

# PREM19

# 92

## MIDDLE EAST

(Situation in Middle East)

(Part 1)

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The Situation in the Middle East

MIDDLE EAST.

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Part 1:

MAY 1979.

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
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<del>23.5.79</del>		<del>26.9.79</del>					
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● PART 1 ends:-

NFR PM / King Hussein 20.9.79

PART 2 begins:-

Tel Aviv to Fro Tel 440 21.9.79

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Subject on Jordan: June 79  
Visit to London by King Hussein

Middle East

RECORD OF A DISCUSSION BETWEEN THE PRIME MINISTER AND KING HUSSEIN OF JORDAN AT 10 DOWNING STREET ON 20 SEPTEMBER 1979 AT 1800 HOURS

Present:

Prime Minister	King Hussein of Jordan
Mr. J.C. Moberly	Sherif Abdul Hamid Sharaf
Mr. Michael Alexander	Sherif Zeid bin Shaker
	H.E. Ibrahim Izziddin

\* \* \* \* \*

The Middle East Situation

King Hussein said that he thought there was a growing understanding of the need to take another look at the situation in the Middle East. The Camp David process had reached the limits of its possibilities. Mr. Strauss would get no further. Egypt had already exceeded all the limits of what might have been expected. The prestige of the United States had suffered greatly. What was required was a different approach. It would need to involve other nations and the Palestinians themselves. In this way a means of extricating the United States from its present position might be found. The Jordanian Government was in direct touch with the Palestinian Liberation Organisation (PLO).

The Prime Minister asked whether there were any signs that the PLO were prepared to place less reliance on terrorism and more on negotiation. She was one of those who recoiled somewhat from the idea that the PLO should be accepted as the sole representative of the Palestinians. Were there no spokesmen who were not terrorists? King Hussein said that he had been trying to distance the PLO from some Arab states and also to make them more representative of the Palestinians as a whole. He had recently been pleasantly surprised by the attitude being adopted by the PLO. Their approach was more mature than in the past. They had raised specific issues with him, particularly in relation to the future relationship between a West Bank controlled by the Palestinians and Jordan. King Hussein said that he was unwilling to take the lead in the discussion of future options. He was for Palestinian self-determination. Whatever the Palestinians decided the Jordanian Government would accept. He was

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was very ready

# CONFIDENTIAL

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was very ready to pursue the dialogue with the Palestinians and had told them he awaited their proposals about the future. Mr. Arafat had said the previous day that he intended to resume discussion of this subject as soon as King Hussein returned from the General Assembly. The Prime Minister asked whether King Hussein would accept a loose federal relationship between the West Bank and Jordan. King Hussein said that the relationship would certainly pose problems for Jordan but that his people felt very close to the Palestinians. They had a duty to them, as members of one family, to aid them in seeking the recovery of their land. Sherif Abdul Hamid Sharaf said that the Jordanian Government was willing to consider any relationship with whatever entity resulted from the free choice of the Palestinian people. The King was prepared to give this message to everyone.

The Prime Minister asked how progress could be made in the immediate future. King Hussein said that he was trying to formulate the new Arab position. He hoped that a cross-section of Arab representatives would soon be able to discuss together how far Resolution 242 was still valid; what changes should be made in it; and what principles a new settlement should incorporate. He thought this work could be done reasonably quickly. He intended to bring forward in New York the outline of a new Resolution or at least the principles on which it might be based. He did not wish to push ahead too rapidly. Indeed, he had been urging on the PLO for some time the need to go slowly in order to avoid a confrontation with the United States and a possible veto on a Resolution incorporating moderate Arab views. The Prime Minister agreed about the need not to make matters too difficult for the United States.

The Prime Minister asked whether the PLO still had difficulty in recognising publicly the right of Israel to exist. King Hussein said that there had to be a balanced approach to the problem. On the one side the Israelis had to recognise the rights of the Palestinians to self-determination and agree to withdraw from the occupied territories; on the other side, the Palestinians would have to recognise the right of Israel to exist. Sherif Abdul Hamid Sharaf said that King Hussein had been focussing on moderating the position of the PLO. The Palestinians had for many years asserted their rights to all the territory of Israel. The acceptance of an Israeli

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/ state

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state, eg through an amended Resolution 242, presented major psychological and political difficulties for them. However, they were moving in that direction. So was Arab opinion in general as could be seen by the contrast between the present position and that at the time of the rejectionist Arab summit a year ago.

Sherif Abdul Hamid Sharaf went on to say that there was, however, another side to the question where European Governments, and in particular the United Kingdom, could help. The necessity for Israel to accept the right of the Palestinians to self-determination had not been sufficiently stressed. If Western Governments did not try now to break the deadlock there was a risk that the opportunity would be lost. The present powerlessness of the United States increased the significance of Europe's position. The United Kingdom had been lagging behind some of its partners. If the United Kingdom were to push in the direction of a more explicit recognition of Palestinian rights and of the need for Israel to move, this would be of great assistance. If Israel came to realise that the position of her principal supporters in Western Europe and North America was shifting, this would make an enormous difference.

The Prime Minister said that she had told Mr. Begin during his visit to London that political autonomy on the West Bank was meaningless unless it meant autonomy over the territory as well. However, it was very hard for the Israelis, after generations of suspicion, to adjust to a new situation. It was difficult for them to believe that the Arabs genuinely accepted their right to exist. But a stable solution to the problems of the Middle East was of the greatest importance both for the West and for Israel itself. Jordan's doubts about the Camp David process appeared to have been justified and another approach might have to be found. If there were to be mutual assurances about self-determination for the Palestinians and Israel's right to exist they would have to be given simultaneously.

The Prime Minister asked King Hussein about the American position and his Government's contacts with the United States. King Hussein said that, as a result of Camp David, the United States was no longer able to play its proper role in the Middle East.

CONFIDENTIAL / Their political and

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- 4 -

Their political and material commitment to Israel was too great to enable them to be neutral. It would be a service to them to find a new approach. Sherif Abdul Hamid Sharaf said that the Jordanian Government had been promised by President Johnson that the United States would throw its weight behind the implementation of Resolution 242 but nothing had happened. They were now therefore less interested in formulations than in intentions. What was needed were binding commitments. Recent contacts between the United States and Jordan had been difficult and unsatisfactory. There had been a good deal of confusion.

The Prime Minister asked whether the Jordanian Government had given any thought to the details of the self-determination process. What question would be put to the Palestinians; would the process be in one or more stages? Many Western Governments would, for instance, be happier if they knew that the results of self-determination would be a federal relationship between the Palestinian West Bank and Jordan. King Hussein said that this would be a question for negotiation. The Jordanians had written a paper on the subject. They had discussed this with the United States before Camp David. They had come to the conclusion that there were dangers in being too specific. The King did not dissent when the Prime Minister said that she had the impression the Jordanian Government were thinking in terms of a two-stage process ie agreement on withdrawal and self-determination followed by a decision about the nature of the Palestinian administration. Sherif Abdul Hamid Sharaf said that agreement on the basic issue would create a new climate. But he said that if Jordan were to be asked to take responsibility for the Palestinians, Jordan would need to be strengthened. He did not see any difficulty, however, in principle about developing a programme to absorb the Arab labour at present being employed on Israeli construction projects.

Sherif Abdul Hamid Sharaf concluded the discussion of the Middle East problem by reiterating that Jordan hoped for the help of the United Kingdom in pushing for an alternative approach to the problem. This approach should have concern for the Palestinians at its heart. The PLO had agreed not to force the issue. They were willing to accept co-existence with Israel but now they wanted to know what to do next. A special effort was needed.

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Tanks

The Prime Minister referred to the discussion which Sherif Zeid bin Shaker would be having at the Ministry of Defence the following day about the sale of British tanks to Jordan. She said she was anxious to see the negotiation successfully completed. HMG were prepared to supply the tanks at cost price. The Prime Minister said she was advised that an agreement could be concluded. It was her wish that it should be concluded. She wished to see the historic ties between the United Kingdom and Jordan in this field restored. She intended to ask later the next day about the progress that had been made. Sherif Zeid bin Shaker said that he hoped it would prove possible to complete the negotiations at his meeting.

He said that his Government were also looking for political agreement on the despatch of a number of British training missions to Jordan. He envisaged the training teams spending six months to a year in Jordan. The details could be worked out after the decision of principle had been taken. The Prime Minister said she favoured the idea and would take an interest in the progress of the discussions about it.

The discussion ended at 1910.

*Ans*

20 September 1979

Middle East

GRS 120

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FM CAIRO 191200Z SEP

TO PRIORITY FCO

TELEGRAM NR 706<sup>A</sup> OF 19 SEP 79  
INFO ROUTINE TEL AVIV AND WASHINGTON:

*Prime Minister*  
*Plus*

*mt*

ARAB/ISRAEL

1. THE EGYPTIAN PRIME MINISTER YESTERDAY (18 SEPT) ISSUED A STATEMENT STRONGLY CONDEMNING THE ISRAELI DECISION TO PERMIT ISRAELI CITIZENS TO PURCHASE LAND ON THE OCCUPIED TERRITORIES AS "A PRELUDE TO PRESSURE ON THE ARAB INHABITANTS TO FORCE THEM TO SELL THEIR LANDS". HE DESCRIBED THE DECISION AS AN OBSTACLE IN THE PATH OF A PEACEFUL SETTLEMENT. THE EGYPTIAN FOREIGN MINISTRY ISSUED A SIMILAR STATEMENT ON 17 SEPT.

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FM TEL AVIV 171215Z SEP 79

TO PRIORITY FCO

TELEGRAM NUMBER 436 OF 17 SEPTEMBER

INFO AMMAN CAIRO DAMASCUS WASHINGTON AND JERUSALEM

*Prime Minister*  
*A further complication*

*Am*  
*18/9*  
*am*

JEWISH LAND PURCHASE IN THE OCCUPIED TERRITORIES

1. THE ISRAELI CABINET IS REPORTED TO HAVE DECIDED UNANIMOUSLY ON 16 SEPTEMBER TO LIFT THE BAN ON JEWS PURCHASING LAND IN THE OCCUPIED TERRITORIES. THE BAN WAS IMPOSED IN 1967 IN CONTINUATION OF THE JORDANIAN LAW ON THE MATTER. THE PROPOSAL TO REMOVE IT IS SAID TO HAVE BEEN MADE BY MR WEIZMAN, (ALTHOUGH HE IS AT PRESENT IN THE US). THE DRAFT DECISION WAS THEN APPARENTLY FORMULATED BY MR BEGIN AND THE ATTORNEY-GENERAL.
2. SPEAKING TO THE PRESS AFTER THE CABINET MEETING, THE CABINET SECRETARY IS QUOTED AS SAYING THAT THE DECISION WAS AS YET ONE OF "PRINCIPLE"; PRACTICAL DETAILS HAD YET TO BE WORKED OUT. NOAR IS REPORTED TO HAVE ASSERTED THAT THE BAN HAD DISCRIMINATED AGAINST JEWS AND ISRAELIS SINCE THEY COULD BUY LAND ANYWHERE IN THE WORLD EXCEPT IN THE OCCUPIED TERRITORIES; THE LIFTING OF THE BAN REPRESENTED THE FULFILMENT OF A LIKUD ELECTION PROMISE.
3. THIS MOVE BY THE CABINET CAME AS A SURPRISE TO MOST OBSERVERS HERE. WHILE THE IDEA ITSELF IS NOT NEW - MR DAYAN MADE A SIMILAR PROPOSAL WHEN MINISTER OF DEFENCE IN 1971 BUT WAS REFUSED - THE TIMING SEEMS MOST LIKELY TO HAVE BEEN DETERMINED BY THE FACT THAT THE QUESTION OF LAND PURCHASE IN THE OCCUPIED TERRITORIES HAS BEEN UNDER CLOSE EXAMINATION IN THE ISRAELI CABINET IN THE WAKE OF THE WRANGLE BETWEEN MR YADIN AND MR SHARON OVER THE ESTABLISHMENT - MR SHARON CALLS IT "EXPANSION" - OF TWO NEW SETTLEMENTS (ON WHICH WE SHALL BE REPORTING SEPARATELY WHEN THE FINAL OUTCOME IS KNOWN).

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/4. MR BEGIN,

4. MR BEGIN, MR SHARON AND OTHER "EXPANSIONISTS" IN THE CABINET MAY HAVE WANTED:

- A) TO DEMONSTRATE YET AGAIN THAT ISRAEL REMAINS DETERMINED TO PURSUE LAND PURCHASE POLICIES IN THE OCCUPIED TERRITORIES WHICH SHE BELIEVES TO BE IN HER OWN BEST INTERESTS, WHATEVER EXTERNAL CRITICISM THIS MAY ATTRACT;
- B) TO REASSURE GUSH EMUNIM THAT THE CABINET'S HEART IS STILL IN THE RIGHT PLACE;
- C) TO REDUCE THE NUMBER OF DIRECT CONFRONTATIONS AND DISPUTES BETWEEN ARAB LANDOWNERS AND THE ISRAEL GOVERNMENT OVER SETTLEMENT: IF PRIVATE INDIVIDUALS ARE NOW TO PURCHASE LAND FOR SETTLEMENT, ARABS WHO DISPUTE THEIR RIGHT TO DO SO ARE PRESUMABLY GOING TO HAVE TO SUE THEM RATHER THAN, AS NOW (E.G. WITH ELON MOREH) THE ISRAELI MILITARY ADMINISTRATION (IN EFFECT, THE ISRAEL GOVERNMENT). THIS COULD HAVE THE EFFECT OF REDUCING THE DEGREE TO WHICH CABINET MINISTERS ARE SUBJECT TO DIRECT ATTACK, AND, THEIR MOTIVES QUESTIONED IN THE COURTS, OVER SETTLEMENT POLICY.

5. THE PRACTICAL IMPLICATIONS OF THE CABINET DECISION WILL TAKE SOME TIME TO EMERGE. ON THE FACE OF THINGS, THE REMOVAL OF THE BAN OPENS THE WAY FOR GUSH EMUNIM AND THEIR FOREIGN FINANCIERS TO ACQUIRE LAND LEGALLY FOR THEIR SETTLEMENT ACTIVITIES. AS HM CONSUL-GENERAL JERUSALEM, HAS POINTED OUT, SOME ILLEGAL PURCHASES HAVE ALREADY TAKEN PLACE THROUGH MIDDLEMEN. HOWEVER, WOULD-BE PURCHASERS WILL STILL APPARENTLY NEED THE APPROVAL OF THE MILITARY ADMINISTRATION; AND, AS THE CABINET SECRETARY MADE CLEAR YESTERDAY, LEGISLATION PROHIBITING ISRAELIS FROM SPENDING MORE THAN 48 HOURS IN THE OCCUPIED TERRITORIES WITHOUT PERMISSION REMAINS IN FORCE. FINALLY, PURCHASERS WILL HAVE TO FIND WILLING ARAB SELLERS, A DIFFICULT TASK GIVEN THE LIKELIHOOD OF PLO REPRISALS AND THE FACT THAT, AS WE UNDERSTAND IT, THE SALE OF LAND IN THE TERRITORIES TO JEWS IS A CAPITAL OFFENCE UNDER JORDANIAN LAW.

MASON

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FILE

Middle East <sup>vle</sup>

10 DOWNING STREET

cc CO

From the Private Secretary

14 September 1979

M.S.

Middle-East: Policy towards the Palestinians

The Prime Minister has seen the Foreign and Commonwealth Secretary's minute of 11 September on this subject. She has minuted that she is deeply opposed to the course of action proposed. She does not agree that we should make any advance in our contacts with the P.L.O.. She does not believe that we should get involved in an informal Ministerial meeting with the P.L.O.. In regard to paragraph 2(ii) the Prime Minister has asked when H.M.G. became committed to the inclusion of the right to a homeland among the Palestinian rights which should be taken into account in a comprehensive peace settlement.

More generally the Prime Minister does not believe that a solution based on self-determination for the Palestinians in the West Bank and the Gaza Strip is viable. She does not believe that the "homeland" policy has been studied in sufficient detail for us to know what it means in practice.

I am sending a copy of this letter to Martin Vile (Cabinet Office).

M. O'D. B. ALEXANDER

G. G. H. Walden, Esq.,  
Foreign and Commonwealth Office.

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Prime Minister

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GRS 283

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FM TEL AVIV 140900Z SEP

TO ROUTINE FCO

TELNO 433 OF 14 SEPT

INFO CAIRO AMMAN DAMASCUS WASHINGTON UKMIS NEW YORK JERUSALEM (PASSED)

MR BEGIN'S HEALTH.

1. PRESIDENT SADATS CONCERN ABOUT MR BEGIN'S PHYSICAL HEALTH, REPORTED IN CAIRO TELNO 700, HAS BEEN CITED HERE ALSO AS A REASON FOR HIS "MODERATION" AT THE HAIFA MEETING LAST WEEK.

2. THERE IS OF COURSE, AS ALWAYS, SPECULATION ABOUT MR BEGIN'S HEALTH. THE CURRENT VEIN CAN BE SUMMARISED AS FOLLOWS: MR BEGIN IS NOW DELIBERATELY TAKING THINGS EASY. HE HAS EXCHANGED THE PREVIOUS STIMULANT DRUGS FOR HIS HEART CONDITION, WHICH ALLEGEDLY CONTRIBUTED TO AN OCCASIONAL EUPHORIA, FOR ANTI-CHOLESTOROL TREATMENT, AND IS THEREFORE MORE SUBDUED. HE TIRES EASILY, IS IN GOOD FORM IN THE MORNING BUT EXHAUSTED BY EVENING. HIS STAFF ARE AT PAINS TO PROTECT HIM FROM UNDUE EXERTION.

3. AGAINST THIS, I SHOULD REPORT THAT ON THREE OCCASIONS, TWICE PUBLICLY AND ONCE PRIVATELY, ON WHICH I HAVE SEEN MR BEGIN IN THE LAST TEN DAYS, HE HAS NOT STRUCK ME AS BEING IN WORSE HEALTH THAN USUAL. NOR HAVE I OBSERVED HIS STAFF PARTICULARLY PROTECTING HIM. HE IS AS INDISCRIMINATE AS EVER ABOUT RECEIVING VISITORS.

4. THE EVIDENCE WHICH I CAN OFFER, BOTH DIRECT AND INDIRECT, IS THUS INCONCLUSIVE. MY GUESS IS, HOWEVER, THAT DESPITE PARA 3 ABOVE, MR BEGIN IS AT PRESENT IN SOMEWHAT OF A DECLINE. HIS CABINET HAVE BEEN BEHAVING IN A WAY WHICH WE WERE ACCUSTOMED TO OBSERVE ONLY WHEN MR BEGIN WAS OUT OF THE COUNTRY, AND HE MAY BE LOSING EITHER CONTROL OF THEM OR INTEREST IN CONTROLLING THEM.

CABINET HAVE BEEN BEHAVING IN A WAY WHICH WE WERE ACCUSTOMED TO OBSERVE ONLY WHEN MR BEGIN WAS OUT OF THE COUNTRY, AND HE MAY BE LOSING EITHER CONTROL OF THEM OR INTEREST IN CONTROLLING THEM. HIS OVERALL GRIP ON AFFAIRS, INSIDE OR OUTSIDE THE CABINET, DOES INDEED SEEM TO BE SLACKENING. BUT IT IS MUCH TOO EARLY TO DRAW CONCLUSIONS FROM THIS ABOUT THE LONGEVITY OF HIS GOVERNMENT.

M A S O N

NNNN

SECRET UK EYES ALPHA

FM AMMAN 141130Z SEPT  
TO IMMEDIATE FCOTEL NO 358 OF 13 SEPTEMBER 1979,  
INFO PRIORITY BAGHDAD, BEIRUT, CAIRO, DAMASCUS, TEL AVIV, UKMIS  
NEW YORK, WASHINGTON AND CG JERUSALEM.

MIPT (NOT TO POSTS) : JORDAN/PLO

1. WHEN I SAW KING HUSSEIN TODAY, HE SPOKE AT SOME LENGTH ABOUT ARAFAT'S VISIT TO JORDAN ON 21 AUGUST AND OF THE GREAT IMPROVEMENT WHICH WAS TAKING PLACE IN RELATIONS BETWEEN JORDAN AND THE PLO (SEE OUR TELS NOS 335 AND 336 OF 24 AUGUST AND SINDALL'S TELELETTER TO CROSBY OF 31 AUGUST, NOT COPIED TO BEIRUT). HE HAD SEEN ARAFAT AGAIN AT THE HAVANA NON-ALIGNED CONFERENCE AND ARAFAT WOULD BE RETURNING TO AMMAN FOR FURTHER TALKS WITHIN THE NEXT FEW DAYS. IT SEEMED TO KING HUSSEIN THAT ARAFAT HAD NOW REALISED THAT HE NEEDED ASSISTANCE AND GUIDANCE FROM THE JORDANIANS WHICH HE COULD NO LONGER OBTAIN FROM ANY OTHER ARAB SOURCE. FOR EXAMPLE HE HAD SOUGHT THE KING'S VIEWS ON CONTACTS WHICH THE PLO HAD HAD WITH THE US AMBASSADOR IN VIENNA, IS ARAFAT WAS UNCERTAIN WHETHER THE AMERICANS WANTED TO CONDUCT A GENUINE DIALOGUE WITH THE PLO OR WHETHER THEY WERE SIMPLY STRINGING THE PLO ALONG FOR PURPOSES OF THEIR OWN.

2. KING HUSSEIN WENT ON TO SUGGEST THAT ARAFAT'S APPARENT EAGERNESS TO CONSULT THE JORDANIANS AND THE REALISATION BY THE PLO THAT THEY NEEDED JORDANIAN HELP IF THEY WERE EVER TO FIND A WAY OUT OF THE PRESENT MIDDLE EAST IMPASSE WERE SOMETHING QUITE NEW: HE NOW THOUGHT IT JUST POSSIBLE THAT THE JORDANIANS AND THE PLO TOGETHER MIGHT BE ABLE TO WORK OUT JOINT PROPOSALS DESIGNED TO BREAK THE PRESENT DEADLOCK. THINKING ALOUD, THE KING WENT ON TO SUGGEST THAT THE BEST CHANCE OF SUCCESS WOULD BE AN ARAB INITIATIVE PUT FORWARD JOINTLY BY JORDAN AND THE PLO WHICH HAD THE SUPPORT OF AND WAS COORDINATED WITH 'OUR EUROPEAN FRIENDS'. HE THOUGHT THE AMERICANS MIGHT EVEN WELCOME THIS AS A WAY OUT OF THEIR DIFFICULTIES. HE REMAINED DEEPLY DEPRESSED BY US MIDDLE EAST POLICY AND REGARDED THE PRESENT US ADMINISTRATION



AS WHOLLY UNRELIABLE AND PEOPLE WITH WHOM HE HAD GREAT DIFFICULTY IN DEALING. WHEN I ASKED HIM WHETHER HE WOULD BE SEEING ANY LEADING AMERICANS DURING HIS VISIT TO NEW YORK, HE SAID HE HAD NOT RECEIVED ANY INVITATION TO VISIT WASHINGTON AND WOULD CERTAINLY NOT ASK FOR ONE IN PRESENT CIRCUMSTANCES SEMICOLON NOR WAS HE EVEN SURE THAT HE WOULD SEE MR VANCE IN NEW YORK, ALTHOUGH THIS WAS A POSSIBILITY. (I HAVE SINCE HEARD FROM MY US COLLEAGUE, TO WHOM I GAVE A MUCH ABBREVIATED ACCOUNT OF MY DISCUSSION WITH THE KING, THAT HE WAS STILL AWAITING INSTRUCTIONS REGARDING THE ARRANGEMENTS FOR KING HUSSEIN'S VISIT TO THE US).

