BE VERY REASONABLE. HE WAS QUOTE NOT GOING OVERBOARD UNQUOTE

HENDERSON

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