SECRET

DECLASSIFIED DEPARTMENT OF STATE
WASHINGTON
NLRRMYS3/Z4/S5726
WASHINGTON
BY LIL NARADATE 7/3/16

17 August 1981

MEMORANDUM FOR: THE PRESIDENT

From : William P. Clark, Acting

- The Beirut ceasefire has been shaken by clashes in the southern suburbs between pro-Iranian Shiite Muslim and pro-Soviet Lebanese communist militias. We have initial indications that Syrians are now maneuvering to separate the combatants. Contributing to the deteriorating security atmosphere has been the perceived lack of momentum in the Bayt ad-Din process. We have been seeking to exchange views with the Saudis on the situation and on measures to consolidate the ceasefire in the south. Since we are unable to contact senior Saudi officials before the end of the week, we have asked Ambassador Dillon to consult urgently with his Saudi colleague in Beirut, as well as the Lebanese, and report on measures they are taking. We are continuing our in-depth consultations with the UN Secretariat. (C)
- Preparations for Liu Huaqing Visit. We still do not have formal Chinese acceptance of our proposal to host PLA Research Chief Liu Huaqing next month, but State-Defense preparations are moving along. We have secured interagency agreement on policy guidelines for arms and technology sales to China which Cap and Al will forward to you shortly for approval. With Commerce and Defense we are carefully studying the specific list of Chinese arms and military technology requests, to develop a positive package which responds to Chinese needs but does not jeopardize our own security requirements or that of third parties. As you know, we believe a successful Liu visit is essential to furthering our strategic relationship with Beijing. At the same time, it is clear the Chinese are continuing to worry over arms sales to Taiwan. In considering our invitation to Liu, Beijing has sought further clarification of our intentions regarding Taiwan sales. We have called their attention to the policy position which Al took in Beijing indicating there is no change. At the same time we have sought to assure the Chinese that we will not embarrass Liu during his visit.

RDS 2/3 8/17/01 (CLARK, William P.)