3. THE KING TOLD ME THAT HE HAD DISCUSSED THESE DEVELOPMENTS VERY FRANKLY WITH PRESIDENT GISCARD ON HIS WAY BACK FROM HAVANA AND MUCH HOPED TO SEE YOU EITHER IN LONDON OR NEW YORK.

4. IT IS PERHAPS TOO SOON TO COMMENT SUBSTANTIVELY ON THE IDEAS KING HUSSEIN WAS FLOATING. BUT IF THE JORDANIANS AND THE PALESTINIANS COULD GENUINELY SUBMERGE PAST DIFFERENCES AND ACHIEVE THE NECESSARY DEGREE OF CO-ORDINATION OF THEIR POLICIES TO NEGOTIATE JOINTLY, THIS MIGHT OPEN UP NEW POSSIBILITIES. THE ATTRACTIONS FOR THE KING ARE OBVIOUS: HE COULD BOTH CIRCUMVENT THE 1974 RABAT SUMMIT DECISION AND FULFIL HIS LONG-HELD WISH THAT JORDAN SHOULD PLAY A CENTRAL ROLE IN A MIDDLE EAST SETTLEMENT, WHICH IN TURN WOULD GIVE JORDAN THE PROSPECT OF RETAINING A LINK WITH THE WEST BANK. BUT THERE ARE ALSO DANGERS, NOT LEAST THE DEEPLY HELD SUSPICIONS OF THE PLO HARBOURED BY MANY JORDANIANS, PARTICULARLY IN THE ARMED FORCES, FOLLOWING THE EVENTS OF 1970.

5. THE KING CLEARLY SEES THE EUROPEANS (BY WHOM HE MEANS IN THE FIRST INSTANCE OURSELVES, THE FRENCH AND THE GERMANS) AS HAVING A POTENTIALLY KEY ROLE IN ALL THIS, PARTICULARLY VIS-A-VIS THE AMERICANS. AS KING HUSSEIN WILL HAVE SEEN ARAFAT AGAIN BEFORE HE VISITS LONDON AND NEW YORK, YOU MIGHT WELL FIND IT WORTHWHILE TO ASK HIM TO DEVELOP HIS IDEAS FURTHER. NATURALLY IF THE PRIME MINISTER, WHOM HE HOLDS IN THE HIGHEST ESTEEM, COULD ALSO RECEIVE HIM, I KNOW HE WOULD GREATLY APPRECIATE IT. RIGHTLY OR WRONGLY THE KING NOW SEES A GLEAM OF HOPE IN WHAT FOR HIM HAS FOR MANY MONTHS BEEN AN ENTIRELY BLACK PICTURE.

SECRET

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*Mr has seen Prime Minister*

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TO IMMEDIATE FCO

TELEGRAM NR 700 OF 13 SEP 79  
INFO PRIORITY TEL AVIV JEDDA DAMASCUS AMMAN JERUSALEM  
WASHINGTON AND UKMIS NEW YORK:

MY TELNO 692: EGYPT/ISRAEL

1. THE AMERICAN AMBASSADOR HAS GIVEN ME IN CONFIDENCE AN ACCOUNT OF STRAUSS'S VISIT HERE FROM 8-11 SEPT. HE EXPLAINED THE SURPRISINGLY OPTIMISTIC TONE OF STRAUSS'S PUBLIC COMMENTS ("THE MOST CONSTRUCTIVE TALKS YET, HOPE REPLACED BY CERTAINTY" ETC) PRIMARILY BY THE NEED TO MATCH THE EUPHORIA OF PRESIDENT SADAT'S RECENT STATEMENTS. BUT STRAUSS HAD GENUINELY FOUND THE TALKS VALUABLE IN GIVING HIM A CLEARER PICTURE OF EGYPTIAN POLICY THAN HITHERTO, THANKS TO A THREE-HOUR SESSION WITH MUSTAFA KHALIL FOLLOWING HIS MEETING WITH SADAT. A GOOD PART OF THIS HAD BEEN BY WAY OF POST-MORTEM ON THE ABORTIVE US/PALESTINE INITIATIVE LAST MONTH, RUBBING IN THE MISTAKE OF TAKING THE EGYPTIANS FOR GRANTED.

2. SADAT'S ACCOUNT OF HIS HAIFA VISIT FAITHFULLY REFLECTED HIS INTERVIEW WITH THE MEDIA IN ISRAEL AND EGYPT, ABOVE ALL HIS BELIEF IN THE WARMTH AND DEPTH OF HIS PERSONAL RELATIONSHIP WITH BEGIN. HE WAS FULL OF CONCERN ABOUT BEGIN'S PHYSICAL HEALTH AND DOMESTIC POLITICAL PROBLEMS, AND DETERMINED TO DO NOTHING THAT AGGRAVATED EITHER. HE HAD THUS HAD NO HESITATION IN MAKING CONCESSIONS ON SECONDARY MATTERS THAT MIGHT IMPROVE BEGIN'S POSITION AND HIS EVENTUAL ABILITY TO RESPOND. BUT SADAT HAD CONCLUDED THAT BEGIN NEEDED TIME, AND THAT HE WOULD

BEGIN'S POSITION AND HIS EVENTUAL ABILITY TO RESPOND. BUT SADAT HAD CONCLUDED THAT BEGIN NEEDED TIME, AND THAT HE WOULD NOT THEREFORE PRESS FOR SUBSTANTIVE PROGRESS IN THE AUTONOMY TALKS BEFORE DEC/JAN. IF AT THAT POINT THE ISRAELIS REMAINED UNCOMPROMISING, SADAT WOULD LOOK TO THE UNITED STATES TO APPLY PRESSURE, BUT HE DID NOT THREATEN ANY ACTION ON EGYPT'S PART, EG TM SLOW DOWN THE NORMALISATION PROCESS.

3. ON THE THREE BILATERAL ISSUES AGREED AT HAIFA, ATHERTON RECALLED THAT THE SECRET AGREEMENT ON OIL REACHED IN WASHINGTON LAST MARCH PROVIDED ONLY THAT PRODUCTION WOULD CONTINUE UNINTERRUPTED IN RETURN FOR A TWO-MONTH ADVANCE IN ISRAELI WITHDRAWAL FROM THE OIL FIELDS. THE ARGUMENT SINCE HAD BEEN ON QUANTITY AND PRICE, AND SADAT HAD SEEN NO REASON NOT TO ACCEDE TO BEGIN'S REQUEST FOR 2 MILLION TONS, ALTHOUGH SOME OF THIS WOULD HAVE TO COME FROM OTHER FIELDS THAN ALMA WHERE THE EGYPTIANS WOULD REDUCE PRODUCTION FOR CONSERVATION REASONS. (BY CONTRAST THE MINISTER OF ECONOMY

REMARKED TO ME LAST WEEK THAT IF THE REPORT ABOUT 2 M TONS WERE TRUE THE EGYPTIAN OIL MINISTER WOULD "HIT THE CEILING"). THE PRICE REMAINED TO BE NEGOTIATED.

4. ON THE UNTSO QUESTION, SADAT MADE IT CLEAR THAT HE ATTACHED NO PARTICULAR IMPORTANCE TO UN INVOLVEMENT. HENCE HIS WILLINGNESS TO AGREE TO JOINT EGYPTIAN/ISRAELI PATROLS, BUT HE DREW THE LINE AT ISRAELI ACCESS TO ZONE A (IE THE WESTERNMOST, WHERE THE BULK OF EGYPT'S FORCES WILL BE), AND HOPED THAT THE UNITED STATES WOULD UNDERTAKE THE SUPERVISORY ROLE THERE. HE WAS TYPICALLY VAGUE ABOUT THE IMPLICATIONS OF HIS AGREEMENT WITH BEGIN ON THIS POINT, AND THE AMERICANS HAD ENTERED A MILD COMPLAINT AT NOT HAVING BEEN CONSULTED IN ADVANCE. THE DETAILS WOULD HAVE TO BE WORKED OUT IN WASHINGTON NEXT WEEK BETWEEN THE MINISTER OF DEFENCE AND OSAMA AL BAZ (NEITHER OF WHOM HAD BEEN PRESENT AT THE HAIFA MEETING), DAYAN, WEIZMAN AND VANCE. THE MINISTER, WHOM I HAVE JUST SEEN ON OTHER MATTERS, SAYS THAT THE AGREEMENT IS ONLY FOR JOINT OBSERVATION POSTS IN THE BUFFER ZONE, AND THAT ARRANGEMENTS FOR ZONE B AS WELL AS ZONE A REMAIN TO BE DEVISED. FINALLY ON THE QUESTION OF AN EARLIER WITHDRAWAL DATE FROM THE AREA AROUND ST CATHERINE'S MONASTERY, SADAT HAD ABANDONED HIS IDEA OF CELEBRATING THE SECOND ANNIVERSARY OF JERUSALEM WITH AN INTERNATIONAL EXTRAVAGANZA, AND INSTEAD OF A SUMMIT WITH BEGIN AND CARTER HAD SETTLED FOR STRAUSS. ATHERTON DOUBTS WHETHER HE HAS ANY IDEA OF THE

AND INSTEAD OF A SUMMIT WITH BEGIN AND CARTER HAD SETTLED FROM STRAUSS. ATHERTON DOUBTS WHETHER HE HAS ANY IDEA OF THE

EXTENT OF THE RECIPROCAL CONCESSION HE MADE OVER CONTINUING ISRAELI ACCESS, WHICH SOMETIMES RAN AT THE RATE OF 1000 TOURISTS A DAY.

5. MUSTAFA KHALIL DEVOTED HIMSELF TO EXPLAINING SADAT'S APPROACH IN MORE RATIONAL AND DETAILED TERMS. THE AIM SHOULD BE TO USE THE EXTRA TIME PROVIDED BY THE EXTENSION OF SADAT'S DEADLINE (A) TO WORK ON THE PALESTINIANS, WHERE KHALIL AGAIN

GAVE PRIORITY TO HIS FAMILIAR THEME OF RENOUNCING TERRORISM: (B) TO IMPROVE WHAT HE CALLED THE EXTERNAL ATMOSPHERE, IN PARTICULAR THE ATTITUDES OF JORDAN, SAUDI ARABIA AND EVEN SYRIA. ON (A) THE EGYPTIANS WERE IN CONSTANT TOUCH WITH THE PLO THROUGH THEIR REPRESENTATIVE HERE, SAID KAMAL (WHO ATHERTON NOTED HAD JUST APPLIED FOR A VISA TO ATTEND THE UN GENERAL ASSEMBLY), AND WERE GETTING ENCOURAGING INDICATIONS OF INTEREST IN THE NEGOTIATIONS. ON (B) KHALIL HOPED THAT THE AMERICANS WOULD CONTINUE TO WORK ON THE MODERATE ARABS, AND HE URGED STRAUSS TO VISIT DAMASCUS. MORE PLAINLY THAN SADAT, KHALIL INDICATED THAT A PRIMARY EGYPTIAN OBJECTIVE WAS TO GIVE THE ISRAELIS NO EXCUSE FOR ROCKING THE BOAT

UNTIL THE INTERIM WITHDRAWAL WAS COMPLETE. AS FOR THE AUTONOMY NEGOTIATIONS, EGYPT WOULD STICK TO HER TWO PRINCIPAL DEMANDS: (A) FULL AUTONOMY SHORT OF DEFENCE AND FOREIGN AFFAIRS; (B) ELECTIONS UNDER INTERNATIONAL SUPERVISION INCLUDING EAST JERUSALEM: PLUS SOME EARLY GOODWILL GESTURES SUCH AS THE RELEASE OF POLITICAL PRISONERS.

6. KHALIL AND STRAUSS AGREED THAT IT WAS IMPORTANT TO KEEP UP AT LEAST AN APPEARANCE OF AN ACTIVE AND URGENT NEGOTIATION, AND TO THIS END THAT THE TWO WORKING GROUPS SHOULD HENCEFORTH MEET IN MORE OR LESS CONTINUOUS SESSION. STRAUSS ANTICIPATED THAT THE ISRAELIS WOULD HAVE NO DIFFICULTY WITH THIS PROPOSAL. HOWEVER, HE DOES NOT SEE MUCH OF A ROLE FOR HIMSELF IN THE NEW SCENARIO, AND MAY WELL NOT RETURN TO THE MIDDLE EAST (APART FROM THE ST CATHERINE'S SHOW) FOR SOME MONTHS.

7. ATHERTON EMPHASISED THAT DESPITE THE SCEPTICISM BEING VOICED ON ALL SIDES (THOUGH NOT PERHAPS TOO LOUDLY ON HIS OWN) SADAT REMAINS SUPREMELY CONFIDENT. BEGIN WILL COME ROUND IN THE END, AND THE OTHER ARABS, WHOSE BOYCOTT OF EGYPT IS NOT

7. ATHERTON EMPHASIZED THAT  
VOICED ON ALL SIDES (THOUGH NOT PERHAPS TOO LOUDLY ON HIS OWN)  
SADAT REMAINS SUPREMELY CONFIDENT. BEGIN WILL COME ROUND  
IN THE END, AND THE OTHER ARABS, WHOSE BOYCOTT OF EGYPT IS NOT  
HURTING AND WHO ARE IN INTERNAL DISARRAY, WILL COME ROUND TO  
WHEN THEY SEE WHAT HE HAS GAINED. ATHERTON AGREED WITH ME,  
IN HIS CAUTIOUS WAY AND NOT FOR QUOTATION, THAT SADAT IS  
PROBABLY DELUDING HIMSELF, BUT FEELS THAT THE ADMINISTRATION  
HAVE NOW NO OPTION BUT TO PLAY THINGS HIS WAY.

WEIR.

NNNN



FROM THE PRIVATE SECRETARY



Your ref FM/79/78

HOUSE OF LORDS, (2)  
SW1A 0PW

12 September 1979

*PM*  
*Prime Minister*

*Print - 14/5*

*Dear Paul*

Middle East : Policy Towards the Palestinians

The Lord Chancellor has seen the Foreign Secretary's minute of 11 September to the Prime Minister about the Middle East. He has commented as follows:-

- "1. I do not think that this paper recognizes the real difficulty confronting Israel. The geography of the area is such that anyone commanding the Central ridge commands also the coast. Moreover, the 1948 boundaries to which this would commit us are militarily incompatible with resolution 242. The waist line is less than 10 miles wide and puts Tel Aviv within range of field artillery.
2. I do not think that the Jews can be expected to accept a position which puts Mount Scopus inside an Arab state. I say nothing of the psychological difficulty of asking them to give up Mount Zion.
3. I am myself against any public recognition of an avowedly terrorist organisation. The repercussions on our security are extremely serious.
4. I am not a believer in Begin's administration nor of Begin himself. But I believe that advance on the Palestinian question would be easier when he has

Paul Lever Esq  
Private Secretary to the  
Foreign Secretary

Contd

vanished from the scene.

5. I believe our own interest in the long run is to persuade the rest of humanity to adopt evolutionary rather than terrorist and revolutionary techniques. To move too fast along the lines suggested in this paper would not, I believe, have this effect.
  
6. I do not believe that the neighbouring Arab states (Iraq: Syria: and perhaps Jordan) will ever reconcile themselves to the existence of Israel for a long time to come. I believe that to ask the Jews to revert to their 1948 boundaries would be to sentence Israel to death within the next 20 years. No purported 'recognition' on paper of the right of Israel to exist would, I believe, last long or comply with resolution 242 which demands defensible frontiers".

Copies of this minute go to the Private Secretaries to the other members of OD and to Sir John Hunt.

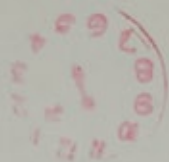
*Yours sincerely*

*William Arnold.*

W ARNOLD

Paul Lever Esq  
Private Secretary to the  
Foreign and Commonwealth Secretary  
Foreign and Commonwealth Office  
Downing Street  
LONDON SW1A 2AL





14 SEP 1979



10 DOWNING STREET

~~Prime Minister.~~

The Amir of Qatar exemplified the depth of feeling on this issue among the Arabs. It is hard not to feel that some slight movement towards the Palestinians - bringing us <sup>more</sup> into line with the French & Germans - would be justified & in the national interest. But the Israeli reaction will be strong.

Amr 12/9

AT.



PM/79/78

PRIME MINISTERMiddle East: Policy Towards the Palestinians

1. Middle East peace efforts have now turned to the Palestinian problem. Discussion in the Security Council may resume at short notice on a resolution which would reaffirm Resolution 242 and recognise the Palestinian right to self-determination. The attitude of the PLO on this and on efforts to resolve the Middle East conflict is crucial.

2. In our policy toward the Arab/Israel conflict we are committed to:

(i) Israel's right to exist within secure and recognised boundaries;

(ii) a comprehensive peace settlement based on Security Council Resolution 242, and taking account of the rights of the Palestinians, including their right to a homeland;

(iii) support for US peace making efforts insofar as they can contribute to this end.

3. Within this framework we need to consider whether to recognise the Palestinian right to self-determination. At the Security Council it was hoped that the passing of a self-determination resolution could secure acceptance by the PLO of Israel's right to exist. We should see whether we can do more to bring the PLO to this position.

Self-determination

4. The right to self-determination commands our general support, and the Palestinian Arabs have as good a claim as most to be considered a people entitled to that right. So long as this is denied Israel's position will not be secure. Only if the Palestinians can decide their own future will they accept Israel's right to exist. The United States and Europe have recognised that no settlement will work unless it commands broad Palestinian support.

5. There



5. There are practical objections. It would not be easy to consult the Palestinians in any meaningful sense. It could be argued that an international commitment to self-determination meant a referendum first and negotiations afterwards and thus run counter to the Camp David gradualist approach. It might be, falsely, equated with a commitment to a sovereign Palestinian State, and held to exclude any other solution.

6. To meet these objections we should stress that self-determination applies for an area of Arab Palestine, namely the West Bank and the Gaza strip, occupied in 1967 excluding the (Syrian) Golan Heights, but including East Jerusalem. For the right to be exercised it would be necessary for Palestinian negotiators and representatives to accept Israel's right to exist within secure and recognised boundaries as stipulated in Resolution 242. It should not necessarily entail an independent sovereign state but cannot exclude it. It should be seen as a necessary development if the Camp David negotiations are to lead in the end to a durable, comprehensive settlement.

#### The PLO

? 7. The PLO is a political organisation but encompasses the main Palestinian guerrilla movements. It was committed by its Covenant in 1965 to armed struggle (in practice terrorism) and the establishment of a secular state throughout Palestine (ie including Israel). But the statements of its mainstream leaders leave little doubt that they would settle for a Palestinian state on the West Bank and in Gaza (and on this basis would accept Israel's existence). The PLO claims to be the sole authentic voice of the Palestinians. This is impossible to test. But it certainly represents a very large number of Palestinians.

8. There are informal contacts between British officials and the PLO in New York, Beirut and London and elsewhere but successive Governments have avoided Ministerial contacts until the PLO accepts Resolution 242 and recognises Israel's right to exist. Had the moves in the Security Council succeeded, the way would have been open for such contacts. They failed

/ through



through Israeli opposition to any modification or addition to Resolution 242 and to dealings with the PLO.

9. Nevertheless, any agreement on the future of the West Bank and Gaza must have the support of the Palestinians if it is to endure. For the foreseeable future, there will be no valid spokesman for the Palestinians who do not shelter under the PLO umbrella: even Mr Dayan talks with PLO supporters in Gaza. If we are to help toward a settlement we too must be able, like the other Europeans, to talk with political authority to the more responsible PLO leaders.

10. The US cannot at present deal direct with the PLO because of commitments made to Israel by Dr Kissinger. Hence the Andy Young affair. If Ministers did have contacts with the PLO, the Israelis and their supporters (but not the US Administration) would react bitterly. We should be asked how we should like it if friendly governments had a dialogue with the IRA. Links between the PLO and the IRA would be brought up (the evidence is sketchy and does not justify press allegations, but there have certainly been contacts). Israel's willingness to listen to us would for a time at least be less. In dealings with Mr Begin this would not make much difference.

#### Conclusion

11. We should be better placed to help bring about a Middle East settlement if we supported the principle of Palestinian self-determination and moved toward more political contacts with the PLO. Such moves would bring us into line with the majority of our European partners, notably the French and the Germans. They would help defend our material economic interests in the Arab world and help us give more effective, because more independent, support to the United States. They could also help the position of the moderate Palestinian leaders and the conservative Arab regimes where growing dissatisfaction with the United States is a source of regional instability. They would in no way endanger the security of Israel.



12. I invite my colleagues to agree that we should publicly accept the principle of self-determination as set out in para 6 above, either in the context of a renewed Security Council debate or in my speech to the General Assembly.

*No* → I further invite agreement in principle that we should make a modest advance in our contacts with the PLO. We should not announce any change in policy, but continue to use existing senior official contacts in New York and elsewhere to impress on the PLO the need to accept Resolution 242 as a basis for negotiation. If a suitable opportunity arose for an informal Ministerial meeting, we should take it.

13. I am sending copies of this minute to the other members of OD and to Sir John Hunt.

(CARRINGTON)

Foreign and Commonwealth Office

11 September 1979

I am deeply opposed to the course of action set out in Lord C's minute. I don't believe that West Bank or Gaza + corridors is viable and I don't think we have studied the 'homeland' policy sufficiently to know what it means in practice.

CONFIDENTIAL

NT.

SEP 1979



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 AND JERUSALEM(PASSED BY TEL AVIV).

PRESIDENT SADAT IN ISRAEL.

1. PRESIDENT SADAT PAID A STATE VISIT TO HAIFA FROM 4-6 SEPT. AT THE CONCLUSION OF THEIR TALKS ON 5 SEPT, MR BEGIN AND MR SADAT ANNOUNCED AT A PRESS CONFERENCE THAT THEY HAD ACHIEVED PROGRESS ON SEVERAL ISSUES: OIL: THE POLICING OF SINAI: AND THE ISRAELI HAND-OVER AF SANTA KATERINA.

