

PRIME MINISTER

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Lebanon

The FCO told me at 1000 p.m. that during today the Americans have become very concerned about the situation in the Lebanon. They have been particularly disturbed by what they describe as a defeat for part of the Lebanese army in an engagement which involved, on the other side, some Palestinian forces. We are trying to find out more about this engagement and our Embassy in Beirut has been asked for a full report - there are some indications that it might not have been as serious as the Americans are suggesting.

The National Security Council has met once today already. It is to meet again at about 1100 p.m. our time and we are told that when the meeting is over the President will make a statement. It is not clear what he will say but there have been hints suggesting that the American contingent may be authorised to take offensive action in certain circumstances (we know no more than this). There is no reason to think that Mr. McFarlane's recommendations (discussed at Chequers on Friday) have been accepted in Washington and the French have made it plain that they are firmly opposed to such an approach.

I have asked the Foreign Office to instruct Sir Oliver Wright to try to discover urgently what the President intends to say. This may be difficult because this is presumably what the National Security Council will discuss at 1100 p.m. Sir Oliver will also be told that if he discovers that the proposed statement is likely to involve any significant extension of the mandate for the American contingent or anything else which might be difficult or embarrassing for us he should request prior discussion among the force contributors.

Richard Luce, who is handling this matter in the FCO, has considered whether to recommend that you should ring President Reagan. But he advised against this, largely because we lack sufficient facts at present and because it would be difficult

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anyway to get hold of the President. The Americans are of course well aware of our views. Following the Chequers meeting on Friday the Foreign Secretary sent a message to Mr. Shultz making it clear that in our view there was only a role for the MNF so long as there was a credible government and functioning Lebanese armed forces in the Lebanon.

I do not think that there is anything more we can do. It may well be that the President's statement will not involve any new departure. But I thought you should know the present situation.

JOHN COLES

11 September 1983