

~~SECRET~~

(11)



THE UNDER SECRETARY OF DEFENSE

WASHINGTON, D.C. 20301

8 SEP 1981

POLICY

MEMORANDUM FOR SECRETARY OF DEFENSE

SUBJECT: Your Meeting with Prime Minister Begin (U) --
INFORMATION MEMORANDUM

(S) The main issue of conflict with Begin, from your point of view, is likely to be the sale of the AWACS. Knowing the importance for the Administration of the AWACS outcome in Congress, Begin and his Defense Minister Sharon will probably use this issue to try to upgrade the US-Israeli defense relationship and have US security more visibly coupled with Israeli's security -- without, of course, openly agreeing to the AWACS sale.

(S) Begin and Foreign Minister Shamir indicated to Ambassador Lewis that they would handle their opposition to AWACS in a low key. It remains to be seen how this low key opposition will affect the process in the Senate.

(S) Begin (or Defense Minister Sharon) will give to the President and you a memo stating their concerns about AWACS. It appears that a "new" concern has arisen, as a result of the inspection of the AWACS by Israeli experts. (I am trying to get an advance copy of the memo for our analysis.) Apparently, the concern is that the AWACS could make important observations about Israeli aircraft operations, even if it were stationed in the Northwest only intermittently, and that these observations could be passed on to the other Arab states. It is my recommendation that you not get drawn into discussions of the AWACS capabilities with Begin, but propose to him that you would look forward to making a full presentation with his Defense Minister. You might confine yourself to the assertion that:

- The system will help the overall security in the region and hence contribute to Israel's security.
- That we are confident that the equipment will not be diverted from the intended purpose and have taken steps to assure that.
- That we have also looked carefully into the possible impact of the enhancement package on the military balance vis a vis Israeli and have concluded that this impact would be minor and easily be compensated for.

~~Declassify on 8 Sep 87~~

DECLASSIFIED IN FULL
Authority: EO 13526
Chief, Records & Declass Div, WHS
Date: SEP 10 2018

~~SECRET~~

380-83-0104, h8, Israel (Sep-Dec) 51

18-M-1454

~~SECRET~~

(S) On the US-Israeli strategic relationship, Begin and his team probably picked up enough intelligence by now to know that we are willing to consider a number of arrangements, some of them of keen interest to them.

(S) The President's expression that Israeli for us is a "strategic asset" is now being turned around by the Israelis: if they are a strategic asset -- they argue -- then our contingency plans and military dispositions should reflect that.

(S) I recommend that you not explicitly tie Congressional approval of the AWACS sale to the follow-on steps in the US-Israeli relationship. Doing so could be used against you and the President in public, and could backfire. The fact that progress on the strategic relationship and progress on the AWACS sale are coupled can be conveyed by implication.

(S) On the strategic dialogue, you can also stress that you look forward to discussing specific ideas with Defense Minister Sharon and simply let Begin bring up specifics or ask questions if he wants to. We should try to hold back on such ideas as joint naval exercises and repositioning, and let the Israelis bring it up. If they do not bring it up at the end of Sharon's meeting, it is time enough for us to surface the ideas.

(S) On defense trade, you should note that we are prepared to send a team to Israel to begin talks on 20 September with MOD and industry personnel to explore a variety of approaches which might be taken to strengthen Israel's defense industrial bases. Indicate that Minister Sharon and you will talk more about this program on Friday. You might not that in this regard, we are now reviewing a Pratt and Whitney manufacturing license application for the 1120 engine for the LAVIB fighter. We expect that review to be finished favorably but with a few technology caveats -- prior to the Prime Minister's departure.

(S) With respect to security assistance, Begin may provide you an early copy of Israel's annual aid white paper (or tell you it will be ready shortly), and ask that DoD receive a small team to review it with us. Assure him we will be happy to review the request as we have in the past, but point out that our own budget constraints are making it very difficult for us to accommodate a number of other countries at levels we think necessary. Tell Begin we are aware of Israel's long term defense requirements but will be interested in hearing Minister Sharon's views on this subject after he has had an opportunity to develop his own concepts. Agree to a separate MOD visit later in the fall so we can address the full range of defense specifics.

Office of the Secretary of Defense
Chief, RDD, ESD, WIIS

Date: 10 SEP 2013 Authority: EO 13526 + SIK 9552

Declassify: Deny in Full: _____

Declassify in Part: _____

Reason: _____

MDR: B -M- 1454

Fred
Fred C. Ikle

DECLASSIFIED IN FULL
Authority: EO 13526
Chief, Records & Declass Div, WHS
Date: SEP 10 2018

~~SECRET~~