2. ACCORDING TO THE PRESS, MR SADAT HAS NOW AGREED TO SUPPLY ISRAEL WITH THE TWO MILLION TONS A YEAR OF OIL FROM THE ALMA FIELD WHICH SHE HAD REQUESTED. BUT THE QUESTION OF PRICE REMAINS TO BE SETTLED BY THE MINISTERS CONCERNED ON EITHER SIDE.

3. ON SINAI, THE TWO MEN APPARENTLY AGREED "WITHIN FIVE OR TEN MINUTES" ON JOINT BILATERAL INSPECTION OF THE REDEPLOYMENT OF ISRAELI AND EGYPTIAN FORCES: AND ON THE ESTABLISHMENT OF JOINT MILITARY OBSERVATION POSTS IN THE BUFFER ZONES. MR SADAT IS REPORTED TO HAVE HINTED THAT THE AGREEMENT WAS TEMPORARY PENDING THE FORMULATION OF A PERMANENT SOLUTION IN COOPERATION WITH THE AMERICANS. HE IS QUOTED AS SAYING THAT ISRAEL AND EGYPT HAD "DECIDED TO TAKE MATTERS INTO OUR OWN HANDS" SO THAT THE SOVIET UNION SHOULD NEVER BE ABLE TO STOP THE PEACE PROCESS (E.G., PRESUMABLY, BY MEANS OF A SECURITY COUNCIL VETO). ISRAEL RADIO ON 6 SEPT REPORTED THAT THE TWO DEFENCE MINISTERS HAD SUBSEQUENTLY AGREED THAT JOINT PATROLS AND OBSERVATION POSTS WOULD BE ESTABLISHED WITHIN TWO WEEKS.

4. MR SADAT IS REPORTED TO HAVE AGREED THAT TOURISM FROM ISRAEL COULD CONTINUE BY BOTH LAND AND AIR TO THE SANTA KATERINA AREA AFTER ITS RETURN TO EGYPT (ON SOME UNSPECIFIED DATE BEFORE 19 NOVEMBER). IT WAS ALSO AGREED THAT THERE



SHOULD BE OPEN BORDERS BETWEEN GAZA AND EGYPT AS SOON AS ISRAEL HAD REACHED THE INTERIM WITHDRAWAL LINE AND DIPLOMATIC TIES HAD BEEN ESTABLISHED. MR SADAT IS QUOTED AS ADDING THAT OPEN BORDERS WOULD MEAN COMPLETELY FREE MOVEMENT: WHAT APPLIED TO GAZA WOULD ALSO APPLY TO THE WEST BANK.

5. MR SADAT IS REPORTED TO HAVE CONCEDED THAT THERE HAD BEEN NO PROGRESS ON THE AUTONOMY NEGOTIATIONS (ALTHOUGH HE AND MR BEGIN APPARENTLY AGREED THAT THE CITY MUST REMAIN UNDIVIDED); OR ON THE QUESTION OF JERUSALEM AND HE SEEMED SLIGHTLY LESS OPTIMISTIC ABOUT ACHIEVING AN AGREEMENT ON THESE ISSUES BY THE END OF THE YEAR THAN IN PUBLIC STATEMENTS IMMEDIATELY BEFORE THE SUMMIT. HE REAFFIRMED THAT THE PALESTINIAN QUESTION WAS THE "THE CORE AND HEART" OF THE MIDDLE EAST DISPUTE AND WOULD HAVE TO BE TACKLED BEFORE A LASTING PEACE COULD BE ACHIEVED. HE WAS CONFIDENT THAT OTHER ARAB PARTIES WOULD SOON BE JOINING IN (SADAT MENTIONED JORDAN IN PARTICULAR).

6. MR SADAT INVITED MR BEGIN TO EGYPT FOR ANOTHER SUMMIT IN LATE OCTOBER OR EARLY NOVEMBER, TO BE HELD EITHER IN ASWAN OR ON THE RED SEA COAST.

7. AS WAS TO BE EXPECTED, THE VISIT WAS A TOTAL SUCCESS FOR BOTH SIDES ON THE PUBLIC RELATIONS FRONT. EVERYBODY WAS ENORMOUSLY MOVED BY THE GOODWILL DISPLAYED BY EVERYONE ELSE. ALREADY CLOSE BONDS OF FRIENDSHIP WERE CEMENTED EVEN CLOSER. THE ISRAELI ORGANISATION WAS EXCELLENT.

COMMENT

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8. AS ANTICIPATED, PROGRESS AT THIS EIGHTH MEETING BETWEEN MR MADAT AND MR BEGIN SEEMS TO HAVE BEEN CONFINED TO BILATERAL ISSUES AND THE EGYPTIANS HAVE MADE MOST OF THE CONCESSIONS. CERTAINLY THE ISRAELI PRESS THIS MORNING ARE SEEING THINGS THIS WAY. THERE IS PARTICULAR GRATIFICATION ABOUT THE SETTLEMENT OF THE DISPUTE OVER THE GUARANTEED SUPPLY OF OIL FROM THE ALMA FIELD.

9. SURPRISINGLY, AS SEEN FROM HERE, MR SADAT APPEARS UNWORRIED ABOUT THE APPARENTLY TOTAL LACK OF PROGRESS ON THE CENTRAL ISSUE OF AUTONOMY. BUT THE FACT THAT HE IS NOW SAID TO BE ANTICIPATING A SLOWER RATE OF ADVANCE ON THIS FRONT THAN HIS EARLIER PUBLIC COMMENTS SUGGESTED (I.E. ISRAELI CONCESSIONS EARLY NEXT YEAR RATHER THAN BEFORE THE END OF THIS) MAY INDICATE A GREATER SENSE OF REALISM IN PRIVATE. WHATEVER THE CASE, HE IS LIKELY TO BE SUBJECT TO SEVERE ARAB CRITICISM FOR HIS FAILURE TO SHIFT THE ISRAELIS BY EVEN ONE POINT ON THIS OCCASION.

10. THE PRESS THIS MORNING REPORT THAT MR STRAUSS IS TO STOP OFF IN LONDON ON HIS WAY TO JERUSALEM AND CAIRO THIS WEEKEND. GRATEFUL TO KNOW HOW TO ANSWER PRESS ENQUIRIES.

M A S O N

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TELEGRAM NUMBER 403 OF 24 AUGUST

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*Handwritten notes:*  
Middle East  
2  
Prime Minister  
to [unclear]  
[unclear] 25/8

CAIRO TELEGRAM NO 664: ARAB/ISRAEL

1. H M AMBASSADOR ASKS HOW MR BEGIN MIGHT REWARD PRESIDENT SAWAT FOR TAKING THE ISRAELI SIDE OVER THE UN RESOLUTION.

2. I DOUBT WHETHER MR BEGIN SEES IT LIKE THAT. TO HIM ISRAEL'S POSITION DURING THIS AFFAIR HAS BEEN SO SELF-EVIDENTLY CORRECT AND JUSTIFIED THAT HE WILL NOT HAVE BEEN SURPRISED TO RECEIVE PRESIDENT SADAT'S SUPPORT. HE WILL ALSO HAVE EXPECTED PRESIDENT SADAT TO SEE THAT HIS OWN INTERESTS LAY IN AVOIDING A CLASH WITH THE ISRAELIS, AND THENCE A POSSIBLE DELAY IN WITHDRAWAL FROM SINAI. IF, THEREFORE, HE IS INCLINED TO MAKE ANY "CONCESSIONS" TO PRESIDENT SADAT IN HAIFA ON 5 SEPTEMBER HE WILL DO SO, AS IT WERE EXGRATIA, AND NOT BECAUSE THAT THE THIPVCS THAT HE OWES HIM ANYTHING OVER THE SECURITY COUNCIL AFFAIR. BUT THERE IS NO EVIDENCE THAT MR BEGIN HAS ANY "CONCESSIONS" IN MIND.

3. I HAVE NO REASON TO BELIEVE THAT MR BEGIN'S ATTITUDE TOWARDS AUTONOMY HAS CHANGED AT ALL. INDEED, IF ANYTHING, WHAT IS, AS SEEN FROM ISRAEL, HIS RECENT SPECTACULAR DIPLOMATIC SUCCESS WITH THE US GOVERNMENT IS LIKELY TO HAVE ENTSCNCHED HIM DEEPER INLO HIS PRESENT POSITION. I SHALL BE SUEPRISED IF HE IS TAKING SERIOUSLY MR STRAUSS'S ASSERTION THAT, IN THE AUTONOMY NEGOTIATIONS, IT IS TIME TO STOP CUTTING INTO THE FLESH AND TO START CUTTING INTO THE BONE.

MASON

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TO IMMEDIATE F C O

TELEGRAM NUMBER 946 OF 24 AUGUST

INFO PRIORITY WASHINGTON TEL AVIV JERUSALEM CAIRO AMMAN DAMASCUS

BEIRUT PARIS KUWAIT LISBON JEDDA OSLO

MIPT: ARAB/ISRAEL: SECURITY COUNCIL DEBATE

1. FOLLOWING IS TEXT OF MY STATEMENT:

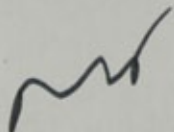
THE AIM OF THE BRITISH GOVERNMENT IN THE MIDDLE EAST IS TO PROMOTE JUST AND LASTING PEACE. OUR CONCERN IS TO AVOID ALL ACTIONS AND DECISIONS WHICH MIGHT MAKE THE SEARCH FOR PEACE MORE DIFFICULT. WE CONTINUE TO BELIEVE THAT THE BASIS FOR THE ATTAINMENT OF A JUST AND LASTING COMPREHENSIVE SETTLEMENT IS THE FULL IMPLEMENTATION OF SECURITY COUNCIL RESOLUTION 242, AS CALLED FOR IN RESOLUTION 338. RESOLUTION 242 SETS OUT THE REQUIREMENTS FOR PEACE. IT CALLS FOR WITHDRAWAL OF ISRAELI OCCUPYING FORCES AND REAFFIRMS THAT ISRAEL, LIKE ALL STATES IN THE AREA, IS ENTITLED TO LIVE IN PEACE WITH HER NEIGHBOURS WITHIN SECURE AND RECOGNISED BORDERS. THESE PRINCIPLES REPRESENT A BALANCE WHICH MUST NOT BE IMPAIRED. OUR COMMITMENT TO THEIR IMPLEMENTATION REMAINS TOTAL.

BUT RESOLUTION 242 IS CONCERNED WITH HOW THE ARAB STATES AND ISRAEL CAN LIVE IN PEACE TOGETHER. IT DOES NOT DEAL WITH THE QUESTION OF THE PALESTINIANS. IT TAKES NO ACCOUNT OF THEIR BELIEF THAT THEY ARE A SEPARATE PEOPLE WITH POLITICAL RIGHTS WHICH GO WELL BEYOND THEIR STATUS AS REFUGEES, WHICH WAS RECOGNISED IN RESOLUTION 242, A PEOPLE DISTINCT FROM THE PEOPLES OF THE COUNTRIES WHERE THEY NOW LIVE. IT TAKES NO ACCOUNT OF THE NEED FOR THE PALESTINIAN PEOPLE TO BE GIVEN THE OPPORTUNITY TO EXPRESS THEIR NATIONAL IDENTITY AND TO HAVE A PROPER PLACE IN THE INTERNATIONAL COMMUNITY. THE INTERNATIONAL COMMUNITY HAVE COME TO RECOGNISE INCREASINGLY THE VALIDITY OF THEIR CLAIM AND TO ACKNOWLEDGE THEIR LEGITIMATE RIGHTS.

2

Prime Minister

*By  
28/8*



| MY

MY GOVERNMENT ARE CONVINCED THAT THE PALESTINIANS ARE A CENTRAL ISSUE IN THE MIDDLE EAST CONFLICT. THEY MUST BE ABLE TO SEE A FUTURE FOR THEMSELVES IN THE AREA. THEY MUST BE FULLY INVOLVED IN ANY SETTLEMENT AND BE ABLE TO PARTICIPATE IN ITS NEGOTIATION. A SETTLEMENT WHICH DOES NOT COMMAND THE BROAD ASSENT OF THE PALESTINIANS WILL NOT LAST. IN SUM, MY GOVERNMENT BELIEVE THAT A SETTLEMENT MUST SATISFY THE LEGITIMATE RIGHTS OF THE PALESTINIAN PEOPLE, INCLUDING THEIR RIGHT TO A LAND OF THEIR OWN. THIS IS NOT ONLY A POLITICAL FACT. MY GOVERNMENT FULLY SYMPATHISE WITH THE PLIGHT OF THE PALESTINIANS, PARTICULARLY THOSE WHO CONTINUE TO LIVE UNDER FOREIGN OCCUPATION AND THOSE WHO HAVE LIVED AS REFUGEES, IN SOME CASES FOR THIRTY YEARS. THIS HUMANITARIAN PROBLEM CANNOT BE LEFT UNTACKLED INDEFINITELY.

WE SHOULD NOT LOSE SIGHT OF THE FACT THAT A SERIOUS EFFORT IS CURRENTLY BEING MADE TO TACKLE THIS PROBLEM. THE CURRENT NEGOTIATIONS ON THE FUTURE OF THE OCCUPIED WEST BANK AND GAZA STRIP ARE CONCERNED WITH THE PALESTINIAN ISSUE. WE WISH THESE NEGOTIATIONS WELL AND HOPE THEY WILL SUCCEED. MY GOVERNMENT BELIEVE THAT IF THE RESULT IS GENUINE AUTOMOMY FOR THE OCCUPIED AREAS AS A TRANSITIONAL STAGE TOWARDS THE FINAL DETERMINATION OF THEIR STATUS, THIS WOULD NOT ONLY HELP TO ALLEVIATE THE POSITION OF THE INHABITANTS, BUT COULD ALSO BE A FURTHER STEP ON THE ROAD TO A COMPREHENSIVE SETTLEMENT.

THE SECURITY COUNCIL HAS LONG PLAYED A ROLE IN MIDDLE EAST AFFAIRS WHICH GIVES IT A CAPACITY TO INFLUENCE THE COURSE OF EVENTS. IT IS THEREFORE RIGHT THAT THE SECURITY COUNCIL SHOULD ATTEMPT TO REFINED THE PRINCIPLES ON WHICH A SETTLEMENT MUST BE BASED. BUT WHAT HAS BEEN ACHIEVED IN THE PAST MUST NOT BE WRECKED NOW. WE MUST BE SURE THAT THE SECURITY COUNCIL'S INFLUENCE IS USED POSITIVELY AND HELPFULLY. A PRINCIPAL CONCERN OF MY GOVERNMENT THROUGHOUT HAS BEEN THAT RESOLUTION 242 SHOULD BE SUPPLEMENTED, NOT REPLACED, AMENDED OR DISTORTED. ITS PRINCIPLES MUST REMAIN A STARTING POINT FOR PEACE NEGOTIATIONS, TOGETHER WITH THE NEED TO MEET PALESTINIAN ASPIRATIONS.

WE ARE AWARE THAT RESOLUTION 242 AND THE PRINCIPLES IT EMBODIES HAVE NOT BEEN ACCEPTED BY ALL THOSE WHO WISH TO BE REGARDED AS PARTIES TO THE DISPUTE WITH A RIGHT TO BE INVOLVED IN NEGOTIATIONS. THIS HAS CONSTANTLY BEDEVILLED THE SEARCH FOR PEACE AND FOR A MEANS OF INVOLVING THE PALESTINIANS IN THE DETERMINATION OF THEIR OWN FUTURE. AS I HAVE SAID, MY GOVERNMENT ACCEPTS THAT RESOLUTION 242 ON ITS OWN IS NOT SUFFICIENT FOR THE PALESTINIANS. BUT WE BELIEVE THE PALESTINIANS AND THOSE WHO CLAIM TO SPEAK FOR THEM SHOULD

ACCEPT UNEQUIVOCALLY THE PRINCIPLES CONTAINED IN RESOLUTION 242, IN PARTICULAR THE RIGHT OF ALL STATES IN THE AREA, AND THIS MUST INCLUDE ISRAEL, TO LIVE IN PEACE WITHIN SECURE AND RECOGNISED BOUNDARIES.

IF THE PALESTINIANS ARE TO EXERCISE SELF-DETERMINATION, THIS MUST BE CLEARLY IN THE CONTEXT OF A PEACE SETTLEMENT IN WHICH ISRAEL'S RIGHT TO PEACEFUL AND PERMANENT EXISTENCE IS CONFIRMED, AND IF NECESSARY GUARANTEED. THIS IS WHY MY GOVERNMENT HOPED THAT THOSE WHO HAVE NOT YET DONE SO WOULD HAVE INDICATED THAT THEY ACCEPT WITHOUT QUALIFICATION THAT ISRAEL HAS THE RIGHT TO EXIST AND ARE COMMITTED TO A NEGOTIATED SETTLEMENT ON THIS BASIS. MY GOVERNMENT WOULD LIKE TO URGE THE PALESTINE LIBERATION ORGANISATION ONCE AGAIN TO TAKE THIS STEP. WE BELIEVE IT IS FUNDAMENTALLY WRONG TO SEE THIS AS A BARGAINING CARD. IT IS AN ESSENTIAL STEP IF PEACE NEGOTIATIONS ARE TO BE SUCCESSFUL. AND NO STEP COULD DO MORE TO ESTABLISH THE CREDENTIALS OF THOSE WISHING TO REPRESENT THE PALESTINIAN PEOPLE.

BY THE SAME TOKEN, MY GOVERNMENT WOULD URGE ON THE GOVERNMENT OF ISRAEL WHOLE-HEARTED RECOGNITION THAT THE LEGITIMATE RIGHTS OF THE PALESTINIANS MUST BE SATISFIED IF A LASTING SETTLEMENT IS TO BE ACHIEVED. I DO NOT BELIEVE IT IS IN THE INTERESTS OF PEACE FOR THE GOVERNMENT OF ISRAEL TO REFUSE TO FACE THIS. PALESTINIAN RIGHTS CANNOT AND WILL NOT BE IGNORED. ULTIMATELY, THE PALESTINIANS AND ISRAELIS WILL HAVE TO SIT DOWN TOGETHER TO NEGOTIATE. THE LONGER THIS IS DELAYED, THE MORE DIFFICULT SUCH A NEGOTIATION IS LIKELY TO BE AND THE HIGHER THE CASUALTY LIST OF CONTINUING VIOLENCE WILL BECOME.

MR PRESIDENT, AN IMPORTANT STEP FORWARD IS IN OUR GRASP. OUR EFFORTS SHOULD CONTINUE TO BE DEVOTED TO MAKING SUCH A STEP POSSIBLE.

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WASHINGTON TELNO 2380: ARAB/ISRAEL

621  
29/8

1. THE EGYPTIANS ARE ONLY JUST BEGINNING TO REALISE THAT IN LETTING IT BE KNOWN THAT EGYPT'S RESERVATIONS WERE THE MAIN REASON WHY THE IDEA OF A US DRAFT RESOLUTION WAS ABANDONED, THE AMERICANS ARE PUTTING THE FINGER ON THEM AS A PRIME OBSTACLE TO THE ADVANCEMENT OF PALESTINIAN RIGHTS. THE CAIRO PRESS IS NOW FULL OF STATEMENTS BY THE PRIME MINISTER AND BOUTROS GHALI ASSERTING EGYPT'S TOTAL SUPPORT FOR ANY NEW RESOLUTION THAT FULFILS THE RIGHT CONDITIONS, INCLUDING COMPATABILITY WITH CAMP DAVID, PLO RECOGNITION OF ISRAEL, AND RECIPROCAL RENUNCIATION OF VIOLENCE. PRESIDENT SADAT HIMSELF REMAINS UNCONCERNED. AT A PRESS CONFERENCE IN SUEZ YESTERDAY (NOT SO FAR REPORTED) HE SAID THAT HE HAD REFUSED TO SUPPORT A NEW RESOLUTION ON LEARNING THAT THERE WOULD BE NO MENTION OF CAMP DAVID. ASKED IF THE OTHER ARABS WOULD NOT ACCUSE EGYPT OF SIDING WITH ISRAEL, HE SAID THEY COULD JUMP IN THE LAKE.

2. EVEN SO SADAT WILL SURELY NOW FEEL ENTITLED TO ASK MR BEGIN AT THEIR MEETING ON 5 SEPTEMBER FOR A SUBSTANTIAL REWARD. IT WOULD BE INTERESTING TO HAVE THE VIEWS OF HM AMBASSADOR, TEL AVIV ON WHAT FORM THIS MIGHT TAKE, IF ANY. THE EASIEST AREA FOR CONCESSIONS IS PRESUMABLY THE BILATERAL ONE, BUT THERE DOES NOT SEEM MUCH SCOPE EXCEPT PERHAPS A REDUCTION IN THE PERIOD BEFORE FINAL WITHDRAWAL BELOW THREE YEARS. IT WOULD HARDLY BE LOGICAL FOR SADAT TO PRESS FOR CONCESSIONS TO THE PALESTINIANS IN PRESENT CIRCUMSTANCES, BUT HE MIGHT BE TEMPTED TO DO SO IN ORDER TO DEMONSTRATE THAT HE CAN PRODUCE MORE PRACTICAL RESULTS ON THE GROUND THAN THEY WOULD GET FROM PAPER RESOLUTIONS IN NEW YORK.

/15

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IS THERE PERHAPS ANY SIGNIFICANCE OR HOPE IN THE FACT THAT MR  
BEGIN SEEMS TO BE ATTACHING THE ADJECTIVE "FULL" TO AUTONOMY  
MORE FREQUENTLY OF LATE (CF THE WASHINGTON STAR INTERVIEW  
QUOTED IN WASHINGTON TELNO 2393)?

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TO IMMEDIATE F C O

TELEGRAM NUMBER 2380 OF 22 AUGUST 1979,

INFO PRIORITY UKMIS NEW YORK, ROUTINE TEL AVIV, CAIRO, JEDDA,  
DAMASCUS, BEIRUT, KUWAIT AND JERUSALEM.

MY TELNO 2370. ARAB/ISRAEL.

