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SIR J LEAHY  
MR MOBERLY  
SIR J BULLARD  
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FM WASHINGTON 171555Z JUL 82

TO IMMEDIATE FCO

TELEGRAM NUMBER 2470 OF 17 JULY

INFO PRIORITY TEL AVIV, DAMASCUS, AMMAN, CAIRO, JEDDA, TUNIS, PARIS,  
UKMIS NEW YORK.

INFO SAVING BEIRUT

ISRAEL/LEBANON

1. STOESSEL REPORTED TO CONGRESS ON 15/16 JULY THAT A QUOTE  
SUBSTANTIAL VIOLATION BY ISRAEL UNQUOTE OF THE US ARMS EXPORT  
CONTROL ACT QUOTE MAY HAVE OCCURRED UNQUOTE IN LEBANON. HIS  
LETTER WAS CLASSIFIED IN ORDER TO AVOID PUBLIC DEBATE WHICH  
MIGHT AFFECT THE NEGOTIATIONS. THERE HAS ALREADY BEEN CONGRESSIONAL  
CRITICISM OF THE ADMINISTRATION'S FAILURE TO MAKE A MORE DEFINITE  
FINDING.

2. STOESSEL'S LETTER DID NOT REFER TO ISRAELI USE OF CLUSTER-  
BOMBS WHICH IS SUBJECT TO ADDITIONAL BILATERAL AGREEMENTS. AN  
ISRAELI REPLY TO THE AMERICAN APPROACH ABOUT THE ALLEGED USE

BOMBS WHICH IS SUBJECT TO ADDITIONAL BILATERAL AGREEMENTS. AN ISRAELI REPLY TO THE AMERICAN APPROACH ABOUT THE ALLEGED USE OF CLUSTER-BOMBS IN LEBANON IS STILL AWAITED. MEANWHILE A FURTHER SHIPMENT OF CLUSTER-BOMBS TO ISRAEL IS BEING HELD UP.

3. KEMP (NSC) HAS CONFIRMED THAT A VERY SHARP ORAL MESSAGE WAS DELIVERED TO BEGIN EARLIER THIS WEEK, MAKING CLEAR THE PRESIDENT'S DISSATISFACTION WITH THE ISRAELI INTERPRETATION OF CEASEFIRES, AND THE SEVERE CONSEQUENCES FOR US/ISRAELI RELATIONS IF THE ISRAELIS DID NOT GIVE TIME FOR A POLITICAL SOLUTION TO BE FOUND AND PROCEEDED INSTEAD TO LAUNCH A MAJOR ASSAULT ON WEST BEIRUT.

4. THE AMERICANS ARE UNENTHUSIASTIC ABOUT THE PROPOSAL TO MOVE ARMED PLO PERSONNEL FROM BEIRUT TO TRIPOLI OR THE NORTHERN BEKA'A AS THE FIRST STAGE OF WITHDRAWAL WHICH THEY REGARD VERY MUCH AS A LAST RESORT. THEY BELIEVE THAT THE LEBANESE GOVERNMENT WOULD FIND IT DIFFICULT TO IMPOSE A GREATER PLO PRESENCE ON OTHER PARTS OF LEBANON AND THAT THEY WOULD BE UNABLE TO CONTROL THE PLO IN THOSE AREAS. THE PLO WOULD NOT MOVE ON FROM NORTH LEBANON, RATHER THEY WOULD SEEK TO INFILTRATE BACK INTO BEIRUT AND THE SOUTH. ANY SUCH STAGED WITHDRAWAL WOULD REQUIRE AN UNEQUIVOCAL COMMITMENT FROM OTHER ARAB STATES TO ACCEPT THE PLO IN THE SECOND STAGE: ARAB RELUCTANCE TO DO THIS REMAINS THE MAIN IMMEDIATE PROBLEM.

5. HILL (STATE DEPARTMENT) TOLD US TODAY THAT THE US ATTITUDE TO THE FRANCO-EGYPTIAN INITIATIVE WAS UNCHANGED, THE AMERICANS WANTED NOTHING TO DO WITH IT AND THOUGHT IT RIDICULOUS AT THIS MOMENT IN EFFECT TO REWRITE SCR 242. THE FRENCH KNEW THIS. MRS KIRKPATRICK'S APPARENTLY MORE FORTHCOMING LINE (UKMIS NEW YORK TELNO 1134) REFLECTED A MISUNDERSTANDING OF A CONVERSATION WITH THE EGYPTIANS FROM WHICH SHE HAD GAINED AN INACCURATE IMPRESSION OF WHAT THEY WERE PROPOSING.

FCO PASS SAVING BEIRUT

HENDERSON

~~MA~~ PASSED BY C. O. D.

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