

ADVANCE COPY

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FM WASHINGTON  
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TELNO 507  
OF 011800Z MARCH 90  
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## ARAB/ISRAEL: PEACE PROCESS

## SUMMARY

1. STATE BELIEVE PEACE PROCESS HAS REACHED A CRITICAL POINT. UNABLE TO PREDICT WHICH WAY SHAMIR WILL JUMP.

## DETAIL

2. ON 1 MARCH WE WERE BRIEFED BY STATE (COVEY AND KURTZER, PRINCIPAL UNDER SECRETARY AND UNDER SECRETARY RESPECTIVELY AT NEA) ON THE CURRENT PROSPECTS FOR THE PEACE PROCESS.

3. BOTH THOUGHT THAT THE PROCESS HAD NOW REACHED A CRITICAL STAGE. SECRETARY BAKER FELT STRONGLY THAT HE COULD ONLY CONTINUE TO DEVOTE THE CONSIDERABLE ATTENTION TO THIS ISSUE WHICH HE HAD GIVEN IT THUS FAR IF THERE WERE SOME SIGN OF PROGRESS. IT WAS CLEARLY UP TO THE ISRAELIS TO MOVE. BAKER WOULD BE PHONING SHAMIR TODAY (1 MARCH) TO URGE HIM TO AGREE WITHOUT FURTHER ADD TO THE TRILATERAL MEETING AND, BY IMPLICATION, TO THE START OF DIALOGUE WITH THE PALESTINIANS.

4. STATE SAID THAT IN WASHINGTON LAST WEEK ARENS HAD BEEN GIVEN A SPECIFIC AND SIMPLE QUESTION TO RELAY TO SHAMIR - NAMELY COULD ISRAEL NOW AGREE TO A DIALOGUE WITH A TEAM COMPRISED OF REPRESENTATIVES OF THE WEST BANK AND GAZA? THIS LANGUAGE HAD BEEN AGREED BY BAKER BECAUSE HE THOUGHT IT WOULD MAKE IT EASIER FOR SHAMIR TO SAY YES. SOME IN STATE THOUGHT THAT THE LOOSE PHRASING WOULD ALLOW SHAMIR TO SAY YES BUT THEN TO MAKE PROBLEMS. BUT IT HAD BEEN MADE VERY CLEAR TO ARENS THAT REPRESENTATIVES FROM EAST JERUSALEM AND DEPORTEES WOULD BE INCLUDED. BAKER HAD HOPED THAT ARENS WOULD HAVE BEEN ABLE TO REPLY IN THE AFFIRMATIVE AS EARLY AS LAST WEEK. THE ARENS VISIT TO POLAND HAD PREVENTED THIS. BAKER WAS PRESSING VERY HARD FOR A REPLY THIS WEEK. STATE REALISED THAT THEY HAD LITTLE LEVERAGE OVER THE ISRAELIS. A THREAT TO CUT AID WOULD BE UNREALISTIC. BUT BAKER WOULD AGAIN BE MAKING CLEAR TO SHAMIR THAT IF THE ISRAELIS CONTINUED TO PREVARICATE, HE WOULD CALL THE PROCESS OFF AND APPORTION BLAME PUBLICLY AND SQUARELY ON THE ISRAELIS.

5. STATE, HOWEVER, EXPECTED SHAMIR TO WRIGGLE FOR A WHILE YET. HE SEEMED TO BE INTERPRETING HIS INTERNAL POLITICAL DIFFICULTIES

AS AN EXCUSE FOR FURTHER DELAY. THEY EXPECTED HIM TO TELL BAKER TODAY THAT HE WAS IN PRINCIPLE AGREEABLE TO THE TRILATERAL BUT STILL NEEDED REASSURANCE ON THE NAMES OF THE DELEGATION. IF HE WERE PERSUASIVE ENOUGH, HE MIGHT GET BAKER TO ALLOW A LITTLE MORE TIME. BUT IT WAS JUST POSSIBLE THAT SHAMIR MIGHT DECIDE TO SAY NO TO THE TRILATERAL AND ALLOW THE BAKER INITIATIVE TO DIE. HE MIGHT CONCLUDE THAT CRITICISM FROM BAKER WAS SOMETHING HE COULD LIVE WITH IF THE ALTERNATIVE WAS TO SPLIT LIKUD. MEANWHILE, BAKER WAS ANXIOUS TO GET ON. HE WAS HOPING FOR THE TRILATERAL TO TAKE PLACE NEXT WEEK, AND FOR THE DIALOGUE ITSELF TO OPEN SHORTLY THEREAFTER. HE WAS TOYING WITH THE IDEA OF ATTENDING THE OPENING OF THE DIALOGUE HIMSELF, BREAKING HIS TRIP TO ATTEND THE NAMIBIA INDEPENDENCE CELEBRATIONS TO DO SO.

6. STATE HAVE CLEARLY BEEN FOCUSING ALMOST COMPLETELY ON THE PROBLEMS INVOLVED IN GETTING AGREEMENT TO THE TRILATERAL AND TO LAUNCHING THE DIALOGUE. THEY HAVE NOT GIVEN MUCH THOUGHT TO PROSPECTS FOR THE DIALOGUE ITSELF. BUT THEY DID NOT DISAGREE WITH THE ASSESSMENT GIVEN TO US RECENTLY BY CIA THAT THE DIALOGUE COULD BREAK DOWN RELATIVELY QUICKLY. STATE SAID THAT WAS TOO EARLY TO THINK ABOUT WHAT TO DO THEN.

7. ON THE QUESTION OF OUTSIDE INVOLVEMENT, STATE SAID THAT THEY DETECTED A GROWING ACCEPTANCE ON THE PART OF THE SOVIET UNION THAT THE PRESENT INITIATIVE SHOULD BE ALLOWED TO PROCEED WITHOUT SOVIET INVOLVEMENT. BAKER HAD MADE CLEAR AT HIS LAST MEETING WITH SHEVARNDADZE THAT IF THE RUSSIANS WANTED TO ATTEND THEY SHOULD SETTLE THEIR DIFFERENCES WITH THE ISRAELIS. STATE THOUGHT THAT THE RUSSIANS HAD CONCLUDED THAT THIS WAS TOO HIGH A PRICE TO PAY AT PRESENT. STATE CONFIRMED THAT THEY SAW NO ADVANTAGE IN INVOLVEMENT OF THE FIVE - NOT BECAUSE OF DIFFICULTIES OVER UK OR FRENCH ATTENDANCE - BUT BECAUSE OF LIKELY OPPOSITION IN WASHINGTON TO CHINESE PARTICIPATION.

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