

MIDDLE EAST: ADVANCE COPIES

14
~~15~~

PS
PS/MR HURD
PS/PUS
SIR J LEAHY
MR MOBERLY

NO 10 DOWNING STREET

HD/NENAD
HD/MED
HD/UND

CABINET OFFICE D10

HD/

HD/

..

..

PUSD (2)
NEWS D

RESIDENT CLERK

ADVANCE COPY

IMMEDIATE

CONFIDENTIAL

FROM TEL AVIV 201455Z APR 82

TO IMMEDIATE FCO

TELNO 166 OF 20 APRIL 1982

INFO IMMEDIATE WASHINGTON, PRIORITY CAIRO, AMMAN, BEIRUT, DAMASCUS,
JERUSALEM AND UKMIS NEW YORK.

CAIRO TELEGRAM NUMBER 171: EGYPT/ISRAEL

1. WHEN STOESSEL RETURNS HERE TONIGHT HE WILL HAVE ANOTHER MEETING WITH BEGIN. THEREAFTER THE ISRAELI CABINET ARE DUE TO TAKE A FINAL DECISION ON WITHDRAWAL TOMORROW (21 APRIL).
2. THE ACCOUNT THE US EMBASSY (HARE) HAVE GIVEN US OF STOESSEL'S TALKS HERE WAS A BIT LESS EUPHORIC THAN THE PRESS REPORTS. HARE SAID THAT, WHILE STOESSEL HAD MANAGED TO PARE DOWN THE PROBLEMS RAISED BY THE ISRAELIS, SUBSTANTIAL DIFFICULTIES REMAINED, PRINCIPALLY IN THE POLITICAL FIELD AND OVER TABA. ON THE ASSUMPTION THAT REMAINING DIFFICULTIES COULD BE PAPERED OVER, HE BELIEVED THAT THE ISRAELIS WOULD GO AHEAD WITH WITHDRAWAL ON TIME, THOUGH THERE WAS A 10/20 PERCENT CHANCE THAT THE CABINET MIGHT DECIDE TO DELAY IT. BEGIN WAS ON THE SIDE OF THE ANGELS BUT NEEDED SOMETHING POSITIVE TO SHOW. IT WAS ALSO CONCEIVABLE THAT THE ISRAELIS MIGHT DELAY TAKING A FINAL DECISION UNTIL LATER IN THE WEEK.
3. ON POLITICAL RELATIONS, HARE SAID THAT THE ISRAELIS HAD WANTED THE EGYPTIANS IN EFFECT TO DISAVOW MEGUID'S ELEVEN POINT

3. ON POLITICAL RELATIONS, HARE SAID THAT THE ISRAELIS HAD WANTED THE EGYPTIANS IN EFFECT TO DISAVOW MEGUID'S ELEVEN POINT STATEMENT IN KUWAIT SEMICOLON BUT THEY REALISED THAT THIS WAS NOT FEASIBLE AND HAD RETREATED TO THE POINT WHERE THEY WOULD ACCEPT A REAFFIRMATION OF THE COMMITMENT OF ALL THREE PARTIES TO THE AUTONOMY PROCESS. THE MAIN PROBLEM HERE WAS NOT WORDING, BUT RATHER MUBARAK'S UNWILLINGNESS TO SIGN ANYTHING UNDER ISRAELI PRESSURE. HOWEVER, HARE THOUGHT IT WAS HELPFUL THAT KAMAL HASSAN ALI AND BOUTROS GHALI HAD BEEN HERE TO SEE THE STRENGTH OF ISRAELI FEELING ON THIS POINT. VERBAL REASSURANCES (PARAGRAPH 2D OF CAIRO TELEGRAM 171 UNDER REFERENCE) WOULD NOT DO. HARE SEEMED TO BE THINKING OF A THREE SIDED EXCHANGE OF LETTERS, BUT THE ISRAELI PRESS MENTION A POSSIBLE LETTER FROM REAGAN TO BEGIN AND MUBARAK.

4. HARE SAID THAT TABA CONTINUED TO PROVE DIFFICULT. HIS ACCOUNT SQUARED WITH PARAGRAPH 2A OF CAIRO TUR ALTHOUGH HE ADDED THAT THE EGYPTIANS AND ISRAELIS ALSO DISAGREED ON WHETHER THERE SHOULD BE ANY ECONOMIC ACTIVITY IN THE NEUTRAL ZONE (IE THE HALF-BUILT HOTEL) DURING THE INTERIM PERIOD. HE APPEARED TO BE UNDER THE IMPRESSION THAT THE MFO WOULD POLICE IT IN ANY CASE, THOUGH THE MFO THEMSELVES HAD NOT BEEN CONSULTED OR INFORMED. HARE SAID THAT A COMMITTEE WOULD BE ESTABLISHED TO DECIDE ON CONCILIATION/ARBITRATION PROCEDURES, AND TO AGREE ON WHICH COUNTRIES WOULD BE ACCEPTABLE.

5. AS REGARDS ISRAEL'S COMPLAINTS ABOUT GUN RUNNING TO GAZA HARE SAID THAT THE CHIEF OF MILITARY INTELLIGENCE IN EGYPT HAD BEEN HERE AT THE END OF LAST WEEK TO REASSURE THE ISRAELIS. A MEMBER OF MY STAFF WHO RETURNED FROM CAIRO BY ROAD RECENTLY CONFIRMS THAT STRINGENT CHECKS ARE NOW IN OPERATION ON THE EGYPTIAN SIDE OF THE BORDER.

6. ON ALLEGED BREACHES OF FORCE LEVELS IN SINAI, HARE SAID THAT THE SINAI FIELD MISSION HAD GIVEN THE EGYPTIANS A FAIRLY CLEAN BILL OF HEALTH. THE AMERICANS FELT THAT, IRRESPECTIVE OF THE MERITS OF ISRAELI COMPLAINTS, EGYPT WOULD NOT ALLOW THIS KIND OF PROBLEM TO BE A STUMBLING BLOCK.

7. MEANWHILE THE ISRAELI ARMY HAS BEGUN TO EVICT REMAINING SETTLERS AND SQUATTERS FROM THE YAMIT AREA. UP TO 20,000 TROOPS ARE SAID TO BE INVOLVED. THE GOING MAY WELL GET VERY ROUGH SEMICOLON THE SQUATTERS ARE THREATENING TO USE CHILDREN IN THE FRONT LINE AND ONE GROUP OF EXTREMISTS IS THREATENING TO COMMIT SUICIDE. BUT THE EXCLUSION OF THE ISRAELI AND FOREIGN PRESS FROM THE AREA MAY HELP TO AVOID THE WORST EXCESSES SINCE PAST EXPERIENCE HAS BEEN THAT THE STOP

