

MIDDLE EAST: ADVANCE COPIES 14

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CONFIDENTIAL

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TO IMMEDIATE FCO

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INFO IMMEDIATE MODUK.

PRIORITY WASHINGTON, UKMIS NEW YORK, AMMAN, CAIRO, DAMASCUS  
PARIS, JEDDA, JERUSALEM.

MY TELEGRAM NO 333: ISRAEL/LEBANON

1. THROUGHOUT YESTERDAY THE ISRAELIS WERE AT PAINS TO EMPHASIZE THAT THEIR LATEST INCURSIONS INTO BEIRUT WERE LIMITED AND TACTICAL IN NATURE, AND IN RESPONSE TO REPEATED CEASEFIRE VIOLATIONS BY THE PLO. THEY REPEATEDLY DENIED THAT THEY AMOUNTED TO AN ALL OUT ASSAULT. AN IDF SPOKESMAN SAID LAST NIGHT THAT BY CAPTURING THE EL-UZAI REFUGEE CAMP IN THE AIRPORT AREA AND TAKING THE MUSEUM AREA THE ISRAELIS HAD TIGHTENED THE SIEGE OF THE PLO. THE ISRAELI GAINS HAD GIVEN THEM DOMINANT POSITIONS WHICH WOULD MAKE IT DIFFICULT FOR THE PLO TO FIRE AT IDF FORCES (ACCORDING TO THE PRESS, THE ISRAELIS NOW OVERLOOK THE MAIN PLO STRONGHOLDS AT BURJ EL BARHANA, SABRA, SHATILA AND SAKHANI).

2. OVER THE PAST TWO DAYS PROMINENCE HAS BEEN GIVEN IN THE PRESS TO THE EVIDENT DISQUIET OF SOME MEMBERS OF THE CABINET AT THE LACK OF MINISTERIAL CONSULTATION BEFORE THE LAST TWO ISRAELI ADVANCES. THESE ARE SEEN AS PART OF A NEW SHARON PLAN TO SQUEEZE THE PLO OUT OF THE REFUGEE CAMPS IN SOUTH BEIRUT AND FROM THE AREA AROUND THE HEART OF WEST BEIRUT. BUT THERE SEEMS TO BE DISAGREEMENT AMONG MINISTERS AS TO WHETHER THE CABINET APPROVED THE PLAN, OR IF IT WAS LEFT THAT FURTHER CONSULTATION WAS NEEDED BEFORE IT WAS IMPLEMENTED. THE HAWKS SEEM TO BE IN A SMALL MAJORITY IN THE CABINET. THEY INCLUDE MOST OF THE HEAVYWEIGHTS, BUT BEGIN HAS A HABIT OF GETTING HIS WAY ON IMPORTANT ISSUES.

3. THE QUESTION IS WHAT DOES HE WANT. THE CABINET IS DUE TO MEET LATER TODAY, PROBABLY BEGINNING AT 1600Z. THE OSTENSIBLE REASON IS TO HEAR A REPORT FROM SHAMIR ON HIS VISIT TO WASHINGTON; AND ISRAELI SOURCES ARE INDICATING THAT THE QUESTION OF UN OBSERVERS HAS BEEN RELEGATED TO THE WEEKLY CABINET MEETING ON SUNDAY (AT THE SAME TIME THERE ARE SUGGESTIONS IN THE PRESS THAT THIS ISSUE PRECIPITATED YESTERDAY'S ADVANCES, SINCE THE ISRAELIS WANTED TO IMPROVE THEIR POSITIONS BEFORE THE ARRIVAL OF OBSERVERS). BUT BASIC STRATEGY IS BOUND TO BE DISCUSSED. THE POLITICAL COUNSELLOR AT THE US EMBASSY CONFIRMED TO ME THIS MORNING THAT QUITE A FEW MINISTERS SEEMED TO BE IN THE DARK ABOUT RECENT ISRAELI MILITARY MOVES. HARE THOUGHT THAT, FACED WITH A HARDENING US POSITION, THERE WOULD BE PRESSURE FROM SOME HAWKS TO FINISH THE JOB QUICKLY. BUT HE SEEMED REASONABLY CONFIDENT THAT THE ISRAELIS WOULD ALLOW HABIB MORE TIME ( SAY UNTIL THE CABINET MEETING OF 8 AUGUST ) TO PRODUCE HARD EVIDENCE OF REAL PROGRESS WITH THE PLO. HARE SUSPECTED THAT THE ISSUE OF UN OBSERVERS HAD BEEN SUBMERGED BY SUBSEQUENT DEVELOPMENTS AND WAS PRETTY SURE THAT THE ISRAELIS, WHILE INDICATING READINESS TO HAVE ANOTHER CEASEFIRE, WOULD REFUSE TO WITHDRAW TO THE POSITIONS OF 1 AUGUST AS CALLED FOR BY THE SECURITY COUNCIL.