- and* Prime Minister  
*of*  
*23/8*
1. IT SEEMS CLEAR IN RETROSPECT (PARA 7 OF MY TELNO 2254) THAT THE U S GOVERNMENT HAD TAKEN A FIRM DECISION BEFORE STRAUSS LEFT FOR THE MIDDLE EAST TO TABLE A RESOLUTION OF THEIR OWN IN THE SECURITY COUNCIL, IN AN ATTEMPT TO OPEN THE WAY FOR DIRECT US-PLO TALKS AND THE INCLUSION OF EFFECTIVE PALESTINIAN REPRESENTATION IN THE AUTONOMY NEGOTIATIONS. TO MINIMISE THE IMPACT OF THE EXPECTED COUNTER-ATTACK BY THE ISRAELIS, A DEGREE OF SECRECY MORE SUCCESSFUL THAN USUAL WAS OBSERVED HERE ABOUT THE PREPARATIONS AND DECISIONS. FINAL INSTRUCTIONS FROM CARTER HIMSELF WERE APPARENTLY AVAILABLE TO STRAUSS ONLY AFTER HIS PLANE TOOK OFF FOR THE MIDDLE EAST (STRAUSS TOOK MORE THAN ONE ALTERNATIVE DRAFT RESOLUTION: SOME HERE SAY THREE.)
  2. THE YOUNG EPISODE WAS MARGINAL. THE ISRAELIS RIGHTLY CONCLUDED THAT U S POLICY WAS CHANGING, AND HAVE CONCENTRATED ON THIS ASPECT. THE OPERATION CAME UNSTUCK WHEN SADAT EXPRESSED STRONG OPPOSITION. THIS SEEMS GENUINELY TO HAVE TAKEN THE ADMINISTRATION BY SURPRISE. (WE KNOW OF NOTHING HERE TO SUBSTANTIATE THE SUGGESTION IN PARA 4 OF TEL AVIV TELNO 396 THAT THE US EMBASSY IN CAIRO HAD GIVEN ADVANCE WARNING OF THIS DEGREE OF OPPOSITION, THOUGH NOONE HERE EXPECTED SADAT TO SHOW ENTHUSIASM.)
  3. THE OUTLOOK IS NOW BLEAK. VANCE AND STRAUSS MADE AN OBVIOUS EFFORT AFTER YESTERDAY'S MEETING WITH MONDALE TO DEMONSTRATE THAT THEY WERE AT ONE, BUT IT IS GOING TO BE HARD TO CONVINCE ANYONE THAT THIS IS SO AND THAT STRAUSS'S CREDIBILITY HAS NOT SUFFERED. AT BEST, STRAUSS WILL NOT BE KEEN TO EXERT PRESSURE AGAIN IN THE NEAR FUTURE ON ISRAEL AND EGYPT TO ACQUIESCE IN A MORE OPEN POLICY TOWARDS THE P L O (COMMENTS THIS MORNING BY ONE OF HIS OFFICIALS TEND TO CONFIRM THIS), AND SENIOR OFFICIALS IN THE ADMINISTRATION WHO WERE RESPONSIBLE FOR MOUNTING LAST WEEK'S OPERATION WILL HAVE TO BE EVEN MORE CAUTIOUS ABOUT A REVIVAL. THE AMERICANS CAN OFFER LITTLE

TO THE SAUDIS AND OTHER MODERATE ARABS INCLUDING THE P L O TO CONVINCED THEM THAT IT WILL BE POSSIBLE TO GET MOVEMENT IN U S POLICY WITHIN A REASONABLE TIMESCALE. THE MODERATES HAVE NOTHING TO SHOW IN RETURN FOR ACCEPTING U S PROMISES THAT POSTPONEMENT FROM THE END OF JULY WOULD SEE THE AMERICANS SERIOUSLY ENGAGED IN MOVEMENT IN NEW YORK, AND MAY BE FORGIVEN FOR CONCLUDING FROM THE LAST WEEK'S EVENTS THAT ONLY PRESSURE THAT HURTS WILL SECURE MOVEMENT BY THE AMERICANS. AT THE SAME TIME, ISRAEL AND EGYPT SEEM SET ON A LEISURELY PACE FOR CONTINUING NEGOTIATIONS. (THE AMERICANS HAVE REMARKED ON A NUMBER OF OCCASIONS THAT MOVEMENT HAS ONLY BEEN ACHIEVED WHEN THE U S HAS INTERVENED.) WHETHER OR NOT SADAT CHANGES HIS POSITION AFTER THE RETURN OF THE SINAI OIL-FIELDS, HIS RESPONSIBILITY FOR MISSING LAST WEEKS TIDE WILL BE HEAVY.

4. THERE IS LITTLE TO PUT ON THE OTHER SIDE OF THE BALANCE. CARTER'S PERSONAL OUTLOOK IS PROBABLY MUCH NEARER TO ANDY YOUNG'S THAN TO STRAUSS'S. THE LAST WEEK HAS PUT THE P L O ON THE MAP HERE IN A MORE REASONABLE LIGHT THAN ANY HITHERTO. YOUNG'S LINE THAT "HIS CONSTITUENCY" WILL BE THE FIRST TO SUFFER FROM OIL SHORTAGES AND ECONOMIC HARDSHIP MAY CONTRIBUTE TO THE FERMENT TO WHICH U S OFFICIALS HAVE REFERRED (MY T U R). SO MAY THE GROWING IMPRESSION THAT HUMAN RIGHTS ARE INVOLVED ON THE PALESTINIAN SIDE. BUT IT WILL BE INCREASINGLY DIFFICULT FOR THIS FERMENT TO WORK ON U S POLICY AS THE PRESIDENTIAL ELECTION CAMPAIGN COMES NEARER. PERHAPS THE PROSPECT OF A REVERSION TO "GAS LINES" COULD CHANGE THIS OUTLOOK (THOUGH IT MAY BE TRUER THAT REVERSION TO "GAS LINES" WILL WEAKEN THE PRESIDENT THAN CHANGE PUBLIC ATTITUDES TOWARDS THE MIDDLE EAST.)

5. YET UNLESS THE ADMINISTRATION CAN CHANGE THEIR POSITION, THERE IS NO PROSPECT OF CONVERTING THE CAMP DAVID AGREEMENT INTO A WIDER MIDDLE EAST SETTLEMENT. MEANWHILE, THE AMERICANS WILL BE APPEALING TO US AND OTHER EUROPEANS IN NEW YORK TO SUPPORT A U S POSITION WHICH WAS DECIDED AT THE LAST MINUTE, WITHOUT CONSULTATION, AND WHICH IS BASED ON MARKING TIME AND HOPING RATHER THAN ON POLICY.

6. THIS MORNING'S WALL STREET JOURNAL IN A LEADER ENTITLED "MIDDLE EAST DISARRAY" WRITES "STARKLY PUT, THE PROBLEM IS THAT THE RELIABILITY OF THE U S HAS BECOME SO QUESTIONABLE THAT OUR WORD ALONE WILL NO LONGER INDUCE OUR FRIENDS TO TAKE POLITICAL RISKS". THE WALL STREET JOURNAL HAS ISRAEL AND EGYPT MOST IN MIND, BUT IT MAY BE EVEN TRUER OF THE MORE CRUCIAL U S RELATIONSHIP WITH SAUDI ARABIA. IT IS RATHER LATE FOR STRAUSS TO SAY, AS HE DID YESTERDAY, THAT HE AND VANCE HAD AGREED ON THE NEED "TO FIRM UP AN OVERALL MIDDLE MIDDLE EAST POLICY." IT COULD BE A GOOD MOMENT FOR AMERICA'S EUROPEAN ALLIES TO HAVE ONE.

ROBINSON.

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TO IMMEDIATE FCO

TELEGRAM NUMBER 2370 OF 21 AUGUST

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22/8

MY TELNO 2355. ARAB/ISRAEL SECURITY COUNCIL RESOLUTION.

1. VICE PRESIDENT MONDALE, VANCE, STRAUSS AND BRZEZINSKI MET THIS MORNING, AMID PRESS SPECULATION THAT STRAUSS HAD BEEN DISSATISFIED WITH THE TASK HE HAD BEEN GIVEN FOR HIS VISITS TO ISRAEL AND EGYPT LAST WEEK, AND WOULD DEMAND A FREER HAND TO CONDUCT US MIDDLE EAST POLICY.
2. NEWSOM HAS NOW TOLD ME IN CONFIDENCE THAT TODAY'S MEETING DECIDED IN ESSENCE TO MOUNT AN EFFORT TO TRY TO SECURE A POSTPONEMENT OF THE RESUMPTION OF THE SECURITY COUNCIL DISCUSSION. THIS DECISION IS HOWEVER SUBJECT TO THE PRESIDENT'S APPROVAL WHICH IS BEING SOUGHT FROM THE MISSISSIPPI RIVER. THE PRESIDENT'S FINAL DECISION WILL NOT BE KNOWN UNTIL TOMORROW.
3. SAUNDERS SPOKE TO ME SUBSEQUENTLY WITH A LITTLE MORE DETAIL. HE SAID THAT THE DECISION WAS TO SEEK A POSTPONEMENT OF THE SECURITY COUNCIL DEBATE, WITHOUT GIVING ANY COMMITMENT, OR EVEN INDICATION, WHEN THE US THOUGHT A RESUMPTION OF THE DEBATE WOULD BE PRACTICABLE. IN SEEKING POSTPONEMENT THE US WOULD MAKE IT CLEAR THAT THEY WOULD HAVE TO VETO ANY (REPEAT ANY) RESOLUTION WHICH MIGHT BE PUT TO THE VOTE AT THIS TIME. THEY HOPED THAT THEIR FRIENDS WOULD GO ALONG WITH A POSTPONEMENT IN THE INTEREST OF AVOIDING JEOPARDISING THE PEACE PROCESS. THE AMERICANS WOULD BE ACTIVE DIPLOMATICALLY OVER THE COMING PERIOD: STRAUSS WOULD BE VISITING THE MIDDLE EAST AGAIN EARLY NEXT MONTH, AND THERE WOULD BE OPPORTUNITY FOR CONTACTS WITH ARAB REPRESENTATIVES IN NEW YORK IN SEPTEMBER. I ASKED SAUNDERS WHAT OTHER ARGUMENTS THE AMERICANS WOULD BE USING TO SUGGEST THAT POSTPONEMENT WOULD BE IN THE INTERESTS OF THE MODERATE ARABS.

SAUNDERS SAID THAT IN PRIVATE CONVERSATION THEY WOULD BE POINTING TO THE FACT THAT QUOTE EVERYTHING SEEMED TO HAVE HIT US AT ONCE UNQUOTE, PARTICULARLY THE ANDY YOUNG EPISODE AND SADAT'S OPPOSITION. (SAUNDERS WAS SPECIFIC THAT THE AMERICANS WOULD BE REFERRING TO SADAT'S OPPOSITION AS AN IMPORTANT FACTOR.) THE AMERICANS WOULD ALSO ARGUE THAT A CONSIDERABLE FERMENT WAS AT WORK OVER THE WHOLE ISSUE, AND THAT IF THIS WERE LEFT TO DEVELOP, SOMETHING CONSTRUCTIVE MIGHT COME OUT OF IT. A VOTE IN THE SECURITY COUNCIL NOW COULD JEOPARDISE THIS.

4. EMPHASISING THAT HE WAS TALKING PERSONALLY, SAUNDERS SAID THAT THE AMERICANS HAD IN EFFECT DECIDED THAT THEY WOULD SET ISRAEL'S OBJECTIONS ON ONE SIDE IN THEIR PROPOSAL FOR A US DRAFT RESOLUTION. THEY HAD ALSO DECIDED THAT THEY WOULD GO AHEAD IF SADAT WERE TO AVOID EXPRESSING SUPPORT. BUT THEY HAD BEEN TAKEN ABACK BY THE UNEXPECTED VEHEMENCE OF SADAT'S OPPOSITION TO THE PROPOSAL, AND HAD CONCLUDED THAT US OPINION WOULD SIMPLY NOT HAVE UNDERSTOOD HAD THE ADMINISTRATION GONE AHEAD IN THE FACE OF VEHEMENT OPPOSITION FROM SADAT AS WELL AS ISRAEL.

5. SAUNDERS PROMISED TO LET ME KNOW AS SOON AS THE PRESIDENT'S DECISION HAS BEEN TAKEN.

ROBINSON

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INFO IMMEDIATE WASHINGTON UKMIS NEW YORK AND CAIRO

MY TELNO 394: MR STRAUSS'S VISIT TO ISRAEL AND EGYPT

1. WE COMPARED NOTES ON MR STRAUSS'S VISIT WITH THE US CHARGE TODAY. (THE US AMBASSADOR, WHO ACCOMPANIED MR STRAUSS THROUGHOUT HIS PERIOD IN ISRAEL, RETURNED TO THE US WITH THE LATTER).
2. VIETS SAID THAT THE US EMBASSY HERE HAD MADE IT CRYSTAL CLEAR TO THE STATE DEPARTMENT IN THE WEEK IMMEDIATELY BEFORE MR STRAUSS'S VISIT THAT THERE WAS NO HOPE OF THE ISRAEL GOVERNMENT ACCEPTING ANY AMERICAN PROPOSAL FOR A NEW SECURITY COUNCIL RESOLUTION ON PALESTINIAN RIGHTS, WHETHER BASED ON A US TEXT OR ON ONE PUT FORWARD BY THE PLO'S FRIENDS IN NEW YORK.
3. IN THE EVENT, MR STRAUSS'S ENCOUNTERS WITH MR BEGIN AND MR DAYAN HAD GONE "PRECISELY ACCORDING TO THE SCRIPT". MR BEGIN HAD, ON 17 AUGUST, REITERATED FAMILIAR ISRAEL POSITIONS AND HAD PROMISED MR STRAUSS THAT HE WOULD DO HIS BEST TO RESTRAIN THOSE HAWKS IN HIS OWN CABINET WHO MIGHT WANT TO FURTHER ESCALATE THE US/ISRAELI WAR OF WORDS OVER A NEW RESOLUTION. THIS "STATESMAN-LIKE" LINE HAD BEEN REFLECTED IN YESTERDAY'S ISRAELI CABINET DECISION MERELY TO REITERATE MR BEGIN'S NEGATIVE OF 17 AUGUST. THE ISRAELIS WERE NOW PERSUADED THAT WHEN MR STRAUSS REACHED MR CARTER ON THE MISSISSIPPI, HE WOULD RECOMMEND TO THE PRESIDENT THAT THE US SHOULD VETO ANY NEW RESOLUTION IF EFFORTS TO POSTPONE A DEBATE FAILED.
4. VIETS ADDED THAT IF REACTIONS IN ISRAEL HAD COME AS NO SURPRISE, MR STRAUSS HAD, DESPITE THE US EMBASSY, CAIRO'S WARNINGS IN ADVANCE, BEEN TAKEN ABACK BY PRESIDENT SADAT'S TOTAL LACK OF ENTHUSIASM FOR A NEW RESOLUTION. ACCORDING TO SAUNDERS, DISCUSSING MR STRAUSS'S MEETING IN ISMAILIA WITH VIETS THIS MORNING, SADAT

NOW SEEMED TO BE TAKING THE VIEW THAT SOME KIND OF ARRANGEMENT ON JERUSALEM COULD BE WORKED OUT, AND THE BACK OF THE AUTONOMY NEGOTIATIONS BROKEN, BY THE END OF THIS YEAR. HE APPEARED QUITE UNAWARE OF THE STRENGTH OF ISRAELI FEELING ON THESE ISSUES: ALL COULD BE SATISFACTORILY MANAGED ON THE BASIS OF A FEW QUIET CHATS WITH MR BEGIN.

5. COMMENTING ON LIKELY ISRAELI REACTIONS TO AN AMERICAN DECISION TO GO AHEAD WITH A NEW TEXT, DESPITE ISRAELI OPPOSITION AND EGYPTIAN LACK OF ENTHUSIASM, VIETS SAID THAT, REPORTING TO WASHINGTON IMMEDIATELY BEFORE MR STRAUSS'S VISIT, HE HAD ARGUED THAT THE ISRAELIS WOULD DO EVERYTHING POSSIBLE TO AVOID BREAKING THE WITHDRAWAL PROVISIONS OF THE PEACE TREATY. THE MOST THEY MIGHT DO WOULD BE TO SUSPEND THE AUTONOMY NEGOTIATIONS FOR A PERIOD. IN THE LIGHT OF WHAT INCREASINGLY APPEARED, AFTER MR STRAUSS'S VISIT, TO BE A COMMON ISRAELI/EGYPTIAN APPROACH TO THE "NEW RESOLUTIONS" QUESTION, HE NOW FELT THAT THE ISRAELIS WOULD NOT EVEN GO THAT FAR. THEY WOULD CARRY ON TALKING ABOUT AUTONOMY WITH THE EGYPTIANS, ALTHOUGH MR LEONARD MIGHT "FIND IT DIFFICULT TO GET A SEAT AT THE TABLE".

6. THE ISRAELIS WOULD, OF COURSE, PULL OUT ALL THE STOPS IN A POLITICAL ASSAULT ON MR CARTER IF THE ADMINISTRATION WENT AHEAD. BUT THEIR PRACTICAL OPTIONS WERE LIMITED: THE "ZIONIST RESPONSE" SAID TO HAVE BEEN PROPOSED BY MR SHARON AT YESTERDAY'S CABINET MEETING - THE ESTABLISHMENT OF 10 NEW SETTLEMENTS ON THE WEST BANK AND THE REBUILDING OF THE JEWISH QUARTER IN HEBRON - WOULD ONLY BRING DOWN MORE COALS ON ISRAEL'S HEAD: AND THE ISRAELIS COULD HARDLY REFUSE TO ACCEPT US MILITARY ASSISTANCE.

COMMENT.

7. AS I SAID IN MY TUR, THE ISRAELIS ARE FEELING VERY RELIEVED AFTER MR STRAUSS'S VISIT. . BUT AN UNDERCURRENT OF DOUBT REMAINS: DESPITE THIS WEEKEND'S APPARENTLY SUCCESSFUL HOLDING ACTION, THE ISRAEL GOVERNMENT WILL BE WATCHING THE DISCUSSIONS ON PRESIDENT CARTER'S PADDLE BOAT WITH ANXIOUS CARE DURING THE NEXT TWO DAYS. IF, CONTRARY TO THEIR PRESENT ASSESSMENT, PRESIDENT CARTER DECIDES TO PROCEED WITH A NEW RESOLUTION, OR FAILS TO VETO A PLO-INSPIRED ONE, THE PRESENT RELATIVE CALM WILL BE SHATTERED BY A MIGHTY EXPLOSION. IT IS NOT FOR ME TO COMMENT ON WHAT THE FALL-OUT MAY BE IN US DOMESTIC POLITICS. BUT VIETS IS RIGHT WHEN HE ARGUES THAT THERE ARE FEW ANTI-US SANCTIONS AVAILABLE TO THE ISRAEL GOVERNMENT HERE WHICH WOULD NOT, TO A GREATER OR LESSER EXTENT, PROVE SELF-DEFEATING.

MASON

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MY TELNO 2353. ARAB/ISRAEL SECURITY COUNCIL RESOLUTION.

1. I ASKED NEWSOM THIS MORNING WHETHER HE COULD TELL ME ANYTHING ABOUT THE TIMING AND DIRECTION OF U S DECISIONS.
2. NEWSOM SAID THAT THINGS WERE NOT LIKELY TO BE CLEARER AT LEAST UNTIL TOMORROW AFTERNOON. VANCE IS RETURNING FROM HOLIDAY TO SEE STRAUSS ON THE LATTER'S RETURN FROM ISRAEL. THE AMERICANS HAD EXPECTED, AND MADE ALLOWANCE FOR, THE ISRAELI REACTION. SADAT'S REACTION TO THEIR PROPOSED NEW SECURITY COUNCIL RESOLUTION HAD BEEN UNEXPECTEDLY NEGATIVE. NEWSOM COMMENTED ON SADAT'S RELUCTANCE TO ROCK THE BILATERAL ISRAEL/EGYPT BOAT, EVEN AT THE COST OF ROCKING MUCH BIGGER BOATS. (IT SEEMS CLEAR THAT IT IS SADAT'S REACTION WHICH HAS THROWN THE AMERICANS.) THERE WERE THREE ALTERNATIVES OPEN TO THE AMERICANS: TO GIVE UP THE IDEA OF A U S PROPOSAL IN NEW YORK; TO GO AHEAD WITH THE PROPOSAL AND GET IT DONE WITH; OR TO SEEK A FURTHER POSTPONEMENT OF THE WHOLE ISSUE. NEWSOM REFERRED TO THE POSSIBILITY OF POSTPONEMENT AS WORTH CONSIDERING IF SAUDI ARABIA, JORDAN AND OTHER ARAB MODERATES COULD BE PERSUADED THAT THE CONSEQUENCES OF POSTPONEMENT WOULD BE LESS DAMAGING TO THEIR CAUSE THAN WHAT MIGHT OTHERWISE ENSUE THIS WEEK IN NEW YORK. BUT NEWSOM SAID THAT THE CHANCE OF PERSUADING THE MODERATE ARABS OF THIS WAS REMOTE. IT WAS CLEAR FROM NEWSOM'S REMARKS THAT THE AMERICANS ARE FULLY AWARE OF THE MESS THEY WILL BE IN IF THEY ARE SEEN TO BACK DOWN IN THE FACE OF ISRAELI AND EGYPTIAN PRESSURE. EITHER WAY, HE COMMENTED, WE ARE IN FOR A BAD WEEK. (IT LOOKS LIKE BEING MORE THAN A WEEK.)

3. IN CONCLUSION NEWSOM PROMISED TO LET ME KNOW TOMORROW HOW THINGS DEVELOP, AND SAID THAT MEANWHILE HE HOPED THAT WE WOULD FEEL ABLE NOT TO COMMENT FURTHER ON EXISTING DRAFTS IN NEW YORK. I TOLD HIM THAT THAT WAS OUR PRESENT POSITION.

4. THE STATE DEPARTMENT SPOKESMAN LAST NIGHT REFUSED TO COMMENT ON REPORTS, APPARENTLY EMANATING FROM OFFICIALS WITH STRAUSS, THAT STRAUSS HAD FROM THE START BEEN OPPOSED TO THE U S PUTTING FORWARD THEIR OWN RESOLUTION IN NEW YORK. SUGGESTIONS EMANATING FROM ISRAEL YESTERDAY, AND APPARENTLY COUNTENANCED BY SOME IN STRAUSS'S PARTY, THAT THERE MIGHT BE A NEW SUMMIT IN WASHINGTON NEXT MONTH HAVE BEEN DISCOUNTED BY CARTER PERSONALLY AND SUBSEQUENTLY MORE CATEGORICALLY BY THE WHITE HOUSE SPOKESMAN.

