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PRIORITY DAMASCUS, TUNIS, ALGIERS, JEDDA, JERUSALEM, UKMIS NEW YORK.

MY TELS NOS 896-7: PRESIDENT MUBARAK'S VISIT TO WASHINGTON.

SUMMARY.

1. AMERICANS BELIEVE THAT MUBARAK HAS REASON TO BE SATISFIED WITH HIS TALKS IN WASHINGTON AND THAT THE PRESS PICTURE OF A REBUFF TO HIM IS OVERDRAWN. NO BREAKTHROUGH ON THE PEACE PROCESS, BUT NO BREAKDOWN.

DETAIL.

2. MURPHY GAVE MINISTER TODAY HIS IMPRESSIONS OF MUBARAK'S VISIT. THE EGYPTIANS HAD BEEN SOMEWHAT NETTLED BY THE TENOR OF PRESS REPORTING SO FAR AND THE AMERICAN OFFICIAL BRIEFING WOULD BE TRYING TO INJECT A MORE POSITIVE NOTE. THE EGYPTIAN PRESS HAD THE WORD TO BE UPBEAT THOUGH MUBARAK ADMITTEDLY HAD NOTHING MUCH TANGIBLE TO SHOW FOR HIS VISIT.

3. HIS REQUESTS FOR AID AND DEBT RELIEF HAD NOT BEEN REJECTED. HE HAD HAD A LIVELY AND AMICABLE DISCUSSION WITH PRESIDENT REAGAN WHO HAD EXPLAINED THE BUDGETARY DIFFICULTIES HERE BUT HAD UNDERTAKEN TO DO HIS BEST. THE FACT THAT NO ACTION HAD YET BEEN TAKEN ON ISRAEL'S REQUEST FOR SUPPLEMENTARY 1985 AID MIGHT BE SOME CONSOLATION TO THE EGYPTIANS. MURPHY ADDED THAT THE GROWING PROBLEM OF MILITARY DEBT WOULD HAVE TO BE REVIEWED GLOBALLY RATHER THAN SOLELY IN THE BILATERAL US/EGYPT CONTEXT: NO DECISIONS HAD YET BEEN TAKEN.

4. ON THE PEACE PROCESS, MURPHY SAID THAT IT WAS CLEAR THAT THE EGYPTIANS BELIEVED THAT KING HUSSEIN AND THE PLO HAD GOT AS FAR AS THEY COULD BY THEMSELVES, THAT THE MOMENTUM MUST BE MAINTAINED AND THAT THE TIME HAD COME FOR THE US TO ENGAGE. MUBARAK HAD NOT PRESSED FOR ANY SPECIFIC COURSE OF ACTION. THE EGYPTIANS HAD SPOKEN OF A MEETING BETWEEN THE AMERICANS AND A JORDANIAN/PALESTINIAN DELEGATION IN WASHINGTON OR ELSEWHERE, THEY HAD ALSO FLOATED THE IDEA OF AN EGYPTIAN/JORDANIAN/US MEETING AT FOREIGN MINISTER LEVEL WHICH MIGHT LEAD TO A FURTHER MEETING WITH THE ISRAELIS. IT HAD NOT BEEN CLEAR WHETHER THEY ENVISAGED THIS AS SUPPLEMENTING A US/PALESTINIAN DIALOGUE OR AS A SUBSTITUTE FOR IT. NONE OF THESE IDEAS HAD BEEN ACCEPTED BY THE AMERICANS BUT NOR HAD THEY BEEN REJECTED.

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5. MURPHY THOUGHT THAT MUBARAK UNDERSTOOD THE ADMINISTRATION'S PROBLEMS. HE HAD NOT PRESSED FOR AN IMMEDIATE REACTION. ABDEL MELKUD HAD TOLD MURPHY THAT THE EGYPTIANS REALISED THAT PRESIDENT REAGAN FACED A SERIOUS POLITICAL DECISION. ANY MEETING WITH THE ARAB SIDE WOULD HAVE TO TAKE ACCOUNT OF THE 11 FEBRUARY AGREEMENT. THE QUESTION WAS WHETHER THE PLO HAD MET US CONDITIONS FOR A DIALOGUE. THE EGYPTIANS HAD EMPHASISED THAT THEY WERE NOT TRYING TO SMUGGLE THE PLO INTO THE PEACE PROCESS BY THE BACK DOOR.

6. IN REPLY TO A QUESTION, MURPHY SAID THAT THE US HAD NOT WANTED TO GET INTO THE QUESTION OF HOW PALESTINIAN MEMBERS OF A JOINT DELEGATION SHOULD BE SELECTED NOR HAD THE EGYPTIANS PRESSED THIS. MUBARAK SIMPLY DID NOT DISTINGUISH BETWEEN PALESTINIANS AND THE PLO. HE HAD SUGGESTED THAT PALESTINIAN REPRESENTATIVES SHOULD BE LOW LEVEL - NOT MEMBERS OF THE PLO OR FATAH EXECUTIVE COMMITTEES OR WELL KNOWN NOTABLES. BUT THE QUESTION OF PALESTINIAN REPRESENTATION WOULD NEED THE MOST CAREFUL COORDINATION WITH KING HUSSEIN AND THE ISRAELIS.

7. MURPHY SAID THAT THE ADMINISTRATION HAD NOT DECIDED WHAT TO DO. THE JORDANIAN FOREIGN MINISTER WOULD BE IN WASHINGTON NEXT WEEK. THE AMERICANS WOULD ALSO HAVE TO TALK TO THE ISRAELIS. THE POSSIBILITY OF A VISIT BY MURPHY TO THE REGION IN APRIL REMAINED ON THE CARDS. MEANWHILE, HE THOUGH MUBARAK HAD BEEN CONVINCED THAT HIS CONCERNS WERE TAKEN SERIOUSLY IN WASHINGTON, THAT THE ADMINISTRATION APPRECIATED THE EFFORT THAT HAD GONE INTO PUTTING TOGETHER THE 11 FEBRUARY AGREEMENT AND THAT THEY RECOGNISED IT AS A USEFUL BEGINNING, INVOLVING REAL MOVEMENT ON THE PALESTINIAN SIDE.

8. MURPHY THOUGHT THAT MUBARAK WOULD PRIVATELY ENCOURAGE BOTH US AND THE ITALIANS TO KEEP UP THE PRESSURE ON THE ADMINISTRATION. IN PUBLIC, HE WAS LIKELY TO EXPRESS SATISFACTION WITH HIS VISIT TO WASHINGTON. HE COULD FAIRLY SAY THAT HE HAD PUT FORWARD A NUMBER OF IDEAS WHICH THE ADMINISTRATION WERE CONSIDERING SERIOUSLY AND THAT HE HAD NOT ASKED FOR ANY IMMEDIATE DECISIONS.

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