4. HARE SAID THAT BROWN HAD SPOKEN TO BEGIN TWICE YESTERDAY BY TELEPHONE AND HAD CALLED ON SHARON. IN ADDITION, PRESIDENT REAGAN'S MESSAGE ( WITH A COVERING LETTER MAKING FURTHER POINTS TO TAKE ACCOUNT OF SUBSEQUENT MILITARY DEVELOPMENTS ) HAD BEEN DELIVERED SOME TIME AFTER MIDNIGHT LAST NIGHT. THROUGHOUT THESE EXCHANGES THE ISRAELIS HAD BEEN AT PAINS TO MINIMIZE THE MILITARY IMPORTANCE OF WHAT WAS HAPPENING IN BEIRUT. HARE HIMSELF DID NOT BELIEVE THAT ANY NEW POLICY DECISION HAD BEEN TAKEN BY THE ISRAELIS. IT WAS THE MIXTURE AS BEFORE: SALAMI TACTICS, WHICH THE ISRAELIS BELIEVED PUT PRESSURE ON THE PLO, HELPED

WHICH THE ISRAELIS BELIEVED PUT PRESSURE ON THE PLO, HELPED HABIB, AND IMPROVED THEIR OWN TACTICAL POSITION. HARE SUGGESTED THAT THE SIGNIFICANCE OF THE ADVANCE IN THE MUSEUM AREA HAD BEEN CHIEFLY PSYCHOLOGICAL, IN THAT IT DEMONSTRATED TO THE PLO THAT THERE WAS NOTHING SACROSANCT ABOUT THE GREEN LINE.

5. ASKED WHETHER WE COULD EXPECT A DAY OR TWO OF RELATIVE CALM IN BEIRUT, HARE COMMENTED THAT MUCH WOULD DEPEND ON THE PLO. THEY AND THE IDF WERE NOW SO CHEEK TO JOWL THAT CLASHES WERE DIFFICULT TO AVOID. IF THE PLO CAUSED ISRAELI CASUALTIES, THE IDF WOULD UNDOUBTEDLY RESPOND.

6. FOR WHAT IT IS WORTH, I DISCUSSED THE SITUATION YESTERDAY WITH THE DIRECTOR OF THE EUROPE II DIVISION AT THE FOREIGN MINISTRY. GANOR TOOK THE LINE THAT THE PLO WERE FOOLING EVERYBODY, INCLUDING HABIB. THEY WERE STRINGING HIM ALONG, ENDLESSLY RAISING TRIVIALITIES SUCH AS WHETHER THEY SHOULD LEAVE BY SEA OR LAND. GIVEN THE COMFORT WHICH THE PLO HAD TAKEN FROM INTERNATIONAL PUBLIC OPINION AND PRESSURE ON ISRAEL, IT HAD BEEN NECESSARY TO GIVE THEM A SHARP REMINDER THAT THE IDF MEANT BUSINESS. AT THE SAME TIME, THE IMPROVEMENTS IN THE IDF POSITIONS WOULD BE USEFUL IF IT BECAME CLEAR THAT DIPLOMATIC NEGOTIATIONS HAD RUN THEIR COURSE.

7. ASKED WHETHER THE ISRAELIS HAD SET ANY DEADLINES, GANOR SAID THAT IF THERE WAS REAL EVIDENCE OF PROGRESS, HABIB WOULD BE GIVEN AS MUCH TIME AS HE NEEDED. BUT GANOR COULD NOT EXCLUDE THE POSSIBILITY THAT MOUNTING INTERNATIONAL PRESSURE COULD CAUSE THE ISRAELI GOVERNMENT TO GO FOR A QUICK MILITARY SOLUTION. THERE WAS A FEELING THAT THIS WOULD AT LEAST GET THE SUBJECT OFF THE FRONT PAGES. IN THIS CONNECTION, GANOR SUGGESTED THAT WEST BEIRUT HAD NOT YET BEEN SUBJECTED TO REALLY HEAVY BOMBARDMENT AND THAT ONE DOSE WOULD BE ENOUGH TO PERSUADE THE GREAT MAJORITY OF THE CIVIL POPULATION TO LEAVE, THUS MINIMISING CASUALTIES IF AND WHEN AN ALL OUT ASSAULT TOOK PLACE.

8. WITH LUCK, THERE MAY NOW BE A SHORT BREATHING SPACE. BUT IT SEEMS UNLIKELY TO LAST BEYOND THE WEEKEND. I SENSE A GROWING FEELING HERE THAT ISRAEL IS LOSING THE PROPAGANDA WAR AND THAT IT WOULD BE BETTER TO GET THE JOB OVER WITH. BUT BEGIN IS KEENLY AWARE OF THE PENALTIES FOR ISRAEL OF AN ALL OUT ASSAULT, IN TERMS OF CASUALTIES (THEY APPARENTLY LOST 19 DEAD AND MORE THAN 80 WOUNDED IN YESTERDAY'S TRIAL RUN) AND RELATIONS WITH THE UNITED STATES. PROVIDED HABIB CAN MAINTAIN PROGRESS THE ISRAELIS ARE LIKELY TO CONTINUE THE PRESENT POLICY OF SQUEEZING THE PLO. BUT IT

TO CONTINUE THE PRESENT POLICY OF SQUEEZING THE PLO . BUT IT  
WOULD BE CHARACTERISTIC OF BEGIN TO RESPOND TO INTENSE INTERNATIONAL  
PRESSURE BY A SHARP GESTURE OF DEFIANCE . ACTION IN THE SECURITY  
COUNCIL COULD THEREFORE RESULT IN EVEN MORE BLOODSHED IN BEIRUT.

PRENDERGAST

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