ROBINSON

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WASHINGTON TELNOS 2351-3:

ARAB/ISRAEL: SECURITY COUNCIL RESOLUTION

1. MIFT REPORTS EGYPTIAN OFFICIAL AND PRESS COMMENT ON THE STRAUSS MISSION. THE US AMBASSADOR, WHO WAS PRESENT AT ALL STRAUSS'S MEETINGS ON 18 AUG., TELLS ME THAT IN PRIVATE THE EGYPTIAN REACTION WAS EVEN MORE NEGATIVE THAN THE PRESS ARE ADMITTING. THE PRIME MINISTER SPOKE ON VERY MUCH THE SAME LINES AS HE DID WITH ME LAST WEEK (MY TELNO 646), EXCEPT THAT HE WAS NOW MORE CLEAR THAT THE ISRAELI THREAT TO INTERRUPT THE CAMP DAVID PROCESS RELATED ONLY TO THE AUTONOMY TALKS AND NOT TO THE WITHDRAWAL PROGRAMME. MUSTAFA KHALIL THEN CONFERRED WITH PRESIDENT SADAT AND VICE-PRESIDENT MUBARAK IN ISMAILIA, AND WHEN STRAUSS SAW HIM THAT NIGHT SADAT TOOK AN EVEN HARDER LINE. HE SPECIFICALLY ASKED THAT THE US SHOULD NOT GO THROUGH WITH THE PROPOSAL TO TABLE THEIR OWN DRAFT, WITH THE CLEAR IMPLICATION THAT (FAILING A POSTPONEMENT) HE HOPED THEY WOULD VETO THE KUWAITI TEXT. HE ARGUED THAT A RESOLUTION WOULD BRING THE PLO NO NEARER TO PARTICIPATING IN NEGOTIATIONS AND WOULD CERTAINLY TORPEDO THE PRESENT AUTONOMY TALKS,

/WHICH

WHICH HE CONTINUED TO REGARD AS THE BEST HOPE. THEIR COLLAPSE WOULD LEAVE EGYPT IN THE UNDENIABLE POSITION OF HAVING CONCLUDED A SEPARATE PEACE. HIS QUARREL WAS ONLY WITH THE TIMING OF THE INITIATIVE, AND HE WOULD BE GLAD TO SEE IT PURSUED AFTER THE AUTONOMY TALKS HAD RUN THEIR ALLOTTED COURSE.

2. ATHERTON SAID STRAUSS WAS CONSIDERABLY TAKEN ABACK BY SADAT'S ATTITUDE, WHICH HE OBVIOUSLY FELT WOULD MAKE IT HARDER FOR THE US TO GO THROUGH WITH THEIR INITIATIVE, ALTHOUGH WHEN HE LEFT EGYPT HE HAD COME TO NO CONCLUSIONS. I GATHERED FROM ASSISTANT SECRETARY HAL SAUNDERS (PLEASE PROTECT) WHOM I SAW WHILE STRAUSS WAS IN ISMAILIA, THAT STRAUSS HAD NO ENTHUSIASM FOR THIS PARTICULAR EXERCISE BUT WAS DOING HIS LOYAL BEST TO CARRY OUT PRESIDENT CARTER'S INSTRUCTIONS, WHICH WERE NOT JUST TO TAKE SOUNDINGS BUT TO GO OUT AND SELL THE IDEA OF AN AMERICAN DRAFT. ATHERTON FEELS THAT IN THEIR OBSESSION WITH ISRAELI REACTIONS THE EGYPTIANS HAVE TAKEN INSUFFICIENT ACCOUNT OF THE POTENTIAL EFFECTS FOR EGYPT AS WELL AS FOR THE UNITED STATES OF AN AMERICAN VETO OF AN ARAB RESOLUTION, WHICH WOULD SURELY GIVE A SHARP NEW IMPETUS TO THE ANTI-SADAT CAMPAIGN. ON THE OTHER HAND HE RECKONS, AS DO I, THAT IF AN ACCEPTABLE RESOLUTION WERE ADOPTED, EGYPT WOULD MAKE THE BEST OF IT AND WOULD PUT THE BLAME FOR DISRUPTING THE AUTONOMY TALKS SQUARELY ON ISRAEL. ACCORDINGLY HIS PARTING ADVICE TO STRAUSS HAD BEEN NOT TO PUT TOO MUCH WEIGHT ON THE EGYPTIAN FACTOR IN FORMULATING HIS RECOMMENDATIONS.

3. IN DISCUSSING SADAT'S ATTITUDE ATHERTON AND I AGREED THAT HE HAS NO DISCERNIBLE BASIS FOR HIS OPTIMISM ABOUT THE AUTONOMY TALKS, EXCEPT HIS FAITH IN HIS PERSONAL RELATIONSHIP WITH BEGIN. HE PROBABLY DOES NOT SERIOUSLY EXPECT THEM TO RUN THEIR COURSE, BUT HIS EYES ARE FIXED ON HIS MEETING WITH BEGIN AT HAIFA ON 5 SEPT. IF HE GETS NOTHING OUT OF THAT (AND WE CANNOT GUESS WHAT HE MIGHT HAVE IN MIND) HE MAY REVERT TO THE IDEA OF A SURPRISE MOVE - AGAIN WE SUSPECT UNFORMULATED - ON THE ANNIVERSARY OF THE OCT 1973 WAR. BUT AS EGYPT IS NOT DUE TO RECOVER THE SINAI OILFIELDS UNTIL NOVEMBER THAT SEEMS AN UNLIKELY MOMENT FOR A DRAMATIC MOVE ON THE ISRAELI FRONT.

4. BOTH ATHERTON AND SAUNDERS, SPEAKING VERY MUCH IN CONFIDENCE, MADE IT CLEAR THAT WITHOUT PREJUDICE TO TOP-LEVEL POLITICAL CONSIDERATIONS IN WASHINGTON, THEY HOPED THE DECISION (WHICH ATHERTON RECKONS IS THE HARDEST AN ADMINISTRATION HAS HAD TO TAKE ON THE MIDDLE EAST IN HIS 14 CONTINUOUS YEARS OF RESPONSIBILITY IN THE STATE DEPT) WILL BE TO PERSEVERE WITH A SECURITY COUNCIL RESOLUTION. THE TIMING WAS FAR FROM IDEAL BUT HAD NOT BEEN IN AMERICAN HANDS. IT WAS AN INEVITABLE COROLLARY OF CAMP DAVID THAT THE UNITED STATES SHOULD BEGIN TO DRAW THE PALESTINIANS INTO A DIALOGUE PREPARATORY TO WIDER NEGOTIATIONS, AND SINCE PALESTINIAN RIGHTS ARE THE CENTRAL CRITERION FOR THE MODERATE ARABS, THE US RELATIONSHIP WITH SAUDI ARABIA HAD BEEN AN ALMOST EQUALLY IMPORTANT MOTIVE. THE EFFECTS OF A VETO WOULD ALWAYS HAVE BEEN SERIOUS, BUT AFTER THE ANDY YOUNG AFFAIR AN ATTEMPT SIMPLY TO POSTPONE DEBATE MIGHT BE AS BAD FOR US CREDIBILITY. THEY CONCLUDE THAT WHETHER OR NOT THEY TABLE THEIR OWN DRAFT AMERICANS WILL HAVE TO GIVE SOME INDICATION OF THE KIND OF LANGUAGE THEY COULD ACCEPT (PREFERABLY INCLUDING SELF-DETERMINATION) WITH A VIEW TO ENGAGING THE ARABS IN A NEGOTIATION THAT COULD CONTINUE BEYOND PRESENT DEADLINES. THAT (WITH APOLOGIES FOR POACHING ON WASHINGTON'S PRESERVES) SEEMS LIKELY TO BE THE GIST OF STATE DEPT ADVICE, AND WE MUST HOPE IT WILL BE ACCEPTED.

WEIR.

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TO IMMEDIATE FCO

TELEGRAM NUMBER 2340 OF 17 AUG 79.

Prime Minister

SM  
2078

MIPT : ARAB/ISRAEL.

1. AARON (NSC) TOLD ME LAST NIGHT THAT CARTER HAD BEEN VERY SADDENED BY BEING FORCED TO SHED YOUNG, AND THAT HE WAS "MAD WITH THE ISRAELIS" FOR THE WAY THEY HAD HANDLED THE WHOLE ISSUE, AND BECAUSE ISRAEL WAS, AS CARTER SAW IT, LOOKING FOR EVERY ISSUE, REAL AND ARTIFICIAL, ON WHICH SHE COULD PICK A QUARREL WITH THE ADMINISTRATION. IT WAS AGAINST THIS BACKGROUND THAT STRAUSS HAD GONE TO THE MIDDLE EAST YESTERDAY,

2. AARON ALSO SAID THAT, WHATEVER THE TRUTH OF THE BUGGING ALLEGATION, THE AMERICANS NOW KNEW THAT THE ISRAELI GOVERNMENT HAD OBTAINED A VERY FULL ACCOUNT OF YOUNG'S TALK WITH TERZI.

ROBINSON

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TO IMMEDIATE FCO

TELEGRAM NO 2339 OF 17 AUGUST

INFO AMMAN, BEIRUT, CAIRO, DAMASCUS, KUWAIT, JEDDA, TEL AVIV,  
UKMIS NEW YORK AND HMCJ JERUSALEM.

Bisare Minister

GM  
20/8

MY TELNO 2327. ARAB/ISRAEL.

1. YOUNG (WHO WILL APPARENTLY CONTINUE AS AMBASSADOR TO THE UN, AND THEREFORE IN THE CHAIR IN THE SECURITY COUNCIL, AT LEAST FOR THE REST OF THIS MONTH) REMAINS VOCALLY UNREPENTENT, MAINTAINING THAT HE SIMPLY ACTED IN THE NATIONAL INTEREST. (HE WAS IN FACT FORCED TO RESIGN BECAUSE HE ATTEMPTED TO DISGUISE WHAT HE HAD DONE IN NEW YORK, AT LEAST AS MUCH AS BECAUSE HE DID IT). THE ISRAELIS ARE CLEARLY AND RIGHTLY WORRIED ABOUT THE POSSIBLE CONSEQUENCES FOR THEM OF THIS PRESENTATION OF THE ISSUE. VANCE IS NOW REPORTED TO HAVE REFERRED TO THE 1975 KISSINGER AGREEMENT WITH ISRAEL ON PLO RECOGNITION AS QUOTE THAT DAMNED AGREEMENT UNQUOTE.

2. NOR WILL THE ISRAELI POSITION HERE HAVE BEEN HELPED BY REPORTS PUBLISHED YESTERDAY THAT THE ISRAELI INTELLIGENCE SERVICE HAD BUGGED BISHARA'S HOUSE IN NEW YORK AND GOT THEIR ACCOUNT OF THE YOUNG/TERZI MEETING IN THIS WAY. I UNDERSTAND THAT THE ISRAELIS HAVE TRIED TO SEEK US HELP IN SCOTCHING THIS STORY. IT IS CLEAR THAT, HOWEVER THEY DID IT, THE ISRAELIS WERE PROMPTLY AND FULLY INFORMED OF THE YOUNG/TERZI CONVERSATION, AND ISRAEL'S SUBSEQUENT HANDLING OF THE INCIDENT HAS CAUSED RESENTMENT IN HIGH PLACES HERE (COMPARE PARA 1 OF MY TELEGRAM UNDER REFERENCE, AND MY IMMEDIATELY FOLLOWING TELEGRAM, NOT TO ALL).

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3. THE YOUNG EPISODE HAS GREATLY COMPLICATED AND CONFUSED THE PROSPECTS FOR MOVEMENT BY THE US ON THE PLO AND PALESTINIAN RIGHTS. BUT MY GUESS IS THAT, UNDER THE CONFUSION, THE PROSPECTS ARE STILL VERY MUCH ALIVE. THE LENGTH OF TIME THE AMERICANS HAVE BEEN WORKING ON IT; EMPHASIS BY OFFICIALS HERE IN PRIVATE ON THE DEGREE OF AMERICAN COMMITMENT TO THE MODERATE ARABS IN THE APPROACH TO NEXT WEEK'S SECURITY COUNCIL MEETING IN NEW YORK; AND THE CONSEQUENCES OF FAILURE, DOMESTIC AS WELL AS INTERNATIONAL (MY TEL NO 2254), ALL POINT TO SOME MOVEMENT, AND STRAUSS WILL HAVE OTHER THINGS BESIDES REASSURANCES IN HIS BRIEF FOR DISCUSSION WITH THE ISRAELIS.

ROBINSON

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TO PRIORITY F C O

TEL NO 2323 OF 15 AUGUST.

INFO AMMAN, BEIRUT, CAIRO, DAMASCUS, KUWAIT, JEDDA, TEL AVIV,  
UKMIS NEW YORK AND HMCJ JERUSALEM.2  
Prime Minister  
BM  
17  
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out

MY TELNO 2305: ARAB/ ISRAEL.

1. I HAVE SPOKEN AGAIN TO STERNER, STATE DEPARTMENT. HE SAID THAT STRAUSS'S VISIT TO ISRAEL AND EGYPT STARTING TOMORROW WAS ESSENTIALLY TO DISCUSS THE PALESTINIAN RIGHTS PROBLEM. STERNER CLAIMED THAT FINAL DECISIONS ABOUT THE COURSES OPEN TO THE UNITED STATES HAD STILL NOT BEEN TAKEN, BUT THAT THE CHOICES HAD BEEN NARROWED DURING THE LAST WEEK. THE POSITION WAS NOT LIKELY TO BECOME CLEARER UNTIL AT LEAST THE SECOND DAY OF STRAUSS'S THREE-DAY TRIP. BUT STERNER SAID THAT THE PLAN WAS STILL TO BE IN A POSITION TO GET BACK TO THE ARABS IN NEW YORK WITHIN THE TIME FRAME INDICATED (I.E. IN TIME FOR A RESUMPTION OF THE SECURITY COUNCIL DISCUSSIONS ON 23/24 AUGUST.) THE AMERICANS WERE COMMITTED TO THIS. IF THE AMERICANS HAD NOT BEEN IN TOUCH WITH US THIS WEEK IT WAS BECAUSE THEIR OWN POSITION WAS STILL OPEN. THEY WOULD BE IN TOUCH, HE THOUGHT, EARLY NEXT WEEK AND WOULD THEN TELL US HOW FAR THEY HAD GOT. HE WAS NOT NOW SO SURE THAT THEY WOULD BE QUOTE ASKING SOMETHING UNQUOTE OF US, THOUGH THIS WAS STILL NOT ALTOGETHER IMPOSSIBLE.

2. I ASKED WHETHER THE NARROWING OF CHOICES TO WHICH HE HAD REFERRED HAD TO BE READ AS MEANING THAT THE US POSITION WAS HARDENING AGAINST A SECURITY COUNCIL RESOLUTION WHICH WOULD BE OF INTEREST TO THE MODERATE ARABS. HE DENIED THIS. THE US POSITION HAD NOT BECOME MORE NEGATIVE. I TOLD STERNER THAT THE IMPRESSION WAS GETTING ROUND HERE THAT THE AMERICANS MIGHT NOW WISH TO VETO QUOTE SELF DETERMINATION UNQUOTE AS WELL AS ANY REFERENCE TO AN INDEPENDENT STATE. STERNER SAID CATEGORICALLY THAT NO DECISION HAD BEEN TAKEN ON THE ACCEPTABILITY OR UNACCEPTABILITY OF THE WORDS QUOTE SELF DETERMINATION UNQUOTE, AND CERTAINLY NO DECISION IN A NEGATIVE SENSE. PUBLIC REMARKS BY THE ADMINISTRATION HAD TO BE READ IN CONTEXT AND SOME HAD BEEN USED TO TRY TO ASSUAGE JEWISH OPINION. WHEN I SAID THAT STERNER SHOULD KNOW THAT GENSCHER APPEARED TO HAVE LEFT WASHINGTON AT THE END OF LAST WEEK WITH THE FIRM IMPRESSION THAT VANCE WOULD OPPOSE A REFERENCE TO QUOTE SELF DETERMINATION UNQUOTE STERNER WAS SOMEWHAT TAKEN ABACK, SAID THAT HE

THAT HE HAD NOT BEEN PRESENT AT VANCE'S TALKS WITH GENSCHER, BUT STUCK TO HIS POSITION THAT QUOTE SELF DETERMINATION UNQUOTE HAD NOT BEEN REJECTED IN THE ADMINISTRATION'S INTERNAL DEBATE. I THEN REFLECTED MY UNDERSTANDING OF SAUDI VIEWS ALONG THE LINES OF JEDDA TELEGRAM NUMBER 489. STERNER SAID THIS WAS USEFUL AND HE WOULD ENSURE THAT STRAUSS HAD A NOTE OF IT BEFORE HE LEFT.

3. THIS EVENING'S WASHINGTON STAR REPORTS FROM JEDDA QUOTE ONE OF THE ROYAL FAMILY OF MINISTERS WHOSE VOICE COUNTS HEAVILY IN THE HIGHEST COUNCILS OF THIS COUNTRY'S GOVERNMENT UNQUOTE AS ASKING THEIR EDITOR MURRAY GART QUOTE DOES THE PRESIDENT OF THE UNITED STATES REALLY HOPE TO CONVINCING US THAT ARABS ARE NOT INTERESTED IN THE CREATION OF A PALESTINIAN STATE? CAN HE REALLY BELIEVE PASLESTINIANS THEMSELVES DO NOT THINK A STATE OF THEIR OWN IS IN THE BEST INTERESTS HOW CAN MR CARTER CONCEIVABLY HOLD SUCH VIEWS, IF THEY ARE BEING REPORTED CORRECTLY TO US? UNQUOTE GART ADDS THAT IN THIS PRINCE'S VIEW CARTER MUST BE GETTING VERY BAD ADVICE ON CURRENT ARAB THINKING. THE PRINCE'S GUESS QUOTE HINTED BUT NEVER OPENLY EXPRESSED, IS THAT SADAT IS THE TAINTED SOURCE UNQUOTE. THE SAUDIS ARE EVERY BIT AS INTERESTED AS THE PALESTINIANS FROM ARAFAT DOWN THROUGH HIS RANKS IN THE PHASED EFFORT TO WREST A PALESTINIAN STATE FROM ISRAEL. THEY (THE SAUDIS) HAVE CAREFULLY GUIDED AND ADVISED IN THE FIRST PHASE OF THE EFFORT: ARAFAT'S INITIATIVES FOR PALESTINIAN LEGITIMACY THAT CULMINATE BEFORE THE UN SECURITY COUNCIL ON AUGUST 23. BEHIND THE SCENES NOW THE SAUDIS ARE VERY ACTIVELY ENGAGED IN THE DIPLOMATIC PROCESS OF TRYING TO SHAPE A UN RESOLUTION THAT WOULD SATISFY THE UNITED STATES AND THE PALESTINIANS. ITS PASSAGE WITH THE UNITED STATES VOTING AFFIRMATIVELY WOULD, IN THEIR VIEW, OPEN A DIALOGUE THAT THE PALESTINIANS WANT WITH THE UNITED STATES FOR THE LEVERAGE IT WOULD PROVIDE THEM IN NEGOTIATIONS WITH ISRAEL CONCERNING THEIR FUTURE. A NEGATIVE VOTE, WHICH THE SAUDIS GENUINELY FEAR BECAUSE OF THE IMPLICATIONS FOR THEIR MOST IMPORTANT RELATIONSHIP IN THE WORLD, WITH THE UNITED STATES, WOULD HAVE MAJOR CONSEQUENCES FOR SOME TIME TO COME.

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4. THE LATEST ANDY YOUNG EPISODE WILL HAVE FURTHER CONFUSED AND DELAYED THE DECISION-TAKING PROCESS HERE, AND HAS GIVEN THE ISRAELIS AN EASY TARGET. AS YOU WILL HAVE SEEN FROM PRESS REPORTS, YOUNG MET THE PLO REPRESENTATIVE IN NEW YORK ON 26 JULY, BUT MAINTAINED UNTIL YESTERDAY THAT IT HAD BEEN ACCIDENTAL AND THAT NOTHING OF SUBSTANCE HAD BEEN DISCUSSED. QUOTE THAT WAS NOT A LIE, IT WAS JUST NOT THE WHOLE TRUTH UNQUOTE HE COMMENTED YESTERDAY, AFTER THE TRUTH HAD COME OUT VANCE HAD EXPRESSED HIS QUOTE DISPLEASURE UNQUOTE TO YOUNG, WHO ADDED QUOTE I DON'T THINK YOU OUGHT TO BE REPRIMANDED FOR ACTING INTELLIGENTLY UNQUOTE.

5. I WAS TOLD LAST NIGHT THAT STRAUSS WAS ASKING FOR YOUNG'S DISMISSAL. A DIFFICULT DECISION FOR CARTER IN DOMESTIC TERMS. IT SHOULD BE CLEAR LATER TODAY WHICH WAY HE DECIDES IT.

ROBINSON

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לונדון

15th August 1979

A POSSIBLE NEW SECURITY COUNCIL RESOLUTION ON  
THE MIDDLE EAST WOULD ENDANGER THE PEACE MAKING  
PROCESS AND NEGATE RESOLUTION 242

P.A. Am  
27/8

Background Paper

Recently we have witnessed moves by Arab countries, with the consent of various parties, to induce the Security Council to adopt a resolution that would impair Security Council Resolution 242 of November 1967, add elements to it and change its meaning. Israel vigorously opposes any such move. This paper explains our major reasons.

1. The Draft Proposal is contrary to Resolution 242

The draft proposal is contrary to Resolution 242 and will leave it devoid of content. Arthur Goldberg, who was the U.S. Ambassador to the U.N. at the time 242 was adopted, declared on 9 August 1979:

"The draft is contrary to the letter and spirit of Resolution 242".

When Resolution 242 was adopted, Lord Caradon, the British Ambassador to the U.N., who presented the draft, declared:

"The draft resolution is a balanced whole. To add to it or detract from it would destroy the balance and also destroy the wide measure of agreement we have achieved together. It must be considered as a whole as it stands".

2. Resolution 242 - The only agreed basis for a solution of the conflict.

Resolution 242 is the only resolution accepted by all the states that are a party to the Middle East conflict, including Syria. (When Syria accepted Resolution 338, which stipulates that negotiations for peace are to be conducted according to Resolution 242, it accepted 242. That was stated explicitly in the disengagement agreement of 1974).

According to the central figure in the drafting of 242, Arthur Goldberg on 9 August 1979:

"Resolution 242 is a carefully balanced Resolution. It won the approval of the Soviet Union, the parties to the conflict (Israel and the front line Arab states) and a substantial majority of the Arab bloc at the U.N."

3. To achieve consensus in the Security Council is not worth the danger of losing the chance for Peace.

In January 1976 an attempt to get through the Security Council a draft similar to that being readied today failed.

The then U.S. Ambassador to the U.N. Patrick Moynihan, in his speech of 19 January 1976 to the Security Council, explained his country's opposition to the draft as follows:

"We can't escape the reality of the situation whereby when all parties have agreed to a framework, all of them must agree to changes in that framework. Change imposed on the parties and unacceptable to any one of them, however great the goodwill, will not work.

That framework reflects the enormous complexities and interrelationships of the issues involved in a settlement, and to modify one part of it risks

destroying it entirely. We believe it would be a set back for the chances of achieving true peace in the Middle East for this Council to conclude its current debate by adopting resolutions which would have the effect of leaving no commonly accepted basis for further negotiations. Where would we go from there?

With the increasing complexity of each step and each year, the process of building a new foundation for peace, of establishing a new process, becomes a more difficult task. It is for this reason that the U.S.A. feels that endangering this agreed framework in order to achieve results here in this Council which would in themselves not guarantee a solution or even progress towards a solution is not worth the risk".

These arguments are still valid today.

4. The proposed change is an attempt to destroy the Camp David accords.
  - (a) Resolutions 242 and 338 are explicitly mentioned by the parties as the legal basis for the Israel-Egyptian disengagement agreement of 1974, the Israel-Syrian disengagement agreement of 1974, the Israel-Egyptian interim agreement of 1975.
  - (b) In the preamble to the Camp David accords it is stated:

"The agreed basis for a peaceful settlement of the conflict between Israel and its neighbours is Security Council Resolution 242 in all its parts", and the texts of Resolutions 242 and 338 were appended as annexes to the Camp David accords.

(c) The adoption by the Security Council of a resolution defining the right of the Palestinians to self-determination or to an independent state would be an attempt to demolish the Camp David framework agreement, since such a resolution, if adopted, would stipulate in advance the outcome of the negotiations that are to be conducted. Towards the end of the five year transitional period Israel, Jordan and the Palestinian Arabs resident in Judea-Samaria and Gaza will have to determine the status of these territories.

(d) It is stated in the Camp David agreement that the solution to be found for the Palestinian problem must also take into account the legitimate rights of the Palestinian people. Israel never consented that the solution is to be based exclusively on the legitimate rights but also on those rights. Any decision based only on parts of the Camp David agreement or on elements wrenched from it would violate its structure and conception.

5. Tampering with the Camp David accords would jeopardise their delicate balance.

It has been contended that the only new element contemplated by the new resolution even in a less grave formulation than self-determination and a Palestinian state would be the mention of principles which in effect were already agreed upon at Camp David.

At first glance, that sounds like a reasonable statement. The fact is, however, that Camp David must be regarded as an integral whole, and that elements of this whole cannot be selected and removed from their context without doing irreparable damage to the

original agreements. Camp David is based on a delicate balance between the positions, desires and needs of the parties. The removal of formulations and their isolation from the timetable and security arrangements of Camp David would bring down the entire structure.

6. The parties themselves must be left to complete the peace negotiations between them.

Resolutions 242 and 338 and the Camp David agreement are based on the achievement of a peaceful solution to the conflict through negotiations between the parties themselves. Israel and Egypt are now in the midst of negotiations designed to implement with American assistance the framework agreement of Camp David. An attempt to inject new elements into the negotiations while these are proceeding does not help advance the negotiations but, rather, is liable to retard them. The parties should be left to continue the negotiations and to conclude them successfully. There are no grounds to establish a new agreement as a basis for negotiations at a time when the parties are still involved in implementing the earlier agreement.

Israel will not consent to any resolution that is contrary in its spirit to the principle of free negotiations between the parties, namely to 242, 338 and the Camp David accords, which form the basis of the only peace agreement so far reached in the region. Without Israel's cooperation, there is and can be no place for a Security Council Resolution on this subject, even if it is adopted unanimously. Negotiations can be conducted only between the concerned parties,



and, like any other sovereign state Israel will not give its consent to any outside party dictating the way in which the Middle East conflict is to be resolved.

7. The United States took upon itself to oppose any impairment of 242.

(a) Practically and legally, no resolution that in any way impairs Resolution 242 can properly be adopted, since the U.S. has made an explicit and public commitment, which was deposited with the congress of the United States, according to which it must impose a veto on any draft in the Security Council which is liable to impair Resolution 242.

(b) Although the Camp David accords and the peace treaty are in fact bilateral agreements between Israel and Egypt, the fact remains that the President of the U.S. also signed them as a witness, and consequently the involvement of the United States, a permanent member of the Security Council with the right of veto, is more than a purely political involvement.

8. A change in the Resolution - a reward to the rejectionist front.

The peace process since Camp David has been accompanied by the attempt of outside parties, who have decided not to participate in the peace process, to undermine it. These parties are members of the rejectionist front, led by states that enjoy the political backing of the Soviet Union, which at the same time is supplying them with vast quantities of sophisticated arms. It is precisely, these parties, who oppose the achievement of peace on the basis of the Camp David principles, which are behind the current

attempt to change Security Council Resolution 242. A change in the Resolution would award a prize to the rejectionist front and would prove to the countries of the Middle East that whoever adopts an extreme position is rewarded, while whoever sits down to negotiate on the basis of compromise is punished. The leaders of Libya and Iraq, who are the leaders of the rejectionist states, recently called for the expulsion of all the Jews from Israel, this proving once again that their extremist stand has not changed, despite their attempts to wrap it in a mantle of "moderation".

9. A change in the Resolution - appeasement of terror.

Behind the attempt to supplement 242 lies the desire to mollify the P.L.O. and bring it into the negotiations through the back door, in the hope that adoption of the amended Resolution will compensate for the P.L.O.'s rejection of 242, itself.

It should be borne in mind, however, that the PLO rejected 242 not because this Resolution refers to the Palestinians as refugees but because it demands recognition of Israel, while the P.L.O. wants a state in place of Israel. The P.L.O. wants legitimation for acts of terror with the aim of bringing about Israel's liquidation. Any impairment of 242 can only be interpreted as granting legitimacy to the P.L.O., its position and its acts of terror.

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20 AUG 1979



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Middle East

10 DOWNING STREET

From the Private Secretary

15 August 1979

Dear Sir,

The Palestinians

Thank you for your letter of 14 August, covering the papers prepared by the Department on Palestinian self-determination and a minute by Sir Anthony Parsons, in which you conveyed the Foreign and Commonwealth Secretary's advice on how the UK should approach a possible vote in the Security Council on 23 August on a resolution endorsing the right of the Palestinians to self-determination.

The Prime Minister read your letter, and all its enclosures, with close attention before leaving for Scotland this morning. She commented that she would have welcomed an opportunity to discuss the problem with Lord Carrington yesterday, if the papers had reached us earlier. As it is, the Prime Minister is content to give Lord Carrington a free hand on the UK's approach to a possible debate in the Security Council on 23 August and on the UK's vote on a resolution.

The Prime Minister has, however, made the following observations on the Palestinian issue. She accepts the argument put forward by Sir Anthony Parsons that, since most of the Arab states in the region are not homogenous, the Palestinians have as much of a claim as them to be treated as a "people". The Prime Minister is not, nevertheless, persuaded that this line of reasoning should be the sole determinant of the way in which the UK casts its vote on a "self-determination" resolution. The Prime Minister has in mind the possibility that, as a result of the actions or omissions of the United States on the one hand and of the Eastern bloc countries on the other, the oil bearing states in the Middle East might at some stage fall under the control, whether direct or indirect, of the Soviet Union. In that situation there would be only one state in the region, in the Prime Minister's view, which would stand up and fight against the extension of Communist influence, namely Israel. If the Middle East were to be the scene of a major East/West confrontation, Israel would probably be the West's only ally. The Prime Minister recognises that this scenario

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may seem farfetched: but she points out that, only a very short time ago, the present situation in Iran would have seemed of far-fetched as well.

The Prime Minister makes the further comment that the main problem with Israel at present is the fact that Mr. Begin is the country's Prime Minister. His departure could significantly change the nature of the Middle East equation and, consequently, the UK's best approach to it.

Finally, the Prime Minister asks whether the practical realities of a Palestinian homeland, together with all the implications of its creation, have really been thought through. She doubts this.

The Prime Minister has noted, incidentally, the reactions both of the Israelis and of Mr. Vance to Mr. Andrew Young's unauthorised meeting with representatives of the PLO.

I should be grateful if you would ensure that full account is taken of the Prime Minister's observations before the final decision (which, as I have said, the Prime Minister is content to leave in Lord Carrington's hands) is taken on the UK's position if matters come to a vote in the Security Council on 23 August. If, as the Prime Minister hopes, they do not, she would welcome an early discussion in OD or, if a meeting of OD on this question cannot be arranged very early in September, with Lord Carrington alone.

*Yours ever,  
Roger Carrington*

J.S. Wall, Esq.,  
Foreign and Commonwealth Office

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Foreign and Commonwealth Office

London SW1A 2AH

14 August 1979

*See Byza.*

The Palestinians

The Prime Minister asked to see on her return a paper on the origins and present character of the "Palestinian people" and the validity of their claim to statehood. I enclose a paper setting out the international, legal and historical background. This has been seen and approved by the Secretary of State. The Prime Minister may also be interested in the comments of Sir A Parsons on the paper; these are also attached.

Lord Carrington's view is that the rights of this issue cannot be determined on historical and legal grounds alone. It is a matter for political decision whether we should recognise the right of the Palestinian Arabs to be considered as a people entitled to self-determination and, if they so choose, political independence. International opinion is increasingly united in holding that this is a necessary pre-condition for any comprehensive settlement of the Arab/Israel conflict. The case is a good one on its merits and we risk isolation in Europe and at the UN if we oppose it.

The question of timing is difficult to resolve. Lord Carrington would like our overall policy towards the Palestinians and PLO to be properly considered by OD as soon as possible in September. However, we face the possibility that at the Security Council debate on Palestinian rights due to be resumed on 23 August, we may be confronted by a resolution endorsing the Palestinians' right to self-determination. It is not possible to forecast at this stage the final shape of such a resolution and the voting intentions of others, particularly the Americans. We abstained on the last occasion (in January 1976) when a comparable resolution was debated.

If we vote in favour this time, we shall undoubtedly incur strong criticism from the Israelis and their supporters in this country: any recognition of the Palestinians is anathema to them, as the attached telegram makes clear. We might also find ourselves separated from the Americans. The Israelis are pressing the US hard not to make any move toward the Palestinians, with the implicit threat that such a move could block the autonomy negotiations and the implementation of the Egypt/Israel treaty. President Carter

B G Cartledge Esq  
10 Downing Street

/has reiterated

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has reiterated his opposition to an independent Palestinian State in terms that suggest the US would veto a new resolution which provided for self-determination. On the other hand, US officials (see Washington telegrams 2254 and 2255 attached) may see advantage in UK and European support for such a resolution if it can help secure a commitment by the PLO to a negotiated settlement. We should certainly expect the US Administration to lobby us against a resolution if they had decided to veto; but there is no sign at present that it would provoke a major row if we were to vote in favour.

If acceptance by the Security Council of the Palestinian right to self-determination could secure unequivocal PLO acceptance of Israel's right to exist within the boundaries foreshadowed in Resolution 242, and given the strength of the claim of the Palestinians to self-determination, Lord Carrington believes that our attitude should be positive. Certainly we should be in an invidious position if we had to abstain amid general support for the Palestinian cause, including that of France and the two Western non-permanent members, a position which could not easily be retrieved later. He therefore recommends that we should try to delay the debate if possible; but that if a vote is taken in the Security Council before the issue can be properly considered by OD, we should be prepared to vote in favour of a moderately-worded resolution even if it endorsed Palestinian self-determination.

Lord Carrington would be grateful for the Prime Minister's confirmation that we should proceed on these lines. Our eventual vote in the Security Council will necessarily depend on the wording of the Resolution and the result of bargaining in New York. The Prime Minister will be committed before a final decision is taken, but this may be at very short notice. Meanwhile it would greatly facilitate the work of the Mission and strengthen our hand if it could be confirmed that we could vote for Palestinian self-determination if the overall resolution were well balanced and the PLO fully committed thereby to a negotiated peace with Israel.

*For ever  
Stephen*

(J S Wall)  
Private Secretary

P.T.O.

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I will leave Lord Carrington a free hand  
on this should the matter come up on 23rd August  
I wish we had been able to discuss it.

I remain concerned at the proposed course of  
action. Although I accept Sir Anthony Parsons  
argument that because most of the other Arab states  
in the area are not homogeneous, Palestinians similarly  
have a claim to be treated as 'people', I wonder if that  
should be the sole determinant of the way we vote.  
I suppose that because of the acts or omissions of the  
United States, in the West Bank, the oil-bearing states  
seem to be in present hands and come directly or  
indirectly under Soviet control. There is only one  
nation there that would really stand for Israel and that is  
Israel. If there is an ultimate Arab-Israeli battle  
she would be our ally. A fair say? --- Iran?

The problem with Israel at the moment is Begin.

Further - has anyone really thought through a new  
Palestinian homeland? I doubt it.

Nevertheless if it comes up on 23rd Aug. I  
leave it to Lord C. - If not, can we talk?  
P.S. I hear Andrew Young is in London this morning through  
talking to the P.L.O. RFL -



## PALESTINIAN SELF-DETERMINATION

1. The principle of the right of peoples to self-determination is enshrined in the United Nations Charter (Article 1 (ii)). It is enunciated also in the two Human Rights Covenants both of which the UK has ratified. However, there is no internationally accepted definition of what constitutes a "people" entitled to exercise this right. The right of the Palestinians to self-determination depends specifically on whether they constitute a people in this sense.
2. An account of the history of the Palestinian Arabs is annexed. "Palestine" has never enjoyed political independence as a single geo-political unit even in biblical times. But it has regularly been treated as a separate and identifiable administrative unit whose inhabitants, the ancestors of the present Palestinian Arabs, were distinct from, though linked by language and culture to their Syrian and other neighbours.
3. The Palestinian claim to recognition as a people with a legitimate right to self-determination is based on:
  - i) the existence of a long-standing geographical entity known as Palestine, recognised as separate by the creation of a separate mandate following the First World War, in the same sense as there was a British mandate for Iraq (which never existed previously as a nation-state).
  - ii) the acquisition of political independence by the Arabic-speaking people of the other parts of the old Ottoman Empire

/(Iraq,

(Iraq, Syria, ~~Lebanon~~, Jordan); the Palestinian claim is comparable to that of their fellow Arabs.

(iii) their existence as a relatively homogeneous people (far more so for example than the Iraqis) with a common ethnic and social background distinct from, though related to, that of the other Arabs;

(iv) a strong and persisting sense of specifically Palestinian identity amongst these people, clearly recognised by their neighbours and preventing their assimilation into other Arab countries. (Israelis argue that assimilation has been prevented by the refusal of other Arab countries to allow the Palestinian issue to die; this is only part of the truth since even the wealthy and successful Palestinian in Lebanon, Syria or Jordan continues to regard Palestine as his home and himself as nationally distinct from his temporary hosts).

(v) common political aspirations amongst the majority of Palestinians and to some extent an acknowledged political leadership.

4. Against this it is argued by Israel:

(i) Pan-Arab nationalism is based on the unity of the Arabic-speaking people. If the Arabs of Palestine and the Arabs of Jordan are one, then the Palestinian element has no separate right to self-determination.

/(ii)

(ii) The Arabs themselves failed to set up a Palestinian State after 1948 on those parts of Palestine not occupied by Israel; the Jordanians claimed the West Bank for themselves (against other Arab opposition). The international community gave de facto recognition to this Jordanian claim while Britain gave it de jure recognition.

(iii) Israel already exists within Palestine as an independent State recognised by the United Nations; no second, Arab/Palestinian, State could co-exist with Israel in peace.

5. There is no clear definition in international law of what constitutes a people in the sense of the UN Charter. But Palestinian Arabs have a strong claim on the basis of the factors set out in paragraph 3 above. If the claim is accepted, they should enjoy the right of self-determination and with it the possibility of establishing an independent state. We have already gone halfway towards accepting this by accepting their right to a "land of their own, not necessarily an independent state" in 1970, and more recently, with the Nine, to a "homeland". We and the European Nine also refer to the Palestinian Arabs as a "people", as do the United States. There is even one reference to the "legitimate rights of the Palestinian people" within the Camp David documents, though reference is more generally made to "the inhabitants of the West Bank and Gaza" in the body of those documents. Mr Begin on the other hand always refers to the Palestinians as "the Arabs of Eretz Israel".

6. The Palestinian claim to self-determination is accepted by all Arab states, despite the conflicting attitudes taken in the past towards the West Bank by Jordan and the other Arabs. It is also endorsed by the great majority of the membership of the UN and an increasing number of Western countries, including a majority of the Nine. We and the Americans have recognised that the Palestinians must participate in the determination of their own future and that no lasting settlement will be possible unless their aspirations can be met in a way that will satisfy the majority of them.

7. Against this is set the determination of the Government of Israel not to accept the creation of a Palestinian Arab State and their claim that the problem is an artificial one: it should be dealt with by a combination of assimilation and re-settlement of Palestinians elsewhere in the Arab world, particularly in Jordan, and the return of a limited number of refugees to the West Bank and perhaps even to Israel proper. The United States, though accepting the existence of the Palestinians as a people and the need for them to play a part in determining the nature of a settlement, are inhibited by their wish to retain the confidence of the Government of Israel to continue negotiating toward a settlement. They have also expressed reservations about the possible creation of a new and possibly radical state in the area.

8. The right to self-determination must be closely linked to a determination of the territorial extent which Arab Palestine might occupy. It must be set clearly in the context of an unequivocal Palestinian acceptance of Israel's right to exist in peace within

/secure

secure and recognised boundaries. In practice, the Palestinians would have to renounce any claims to the area occupied by Israel before 1967 and accept as the permanent boundaries of their country the Occupied Territories of the West Bank and the Gaza strip. The practical difficulties, given the size of the Palestinian diaspora, the political and guerilla background of its leadership and the narrow limits of the territory which they might secure, are immense. If the principle of self-determination were accepted, these difficulties would have to be met. But the argument for denying in principle that the Palestinians are a people with the right to self-determination is difficult to sustain.

## THE PALESTINIAN ARABS HISTORICAL BACKGROUND

1. The term "Palestinians" is used to describe the Arabic-speaking pre-1948 holders of Palestinian nationality and their descendants. The boundaries of Palestine, for this purpose, are those of the British mandate, excluding Transjordan (now the Kingdom of Jordan). This area included the present state of Israel, Gaza and the West Bank of the Jordan. The majority of Palestinians now live outside the area. This paper examines the historical origins and present circumstances of the Palestinians.

Origins

2. The ethnic origins of the Palestinians go back to the largely semitic tribes who co-existed with the Jews in Palestine until the expulsion of the latter by the Romans in 135AD. Each invasion of the area, by Greeks, Romans, Arabs, Crusaders and Egyptian Mamelukes, until Ottoman Turk rule was finally established in 1517, brought a fresh admixture of blood. The Arabs who conquered Palestine from the Arabian peninsula in the seventh century implanted the Arabic language (already widespread in the area) and Islamic religion (although a significant Christian minority has persisted). Although a recognisable geographical area, Palestine was never an independent political entity after the Roman conquest. However successive overlords treated the country as a separate and identifiable administrative unit or units though its borders varied from time to time. At the same time it was also seen as part of a larger

Arabic-speaking area (Greater Syria), covering present-day Syria, Palestine, Lebanon and parts of Iraq.

The rise of Palestinian consciousness

3. After the ending of Ottoman rule by a combination of Arab rebellion and British forces during the First World War, the future of Palestine became the subject of controversy because of conflicting promises given by the British government: to the Zionists, in the 1917 Balfour Declaration, to facilitate "the establishment in Palestine of a national home for the Jewish people".... it being clearly understood that nothing should be done which may prejudice the civil and religious rights of existing non-Jewish communities"; and to the leaders of the Arab rebellion to support independence in the Arabic-speaking part of the Ottoman Empire. It was and is disputed whether the latter promise included Palestine, whose population shared in the growing feeling of Arab nationalism.

4. The period immediately before and after the granting to Britain of the Mandate in 1922 saw the beginnings of a specifically Palestinian nationalism. The Arabic-speaking population numbered then some 600,000 and the Jewish population about 80,000. Jewish immigration, already increasing, was to be officially encouraged by the Mandatory, since the Balfour Declaration was incorporated in the Mandate. But under the Mandate system the Mandatory was also committed to furthering the development of the indigenous people of the territory, it being generally understood that they should eventually be allowed to determine their own future. The Palestinian leadership quickly came to the view that it was only the Balfour Declaration and its incorporation in the Mandate which prevented

them from attaining a similar measure of independence to that which neighbouring Arab communities were receiving. From 1920 onward, Jewish immigration increased, and with it Arab hostility to the Mandate and to the Jews, coupled with violent demonstrations and demands for independence.

5. Experience of operating the Mandate demonstrated to successive British Governments that their obligations to the Jews and to the Palestinian Arabs were irreconcilable. But various plans to resolve the conflicting claims, including the UN partition plan of 1947, were rejected by one or both sides. Britain relinquished the Mandate on 16 May 1948 and the state of Israel came into existence, being immediately recognised by the United States and the Soviet Union. War followed between the Jews and the Palestinian Arabs, aided by the Arab League. The result was a considerable extension of Israeli territory beyond that envisaged by the UN partition plan, and the occupation of the remaining area of mandated Palestine by the Egyptians (the Gaza Strip) and the Jordanians (the West Bank). Jordan formally annexed the West Bank in 1950, but this was recognised only by Britain and Pakistan. Jordan extended freely Jordanian citizenship to all Palestinian inhabitants of the area, but even those who accepted still feel themselves to be "Palestinian" rather than "Jordanian".

6. The United Nations estimated at the end of 1948 that some 725,000 Palestinian Arabs had been displaced from the territory now occupied by Israel. Most went into refugee camps on the West West Bank, in Jordan proper, and in the Gaza Strip. The Arabs maintain that these people were driven out by the Israelis; the



Israelis say that they fled of their own accord and unnecessarily. Certainly Israel enacted legislation which effectively made impossible their return. UN General Assembly Resolution 194 of 1948, for which Britain voted, stated that the 1948 refugees choosing to do so had the right to return to their homes.

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7. The Arab States had in 1945 appointed a representative of Palestine to the Arab League. With the 1948 dispersal, the Palestinian Arab cause was largely taken over by the Arab League. The Palestinians themselves lacked effective leadership but national consciousness remained strong and indeed continued to increase, particularly in the refugee camps. On a rhetorical level there was full agreement between the Arab League States and the refugees that a solution which denied the Palestinians a separate identity and the right to repatriation was unacceptable; this was seen to involve the destruction of the State of Israel and Arab Palestinian leaders spoke of "driving the Jews into the sea". On a more realistic level many Palestinians and some moderate Arab governments would have settled for the recovery of even a part of the territory lost to the Palestinians in 1948. In the event disunity among the Arab states prevented effective action on behalf of the Palestinians. But the demand for proper representation of the "Palestinian Entity" led eventually to the establishment, in 1964, of the Palestine Liberation Organisation by a decision of the Arab Summit in Cairo. This was accompanied, as Palestinian militant nationalism continued to increase among the generation brought up in the camps, by the rise of Fedayeen (commando) armed resistance.

8. The June 1967 war, when Israel occupied the West Bank and Gaza, gave added impetus to the exiled Palestinian nationalist movement. The most reliable estimates suggest that 180,000 Palestinians became refugees for the second time from these areas, and a further 260,000 fled from their homes. Most again went to Jordan. This further influx created new support in Jordan and elsewhere for the Palestinian cause. Fedayeen activity was stepped up and the leader of the Al Fatah group, Yasser Arafat, was in 1969 elected leader of the PLO. Under his leadership, Palestinian cohesion increased and Arafat took a seat at the Arab Summit in Rabat in 1969 as the leader of a revitalised Palestinian political movement which was recognised at the highest level by other Arab leaders. The movement was weakened by the conflict with the host government in Jordan in 1970-71, as a result of which the Fedayeen were expelled, mostly to Lebanon. The PLO has nevertheless been responsible for keeping the Palestinian Arab cause in the forefront of Arab politics. In recent years the PLO, now recognised by all Arab States including Jordan as the sole legitimate representative of the Palestinian people, has been successful on the wider international stage, achieving observer status at the UN in 1974, and establishing representative offices in some 70 countries throughout the world.

9. While the 1967 war gave a major impetus to militant Palestinian operations, it also transformed Arab objectives in relation to the State of Israel. The Arab frontline States accepted Resolution 242 as the basis for a negotiated peace which would endorse the right of Israel to live in peace within secure and recognised borders as the

price for its withdrawal from the 1967 Occupied Territories. The PLO never formally accepted this basis for negotiation and the PLO covenant looks to the establishment of a secular state throughout Palestine, and the end of the Israeli and Zionist State.

#### The Palestinians Today

10. There are no absolutely reliable figures, but the number of Palestinians today is generally put at around 4 million, as follows:

Israel	610,000
Occupied West Bank	690,000
Occupied Gaza Strip	400,000
Jordan	1,000,000
Lebanon	400,000
Syria	250,000
Egypt	50,000
Iraq	100,000
Kuwait	300,000
Saudi Arabia	120,000
Other Arab States	80,000
Elsewhere	40,000+

11. Those who remained in Israel are now Israeli citizens. Their economic conditions are reasonably good but they feel discriminated against and treated as second-class citizens. Those in the West Bank and Gaza, while also relatively prosperous, are deeply resentful of Israeli rule. Since 1967, nationalist feeling in the Occupied Territories has greatly increased. In the diaspora, there is a basic division between the more enterprising, who have settled successfully in various Arab countries or even further afield, and those who have remained in the refugee camps. But all retain their sense of Palestinian identity and share

Palestinian political aspirations. There are still some half a million registered 1948 refugees living in camps run by the UN Relief and Works Agency around Israel's 1948 borders. Nationalist militancy has found its most prolific breeding ground there.

#### Palestinian Views

12. All the Palestinians, whether in Israel, the Occupied Territories, the refugee camps or comfortably settled elsewhere, retain a very strong sense of corporate national identity, which distinguishes them from Jordanians, Syrians, Lebanese or any other group in the Arab world, and prevents their assimilation. They are united by a distinctive dialect of Arabic and a common ethnic, cultural and social background, strengthened by a tenacious extended family system and very deep roots in particular areas of Palestine. But above all, they are bound together by a common view of themselves and their cause and universally obsessed with the need for the restitution of their national rights. Even those who have no desire to return to Palestine (which may be a majority of the diaspora) feel a need for a Palestinian homeland to which they can owe ultimate allegiance and whose passport they could carry.

#### Leadership

13. In many ways the Palestinians are the most capable of all Arabs (they dominate the governmental, educational and business sectors of several Gulf States) but they have always lacked effective political leaders. A principal reason for this was the

inability of the mandatory authority, because of the central problem of the Jewish-Arab conflict, to bring about the constitutional progress which would have allowed effective Arab political institutions to develop. Since 1967 those remaining in Israel and the Occupied Territories have again lacked the opportunity to develop the political institutions which could have thrown up effective leaders. Those outside, frustrated by the impotence of the Arab States to further their case, have increasingly turned to the militants to keep their cause alive. The result is that the PLO, a political umbrella organisation embracing many mainly guerrilla groupings of widely differing views, has gained a pre-eminent position. There is no doubt that it enjoys the support of the broad majority of Palestinians, not because they identify with all its leaders, policies and actions, but as the only organisation which has effectively kept the Palestinian cause before the international community. Their support is not based simply on fear.

14. The Palestinians have always, with Arab support, wanted what they see as justice, ie the full restitution of their national rights over the whole of Palestine. The result is that they have since the beginning of the Mandate consistently rejected what has been an offer, and have come to be seen as extreme and negative. The PLO covenant, its founding charter, calls for example for the liberation of the whole of Palestine by armed struggle and declares the establishment of Israel to be null and void. The PLO leadership has always refused to acknowledge unequivocally Israel's right to exist. But in private most Palestinians, including the mainstream PLO leadership, have for some time been prepared to accept Israel as a fact and settle

for an independent Arab Palestine on those parts of Palestine which have not been part of Israel since 1948 (some, particularly on the West Bank, might accept some form of federated status for this area with Jordan). But they will not say so publicly until they have some sort of guarantee that this concession, which they regard as the only card in their hand, will lead to real progress.

P/S Mr Hurd

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THE MIDDLE EAST

The attached documents prepared by NENAD comprise the preliminary work essential to the consideration in OD early in September of our future attitude towards Palestinian self-determination and the question of a closer dialogue with the PLO. The Department will be submitting a draft paper for OD in due course. They will also be submitting a draft passage for inclusion in the Secretary of State's speech in the General Debate at the UN on 26 September. The Department are holding in reserve a longer draft of a possible comprehensive statement on our attitude towards all aspects of the Middle East problem which could be used later in the year as a kind of Harrogate Mark II if and when it is thought appropriate to make a major re-statement of HMG's position. I have seen both these drafts and agree with them.

2. I am sure that the Secretary of State should include a substantive passage on the Middle East in his General Debate speech. I also think it would be useful, subject to the state of play over the Camp David negotiations, for HMG's position on all the aspects of the problem to be set out at a reasonably early opportunity ie perhaps before the end of this year. It is in our national interest to have a firm policy platform on this question. I was AUS responsible for the Middle East during the last Conservative administration. I have not forgotten the benefits which flowed to us from Harrogate Mark I in terms of our relations with the Arabs and their friends. Admittedly the Israelis reacted adversely, but the timing and content of Harrogate did not create a crisis in our relations with the US. On the credit side, it protected us against out-flanking movements by the French and secured our relations with the Arab world to the extent that our oil supplies were unscathed throughout the bitter crisis of the autumn of 1973. I am not saying that we are under particular pressure from the Arabs at present to re-state our policy. But, provided we could do so without precipitating a gratuitous row with the Americans - this would be largely a question of timing in the light of  
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the evolution of American thinking during the next two or three months - I believe that such a restatement would be a very valuable insurance of our interests against a worsening of the general situation. It is worth noting that French outflanking activities designed to curry favour with the Arabs even at the expense of the rest of the EEC are more pronounced now than they were in the early 1970s.

3. As regards the present exercise on the Palestinians, the Department has done an excellent job both on the question of self-determination and on the historical background. I must be one of the few people left in Government Service who was an officer of the Palestine Government under the Mandate. I can say without any "Foreign Office Arabist" prejudice that the Palestinian right to self-determination is on its merits better founded than that of many other Arab states which have already secured this right. Over the past thirty years or so, I have served in seven different Arab countries. There is no question in my mind that the Palestinians at the time of the expiry of the Mandate in 1948 were far more homogenous and nationally conscious than many of the other peoples of Arab states which secured their independence in the period between the end of the First World War and the end of the 1950s. For example, Arab Palestine was a much clearer candidate for national statehood than Iraq which is a patchwork of Kurds, Turks and Arabs and could easily have been divided into two or three independent states. The same is true of Jordan which originated out of the fortunes of war in 1919 as a ragbag of disparate elements. The same is true of the Sudan where the population is divided between Moslems of partial Arab descent in the north and pure black Africans with absolutely no relationship to Arabs in the south. It is no exaggeration to say that the only Arab country in which I have served which has perhaps a better claim to national statehood than the Palestinians is Egypt, probably the oldest nation state in the world. As the Department has pointed out, if it had not been for the complication of the Balfour Declaration, the Palestinians would have moved smoothly from the Mandate to independent statehood, probably earlier than Iraq, Syria and the Lebanon and with better reason than Jordan, or rather Trans-Jordan.

Not  
say up  
much!

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4. Hence, as the Department again has pointed out, the argument is now political rather than one of merit. The Israelis will of course react very violently to any recognition of an Arab Paletine identity since this undercuts the whole basis of Zionism. The Americans seem to be moving in the general direction of recognition of the Palestinians and are only inhibited by their relationship with Israel and by the other argument which we should give weight to.

5. This other argument is of course the refusal of the PLO to recognise the existence of the State of Israel. I believe that, if the PLO can be brought to make an absolutely unequivocal statement of willingness to recognise Israel within the boundaries foreshadowed in Resolution 242, this will be a step forward of a magnitude which would make international endorsement of the Palestinian right to self-determination a small price to pay.

6. Since the adoption of Resolution 242 in November 1967, there have been three veils between Israel and the fundamental question whether or not the Israelis are prepared to withdraw from the Occupied Territories including East Jerusalem in exchange for peace. The first veil was the Arab refusal to enter into direct negotiations ie after all wars the parties talk to each other and reach agreement: why should we be the exceptions? This effectively blocked progress throughout the early 1970s. It has been removed by Sadat's Jerusalem visit and the subsequent negotiations. The second veil has been the Palestinian refusal to recognise the existence of the State of Israel, ie how can we be expected to deal with murderers who are resolved on our destruction? If this could be removed, there would only be one veil left, namely the Israeli argument that withdrawal would be incompatible with Israeli security. This could be met without impossible difficulty through the nature of a peace <sup>by plan?</sup> treaty plus multilateral and bilateral guarantees. We would then be down to the hard bedrock of willingness on the Arab side to conclude peace as against Israeli willingness or unwillingness to withdraw.

/7.

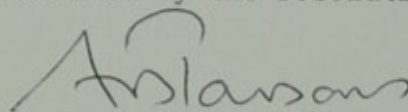
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7. After dealing with the problem on and off for nearly 35 years, I cannot claim any great optimism, but I believe that there might be a chance of progress if we can reach that bedrock position, and that Palestinian recognition of Israel would represent one of the most significant laps on this journey.

8. Tactically therefore, it is important that we make up our minds in advance of the possible Security Council debate in the fourth week of August. I believe that we should vote in favour of a resolution containing these propositions - self-determination for the Palestinians in response for unequivocal Palestinian acceptance of Resolution 242 - provided that the detailed wording is right. I suspect that the Americans are going to work hard to reach a similar position, at worst an abstention. It would obviously suit us to delay the debate until OD have reached a decision. But, if we cannot, the one thing we must not do is to argue in the Security Council that we need more time to consider the question, thus justifying an abstention. To the Arabs and to the rest of the world it would seem wholly incredible that the authors of the Balfour Declaration, the subsequent Mandatory power, a permanent member of the Security Council which has been closely involved with Middle Eastern affairs since 1945 could possibly need another two or three weeks to consider such an issue. By the same token, we would look extremely foolish if we abstained on a resolution in August and then came round to the position represented by the resolution in September.

!!  


A D Parsons

8 August 1979

cc P.S.  
P.S./L.P.S.  
P.S./P.U.S.

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TO PRIORITY TEL AVIV

TELEGRAM NUMBER 167 OF 14 AUGUST

INFO JERUSALEM DAMASCUS AMMAN CAIRO BEIRUT JEDDA KUWAIT WASHINGTON  
UKMIS NEW YORK.

ARAB/ISRAEL: NEW SECURITY COUNCIL RESOLUTION.

THE ISRAELI CHARGE CALLED ON MR HURD ON 13 AUGUST TO REGISTER THE  
ISRAELI VIEW OF A POSSIBLE NEW SECURITY COUNCIL RESOLUTION.

2. BIRAN SAID THAT ANY ATTEMPT TO CHANGE, ADD TO OR IN ANY WAY  
MODIFY 242 SHOULD BE RESISTED IN PRINCIPLE AS LIABLE TO DAMAGE  
THE BALANCE CENTRAL TO 242 AND THREATEN THE BASIS OF NEGOTIATIONS  
SINCE 1967. IT WAS NOT A QUESTION OF WORDING. ANY RESOLUTION WHICH  
REFERRED TO THE PALESTINIAN RIGHT TO SELF-DETERMINATION (WHICH IN  
PRACTICE MEANT AN INDEPENDENT STATE) WOULD IN EFFECT NEGATE 242 AND  
THE CAMP DAVID AGREEMENTS BY PREJUDGING THE RESULT OF NEGOTIATIONS.  
ISRAEL WOULD REJECT ANY ATTEMPT TO IMPOSE A FRAMEWORK IN THIS WAY.  
NOR WOULD A RESOLUTION WHICH DREW ON THE WORDING OF THE CAMP DAVID  
DOCUMENTS BE ACCEPTABLE TO ISRAEL. 242 AND THE CAMP DAVID  
AGREEMENTS SHOULD NOT BE TAMPERED WITH. ISRAEL WOULD NOT COOPERATE  
IN ANY MOVES TO IMPLEMENT A NEW RESOLUTION. HE HOPED AND EXPECTED  
THE BRITISH GOVERNMENT TO RESIST ANY ATTEMPT TO DEPART FROM THE  
PRINCIPLES OF 242. PATIENCE, AND CONSIDERATION FOR THE AUTHONOMY  
NEGOTIATIONS SHOULD BE THE PRIME CONCERNS.

11 3. MR HURD REPLIED THAT THE GOVERNMENT WAS NOT COMMITTED FOR OR  
AGAINST A NEW RESOLUTION. OUR VIEW WOULD DEPEND ON THE TEXT AND  
COULD NOT BE DECIDED IN ADVANCE. ANY DRAFT WOULD BE JUDGED BY THE  
CONTRIBUTION WE THOUGHT IT COULD MAKE TO THE PEACE PROCESS. HE DID  
NOT ACCEPT THAT THERE WAS NO DIFFERENCE BETWEEN EXTENDING OR  
UPDATING 242 AND NEGATING IT. THE GOVERNMENT, LIKE ITS PREDECESSOR,

/TOOK

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TOOK THE VIEW THAT CAMP DAVID COULD NOT SUCCEED UNLESS DUE ACCOUNT WAS TAKEN OF LEGITIMATE PALESTINIAN RIGHTS. IT WAS DIFFICULT TO RECONCILE THIS NEED WITH SOME ASPECTS OF ISRAEL'S POLICY, NOTABLY THE CONTINUING EXPANSION OF ISRAELI SETTLEMENTS. IT WAS VERY DIFFICULT TO PERSUADE THE ARABS THAT CAMP DAVID COULD HAVE REAL CONTENT WHILE SETTLEMENTS PROCEEDED AT SUCH A PACE AND ISRAEL CONTINUED TO INTERVENE AS SHE LIKED IN SOUTH LEBANON. WE WERE PREPARED TO ARGUE THAT THE AUTONOMY NEGOTIATIONS SHOULD BE GIVEN A CHANCE TO SUCCEED. ISRAEL'S OBJECTIONS TO A NEW RESOLUTION WOULD HAVE MORE FORCE IF IT COULD BE ARGUED THAT ISRAELI POLITICS WERE DIRECTED TO MAKING A SUCCESS OF RESOLUTION 242 AND CAMP DAVID. UNFORTUNATELY WE COULD NOT SAY THAT.

4. WE HAVE BRIEFED THE AMERICANS ON THE ISRAELI APPROACH.

CARRINGTON

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NENAD  
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PS/LPS  
PS/MR HUAD  
PS/PUS

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UKMIS NEW YORK AND HMCJ JERUSALEM.  
MY TELNO 2255: US/PALESTINIANS

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Prime Minister

SM  
14/12  
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1. THE NEW YORK TIMES OF 12 AUGUST REPORTS THAT IN AN INTERVIEW WITH EDITORS ON 10 AUGUST (IN WHICH HE COVERED MANY ISSUES BESIDES THE MIDDLE EAST), PRESIDENT CARTER HAD THE FOLLOWING TO SAY ABOUT PALESTINE (HIS FIRST REMARKS ON THE SUBJECT SINCE THE ISSUE HAS BECOME HOT AGAIN):

QUOTE I AM AGAINST ANY CREATION OF A SEPARATE PALESTINE STATE, I DON'T THINK IT WOULD BE GOOD FOR THE PALESTINIANS. I DON'T THINK IT WOULD BE GOOD FOR ISRAEL. I DON'T THINK IT WOULD BE GOOD FOR THE ARAB NEIGHBOURS OF SUCH A STATE UNQUOTE ...

QUOTE WE MUST ADDRESS AND RESOLVE THE PALESTINE QUESTION IN ALL ITS ASPECTS ... PALESTINIANS SHOULD HAVE THE RIGHT TO A VOICE IN THE DETERMINATION OF THEIR OWN FUTURE UNQUOTE.

QUOTE I WILL NOT DEAL WITH THE PLO UNLESS THEY DO TWO THINGS: ACCEPT THE RIGHT OF ISRAEL TO EXIST, WHICH THEY HAVE NOT YET BEEN WILLING TO ACKNOWLEDGE, AND ACCEPT THE FACT THAT UNITED NATIONS RESOLUTION 242 IS A DOCUMENT BINDING ON THEM. THEY HAVE GOT TO ACCEPT 242 AND ACCEPT THE RIGHT OF ISRAEL TO EXIST. THIS IS A COMMITMENT WE HAVE MADE. WE HAVE NEVER DEVIATED FROM IT. WE ARE NOT GOING TO DEVIATE FROM IT UNQUOTE.

2. THE WASHINGTON STAR OF 12 AUGUST PUBLISHES A LONG INTERVIEW WITH ARAFAT, WHICH TOOK PLACE IN BEIRUT ON 9 AUGUST AND WHICH INCLUDES THE FOLLOWING QUESTIONS AND ANSWERS (FULL TEXT FOLLOWS BY BAG):  
PLO GOALS

Q. WHAT IS IT THAT YOU WANT FOR PALESTINIANS - NOW AND IN THE LONG-TERM FUTURE?

A. OUR GOAL AND OUR AIM IS TO ESTABLISH OUR INDEPENDENT STATE, OUR RIGHT TO RETURN TO OUR HOMELAND, FROM WHICH WE WERE KICKED OUT, AND OUR RIGHTS OF SELF-DETERMINATION, THE THREE OF WHICH HAVE BEEN DISCUSSED AND ACCEPTED IN THE UNITED NATIONS GENERAL ASSEMBLY IN 1974 ... WHEN I WAS THERE.

OIL

Q. IS THE OIL COMMITTED TO THE PALESTINIAN CAUSE?

A. DEFINITELY. YOU HAVE TO REMEMBER YAMANI'S STATEMENT, THAT THE AMERICANS HAVE TO REMEMBER THE IMPORTANCE OF THIS ECONOMIC FACTOR TO THE JUST RIGHTS OF THE PALESTINIAN PEOPLE.

EXISTENCE OF ISRAEL

/Q. DO

Q. DO YOU THINK YOU CAN EVER ACKNOWLEDGE THE EXISTENCE OF ISRAEL?

A. DON'T ASK ME THIS QUESTION. I'M NOT GOING TO PUT MY CARDS ON THE TABLE. I'M NOT GOING TO UNCOVER MY CARDS.

Q. YOU RECOGNISE THAT IT IS A FUNDAMENTAL QUESTION?

A. I HAVE A VERY FEW CARDS, BUT I HAVE THE STRONGEST CARDS.

US/PLO

Q. DO YOU WANT A RELATIONSHIP WITH THE UNITED STATES?

A. YES, OF COURSE.

Q. WHAT KIND?

A. LIKE ALL OTHER COUNTRIES. THE FIVE BIG COUNTRIES. LIKE I HAVE WITH THE SOVIET UNION. I HAVE A VERY GOOD RELATION, A STRONG RELATION WITH ONE OF THE SUPERPOWERS. I WANT TO HAVE THE SAME RELATION WITH THE OTHER SUPERPOWER.

Q. YOU WANT THE SAME RELATIONSHIP WITH THE UNITED STATES THAT YOU HAVE WITH THE SOVIET UNION?

A. YES.

Q. NOW? YOU WANT IT NOW?

A. YES, NOW. AND I HAVE THE RIGHT. I WANT IT NOW. AS SOON AS POSSIBLE.

Q. CAN YOU ACCEPT RESOLUTION 242?

A. NO. AND I'LL TELL YOU WHY. AND I HAVE SAID THIS MORE THAN ONCE. 242 WAS A RESOLUTION TO END OF THE WAR THAT TOOK PLACE BETWEEN THE ARABS AND THE ISRAELIS. IT HAS NOTHING TO DO WITH THE PALESTINIAN PEOPLE. THE ONLY MENTION IS REFUGEES. AND NOT PALESTINIANS. WE HAVE TO REMEMBER THE SECOND WORKING PAPER EXPLAINED THE WORD REFUGEES AS ALL REFUGEES, JEWS AND ARABS, BUT NOT PALESTINIANS. WHY DO I HAVE TO RECOGNISE IT WHILE IT DOESN'T EVEN MEAN PALESTINIAN? ACCORDING TO THE SECOND ISRAELI-AMERICAN WORKING PAPER, THE WORD REFUGEE IS INTERPRETED AS JEWS AND ARABS.

Q. IF LANGUAGE CAN BE ACHIEVED THAT FRIENDS OF THE PALESTINIANS IN THE ARAB WORLD, LIKE SAUDI ARABIA OR LIKE KUWAIT, COULD SUPPORT AND THAT COULD BE PASSED BY THE SECURITY COUNCIL WITH THE ACCEPTANCE OF THE UNITED STATES, WOULD YOU BE ABLE TO GO ALONG WITH IT?

A. THAT'S ACCEPTABLE, YES.

CAMP DAVID

Q. YOU CAN NEVER PARTICIPATE IN THE CAMP DAVID FRAMEWORK?

A. I WILL NOT COMMIT SADAT'S CRIME BY GETTING OUTSIDE THE ARAB UNANIMITY, WHICH I HAVE CALLED FOR AND WHICH I HAVE STRIVED TO GET, BECAUSE ARAB UNANIMITY IS ESSENTIAL TO OUR STRIFE. SADAT WILL DISCOVER THIS SOONER OR LATER - THAT WITHOUT ARAB UNANIMITY, NOBODY/CAN

CAN IMPOSE ANY KIND OF SOLUTION IN THIS AREA. EVEN THE ISRAELIS WILL DISCOVER THIS SOONER OR LATER. AND THE AMERICANS WILL DISCOVER THAT TOO.

HYPOTHETICAL MEETING WITH CARTER

Q. WHAT WOULD YOU LIKE TO TELL PRESIDENT CARTER IF YOU COULD MEET WITH HIM?

A. FIRST, I WOULD SAY THAT THE PALESTINIAN PEOPLE ARE ENTITLED TO THEIR RIGHTS, LIKE ALL OTHER PEOPLES, THE RIGHTS TO LIVE IN THIS WORLD, AND THE RIGHT FOR SELF-DETERMINATION AND THE ESTABLISHMENT OF A STATE OF THEIR OWN.

AND I WOULD ADVISE HIM NOT TO RISK MUCH AMERICAN INTERESTS BECAUSE OF HIS PRESENT STRATEGY TOWARD ISRAEL. SECONDLY, THE FUTURE OF THE UNITED STATES OF AMERICA, THE AMERICAN INTEREST IN THIS PART OF THE WORLD, IS WITH THE ARAB PEOPLE - WITH THE ARAB PEOPLE, NOT WITH ISRAEL, AND HE SHOULD STOP DEMANDING THAT THE AMERICAN TAXPAYER TO PAY MORE TAXES JUST TO FULFILL THE AGRESSIVE STRATEGY OF ISRAEL IN THIS PART OF THE WORLD WITH AMERICAN WEAPONS.

Q. WOULD YOU ASK FOR HIS HELP IN ESTABLISHING A PALESTINIAN STATE?

A. I AM NOT PUTTING MY HEAD IN THE SAND. I KNOW WHAT AMERICAN MEANS. I AM PRAGMATIC.

Q. WHAT WOULD YOU SAY EXACTLY?

A. I WOULD ADDRESS HIM AS ONE OF THE TWO SUPERPOWERS WHO ARE COMMITTED TO PEACE IN THE WORLD, AND SECOND AS A BELIEVER, AS A MAN WHO HAS RELIGIOUS FEELINGS AND WHO SECRETLY BELIEVES THAT THE PALESTINIAN PEOPLE ARE ENTITLED TO JUST TREATMENT LIKE OTHER NATIONS. AND AS A BELIEVER, IT IS HIS RESPONSIBILITY TO HELP RESTORE PEACE.

TERRORISM

IN ANSER TO A QUESTION ABOUT ISRAEL'S CHARGE THAT THE PLO ARE TERRORISTS AND MURDERERS.

A. I AM NOT WANTED IN BRITAIN. IT IS MENACHEM BEGIN WHO IS STILL WANTED IN BRITAIN.

ROBINSON

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TO PRIORITY FCO

TELEGRAM NUMBER 389 OF 9 AUGUST

INFO WASHINGTON AND CAIRO

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MY TELNO 376: US/ISRAEL RELATIONS *ant*

1. SPEAKING TO US IN CONFIDENCE TODAY (PLEASE PROTECT), THE US CHARGE SAID THAT PRESIDENT CARTER'S WORKING LUNCH WITH THE ISRAEL AMBASSADOR IN WASHINGTON YESTERDAY SEEMED TO HAVE GONE WELL: THERE WAS NOW LIKELY TO BE A PAUSE IN THE FLOOD OF PUBLIC ISRAELI ACCUSATIONS OF US BAD FAITH AT LEAST FOR A TIME.

2. BUT VIETS AGREED THAT THE LULL WOULD ONLY BE A TEMPORARY ONE. ISRAELI SUSPICIONS OF THE US ADMINISTRATION'S INTENTIONS REMAINED STRONG AND HAD NOT BEEN ASSUAGED EITHER BY MR CARTER'S REAFFIRMATION YESTERDAY OF THE UNITED STATE'S "UNSHAKEABLE" AND "LONG-STANDING" COMMITMENT TO ISRAEL, NOR BY MR VANCE'S STATEMENT EARLIER IN THE DAY DENYING ANY SHIFT IN US POLICY.

3. THE ISRAELI POSITION REMAINED THAT US ACCEPTANCE OF ANY NEW SECURITY COUNCIL RESOLUTION WHICH SEEMED TO THEM TO ALTER THE BALANCE OF SC RESOLUTIONS 242 OR 338 WOULD BE ANATHEMA. IN HIS "SECRET" MESSAGE TO MR VANCE AFTER THE CABINET MEETING OF 5 AUGUST, WHICH VIETS BELIEVED TO HAVE BEEN DRAFTED PERSONALLY BY MR BEGIN, MR DAYAN HAD WARNED THE AMERICANS THAT IF THE US FAILED TO PREVENT ANY ATTEMPT IN THE SECURITY COUNCIL TO MODIFY THE TEXTS OF, ADD TO, OR ALTER THE BALANCE IN A NEW RESOLUTION OF, THE TWO RESOLUTIONS, THEN THE ISRAEL GOVERNMENT WOULD REGARD THIS AS RENDERING THOSE PASSAGES OF THE CAMP DAVID AGREEMENT REFERRING TO SC 242 AND 338 AS "NULL AND VOID". THIS WARNING CLEARLY EMBODIED THE CENTRAL ISRAELI VIEW OF THE MATTER AND COULD NOT BE DISREGARDED.

4. HOWEVER, VIETS DID NOT BELIEVE THAT THE ISRAELIS WOULD NECESSARILY ABROGATE, OR EVEN SUSPEND THE IMPLEMENTATION, OF THE PEACE TREATY WITH EGYPT IF THE AMERICANS ENDORSED A NEW RESOLUTION.

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IT WAS NOTICEABLE, FOR EXAMPLE, HOW CAREFUL THEY HAD BEEN DURING THIS WEEK'S TALKS IN HAIFA TO KEEP THE QUTONOMY QUESTION DISINCT FROM THE ARGUEMENT ABOUT SC 242. THIS SEEMED TO INDICATE THA THEY WISHED AS FAR AS POSSIBLE TO ISOLATE THEIR PRESENT QUARREL WITH THE AMERICANS FROM THE QUESTION OF THE IMPLEMENTATION OF THE PEACE TREATY.

5. NEVERTHELESS SUSPENSION FO THE IMPLEMENTATION OF THE TREATY REMAINED A REAL POSSIBILITY AND ONE WHICH THE EGYPTIANS CLEARLY TOOK VERY SERIOUSLY. AT THIS POINT VIETS REFERRED TO A TELEGRAM LAST NIGHT FROM THE US AMBASSADOR, CAIRO, RELATING A CONVERSATION WHICH HE HAD HAD WITH THE EGYPTIAN PRIME MINISTER IMMEDIATELY AFTER THE LATTER'S RETURN FROM HAIFA. DR KHALIL HAD TOLD ATHERTON. THAT IN THE LIGHT OF HIS READING OF ISRAELI OPINION WHILE IN HAIFA, HE NOW SAW A REAL DANGER THAT THE ISRAELIS MIGHT SUSPEND THE IMPLEMENTATION OF THE AGREEMENT IF THE US ENPORSEF A NEW RESOLUTION CONTAINING ANY REFERENCE TO SELF-DETERMINATION FOR THE PALESTINIANS, THE LEAST IN HIS VIEW THA THE LATTER COULD ACCEPT.

6. DR KHALIL HAD GONE ON TO SAY THAT IF THE US VETOED SUCH A RESOLUTION THIS WOULD OBVIOUSLY PUT AN END TO ANY ATTEMPT TO GET INTO A DIALOGUE WITH THE PALESTINIANS. BUT IF THE US DECIDED THAT SHE MUST VETO, SHE SHOULD NOT WAIT UNTIL THE VERY LAST MOMENT BEFORE MAKING HER INTENTIONS KNOWN SINCE THIS WOULD ONLY INTENSIFY THE BITTERNESS OF THE PALESTINIAN REACTION. ON BALANCE, DR KHALIL INCLINED TO THE VIEW THAT THE AMERICANS SHOULD MAKE IT CLEAR VERY SOON TO THE PALESTINIANS THAT THEY COULD NOT NEGOTIATE ON A NEW RESOLUTION AT THIS STAGE. THE EGYPTIANS WOULD PREFER CONSIDERATION OF SUCH A RESOLUTION TO BE DEFERRED UNTIL AFTER THE COMPLETION OF THE ISRAELI WITHDRAWAL TO THE INTERIM LINE IN THE SINAI.

/7.

7. VIETS DREW THE PERSONAL CONCLUSION THAT, QUITE APART FROM ISRAELI OPPOSITION, THE AMERICANS WOULD NOW FIND IT EVEN MORE DIFFICULT, IN THE LIGHT OF THIS EGYPTIAN PLEA FOR DELAY, TO ENDORSE A NEW RESOLUTION LIKELY TO MEET EVEN THE MOST MODERATE PALESTINIAN REQUIREMENTS.

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TO PRIORITY FCO

TELEGRAM NUMBER 2255 OF 9 AUG 79.

INFORMATION PRIORITY TO AMMAN, BEIRUT, CAIRO, DAMASCUS, KUWAIT, JEDDA, TEL AVIV, UK MIS NEW YORK AND HMCJ JERUSALEM.

M.I.P.T. : ARAB/ISRAEL : THE NEW SECURITY COUNCIL RESOLUTION.

1. THE UNCERTAINTIES IN THE US POSITION, AND THE NATURE OF THE PRESSURES WHICH WILL FINALLY DECIDE THEM, SUGGEST THAT WE WILL GET LITTLE IF ANY ADVANCE WARNING OF THEIR FINAL POSITION.

2. I SUGGEST THAT WE HAVE TO DRAW TWO CONCLUSIONS FOR OURSELVES:-

(i) THERE IS A SIGNIFICANT BODY OF OPINION IN THE ADMINISTRATION HERE WHICH HAS CONCLUDED THAT THE AMERICANS ARE GOING TO HAVE TO FIND MEANS OF RECOGNISING AND OF DEALING WITH THE PLO IF THEY ARE GOING TO BUILD CAMP DAVID INTO THE SORT OF SUCCESS WHICH WILL HEAL THEIR BREACH WITH SAUDI ARABIA AND AVOID THE RISK OF A RETURN TO DOMESTIC "GAS LINES". IF THIS VIEW PREVAILS, AND THERE MUST BE AT LEAST A SIGNIFICANT CHANCE THAT IT WILL, WE COULD BE FACED QUITE SOON WITHOUT WARNING WITH A US DECISION WHICH WILL INVOLVE READINESS TO DEAL FORMALLY WITH THE PLO. FOR US TO MAKE THE SAME MOVE AFTER THE AMERICANS WILL NOT EARN US CREDIT ANYWHERE. IF ON THE OTHER HAND, BECAUSE OF ISRAELI PRESSURE THIS VIEW DOES NOT PREVAIL IN WASHINGTON AND THE AMERICANS BACK DOWN, EVERY LINE OUT FROM WESTERN COUNTRIES TO THE MODERATE ARABS (INCLUDING MODERATES IN THE PLO) IS GOING TO BE OF VALUE, TO THE AMERICANS AS WELL AS TO US.

(ii) GIVEN THAT THE AMERICANS SEEM LIKELY TO HAVE AT LEAST THE SAME DIFFICULTIES AS OURSELVES, AND PROBABLY MORE, WITH ANY TEXT BISHARA PRODUCES, AND SINCE THE AMERICANS SEEM LIKELY TO WANT TO PRODUCE A TEXT OF THEIR OWN (MY TEL NO 2120) WE DO NOT NEED, IN NEW YORK OR ELSEWHERE, TO EXPLAIN OUR OWN DIFFICULTIES WITH THE REVISED BISHARA TEXT.

13. I THINK

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3. I THINK THAT STERNER'S REFERENCE TO ME THIS MORNING TO THE POSSIBILITY THAT THE AMERICANS MIGHT ASK SOMETHING OF US NEXT WEEK IS MORE LIKELY TO INVOLVE A REQUEST TO HELP IN CONTACTS WITH THE PLO THEN TO MEAN THAT THE AMERICANS WILL BE ASKING US TO MAKE THE RUNNING FOR THEM IN SELLING IN NEW YORK THE SORT OF DRAFT SECURITY COUNCIL RESOLUTION THEY MAY EVENTUALLY FEEL ABLE TO SUPPORT. WHEN I LAST SAW SAUNDERS HE SPOKE AGAIN OBLIQUELY ABOUT THE HELP THE AMERICANS MIGHT HOPE WE COULD PROVIDE IN CONTACTS WITH THE PLO. (IT IS ONE THING FOR THE AMERICANS TO HAVE THESE CONTACTS THEMSELVES ABOUT MATTERS WHICH THEY CAN DISAVOW: IT WOULD BE ANOTHER IF THEIR NEED IS FOR PLO ASSURANCES TO WHICH THEY COULD REFER PUBLICLY, WHEN THEY ARE BOUND TO THE ISRAELIS NOT TO TALK TO THE PLO IN PRESENT CIRCUMSTANCES.)

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TELEGRAM NUMBER 2254 OF 9 AUG 79.

INFORMATION PRIORITY AMMAN, BEIRUT, CAIRO, DAMASCUS, KUWAIT,  
JEDDA, TEL AVIV, UK MIS NEW YORK AND HMGJ JERUSALEM.

*Prime Minister*  
*du*  
*13/8*

MY TEL NO 2239 (NOT TO ALL)

ARAB/ISRAEL : THE NEW SECURITY COUNCIL RESOLUTION.

1. THE AMERICANS ARE RETICENT AND WILL NOT TELL US WHERE THEY NOW STAND ON THE NEW SECURITY COUNCIL RESOLUTION IN ANY DETAIL.
2. VANCE PLANS TO BE AWAY ON HOLIDAY FROM 15 AUGUST TO THE END OF THE MONTH INCLUSIVE. STRAUSS IS ON HOLIDAY, BUT IS BEING CONSULTED BY TELEPHONE AS THINGS DEVELOP, AND MAY NOW GO TO THE MIDDLE EAST RATHER BEFORE 20 AUGUST. SAUNDERS IS ON LEAVE UNTIL 20 AUGUST. BISHARA RETURNS TO NEW YORK ON 20 AUGUST. MONDALE LEAVES FOR CHINA ON 25 AUGUST. BOTH VANCE AND THE ISRAELI AMBASSADOR HERE REFUSED TO DISCLOSE ANY DETAIL ABOUT THE LUNCH WHICH EVRON HAD YESTER DAY WITH CARTER, VANCE AND BRZEZINSKI.
3. I TRIED STERNER (IN CHARGE IN STATE DEPARTMENT IN SAUNDERS' ABSENCE) THIS MORNING. HE SAID FINAL DECISIONS HAD NOT YET BEEN TAKEN BUT THE AMERICAN INTENTION WAS TO BE IN TOUCH WITH BISHARA BETWEEN THE LATER'S RETURN FROM LEAVE AND 23 AUGUST WHEN THE DISCUSSION OF THE NEW SECURITY COUNCIL RESOLUTION WAS DUE TO RESUME. IT SEEMED UNREALISTIC TO SUPPOSE THAT THIS ISSUE COULD BE WRAPPED UP BY 24 AUGUST, AND THE AMERICANS DID NOT WANT TO BE TIED TO "ARTIFICIAL DEADLINES". ON THE OTHER HAND THEY HAD ACCEPTED THAT THEY SHOULD COME TO GIRPS WITH THIS ISSUE AND WERE AWARE OF THE ARAB WISH TO TIE THINGS DOWN BEFORE THE HAVANA NON-ALIGNED SUMMIT. THEY WOULD THEREFORE AIM TO BE PREPARED TO GIVE SOME INDICATION TO THE ARABS AT THAT TIME (I.E. BETWEEN 20 AND 23/4 AUGUST) WHERE THE US STOOD ON SUBSTANCE.
4. STERNER SAID THAT THE US PLAN WAS TO CONSULT WITH US SOME TIME NEXT WEEK, AND IN ANY CASE WELL BEFORE BISHARA'S RETURN TO NEW YORK, BOTH TO EXPLAIN WHAT THE AMERICANS HAD IN MIND AND TO SEEK OUR JUDGEMENT WHICH THEY WOULD VALUE.  
THE AMERICANS "MIGHT ALSO ASK SOMETHING" OF US.

5. IN CONCLUSION STERNER SAID THAT THE AMERICANS WERE COMMITTED TO RESPOND TO THE ARABS WITHIN THE TIME SCALE AGREED WITH BISHARA. BUT HE COULD NOT SAY HOW IN DETAIL THE AMERICAN RESPONSE WOULD GO, BECAUSE (HE CLAIMED) NO FINAL DECISIONS HAD BEEN TAKEN. WHAT HE HAD TOLD ME WAS ONLY AN OFFICIAL-LEVEL VIEW AND THINGS COULD STILL CHANGE.

6. THE NSC MEMBER OF STRAUSS'S TEAM (HUNTER) ALSO MAINTAINS THAT DECISIONS HAVE NOT YET BEEN TAKEN, THAT MEETINGS ARE GOING ON HERE (DESPITE THE ABSENCES NOTED IN PARA 2 ABOVE) AND THAT THINGS COULD STILL CHANGE: BUT THAT THE US ARE TAKING THE WHOLE QUESTION OF A NEW SECURITY COUNCIL RESOLUTION VERY SERIOUSLY, THAT THEIR APPROACH IS BASED ON SC 242 AND 338 AND THE CAMP DAVID TEXTS (ONE SIGNIFICANCE OF THIS CATALOGUE COULD BE THAT THESE TEXTS DO NOT MENTION "SELF-DETERMINATION" BUT ONLY PALESTINIAN "PARTICIPATION IN THE DETERMINATION OF THEIR OWN FUTURE": AND THAT THE AMERICANS ARE FULLY CONSCIOUS OF THE CONSEQUENCES OF GETTING INTO THIS OPERATION AND THEN FAILING TO SATISFY THE MODERATE ARABS.

7. THIS LAST POINT IS VERY MUCH IN LINE WITH WHAT SAUNDERS HAS TOLD ME ON TWO RECENT OCCASIONS (MY TEL NOS 1864 AND 2120). INDEED THE PERIOD OF TIME DURING WHICH THE AMERICANS HAVE, BY THEIR OWN ADMISSION, BEEN INVOLVED IN THIS OPERATION (SOME THREE MONTHS) AND THE REALISATION OF THE CONSEQUENCES OF FAILURE FOR US RELATIONS WITH SAUDI ARABIA AND THE OTHER ARABS, OUGHT TO MEAN THAT THE BASIC DECISION HAS BEEN TAKEN HERE TO SEE THE THING THROUGH. THIS WOULD ALSO FIT WITH THE EXPECTATION THAT THE AMERICANS WILL BE IN A POSITION TO CONSULT WITH US NEXT WEEK AND WITH BISHARA AND OTHERS AT THE BEGINNING OF THE FOLLOWING WEEK, DESPITE THE ABSENCES LISTED IN PARA 2 ABOVE. IF SO, EVRON SHOULD HAVE BEEN GIVEN SOME INTIMATION AT HIS MEETING WITH CARTER YESTERDAY. (BUT I HAVE NO EVIDENCE OF THIS.)

8. ON THE OTHER HAND, IT SEEMS EQUALLY POSSIBLE THAT, IN THE DIS-ORGANISED ATMOSPHERE HERE IN THE LAST MONTH, NO FIRM DECISIONS HAVE YET BEEN REACHED BY THE ADMINISTRATION AS A WHOLE, AND THAT THE AMERICANS WILL NEED TO PLEAD FOR TIME BEYOND 24 AUGUST BEFORE THEY

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ARE IN A POSITION TO DEFINE THE BULLET THEY ARE PREPARED TO BITE.  
IF SO WE MAY BE IN FOR A PERIOD OF THREE WEEKS OR MORE OF PUBLIC  
PRESSURE AND IN-FIGHTING IN WASHINGTON AND NEW YORK WITH THE  
POSSIBILITY OF INCREASINGLY DAMAGING RESULTS IF THE AMERICANS ARE  
NOT IN THE END ABLE TO FIND LANGUAGE WHICH WILL SATISFY THE MODERATE  
ARABS WHO HAVE BROUGHT THE PLO SO FAR.

ROBINSON

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TO ROUTINE FCO

TELEGRAM NUMBER 2239 OF 8 AUGUST 79

INFO ROUTINE TEL AVIV, CAIRO, BEIRUT, AMMAN, DAMASCUS, JEDDA,  
HMCG JERUSALEM.

MY TELNO 2196 (NOT TO ALL): US/ISRAEL.

1. THE CURRENT TENSION IN U.S.-ISRAELI RELATIONS IS BEING WELL PUBLICISED HERE. SO IS THE DISCUSSION OF A NEW SECURITY COUNCIL RESOLUTION WHICH IS SEEN AS THE HEART OF THE CRISIS.
2. VICE PRESIDENT MONDALE SPENT TIME ON 3 AUGUST TELEPHONING LEADERS OF THE AMERICAN JEWISH COMMUNITY TO EXPLAIN AWAY THE PRESIDENT'S COMPARISON OF THE PALESTINE ISSUE WITH THE U.S. CIVIL RIGHT MOVEMENT. THE PRESIDENT RECALLED STRAUSS TO WASHINGTON FROM HIS CALIFORNIA HOLIDAY FOR A SPECIAL MEETING WITH HIMSELF AND VANCE. SAUNDERS LUNCHEDED WITH THE ISRAELI AMBASSADOR ON 6 AUGUST AND PRESIDENT CARTER IS DOING SO TODAY. BOTH CARTER AND STRAUSS ARE REPORTED TO HAVE SPOKEN TO BEGIN BY TELEPHONE ON 4 AUGUST - AND NOT JUST TO CONGRATULATE HIM ON BEING 66. STRAUSS IS REPORTED TO BE BRINGING FORWARD HIS NEXT VISIT TO THE MIDDLE EAST TO 20 AUGUST. SENATOR STONE, CHAIRMAN OF THE FOREIGN RELATIONS SUB-COMMITTEE ON THE MIDDLE EAST, ANNOUNCED AFTER SEEING VANCE THAT HE HAD BEEN AUTHORISED TO SAY THAT HE HAD BEEN ASSURED THAT THE U.S. WOULD VETO THE NEW SECURITY COUNCIL RESOLUTION ON PALESTINIAN RIGHTS AS IT NOW STANDS BECAUSE OF ITS CALL FOR GRANTING PALESTINIAN SELF-DETERMINATION AND THE RIGHT TO AN INDEPENDENT PALESTINIAN STATE. STATE DEPARTMENT SPOKESMAN ON 7 AUGUST DECLARED THAT "THE U.S. IS NOT DOING ANYTHING IN THE NEGOTIATIONS BASED ON OIL CONSIDERATIONS" - THIS IN ANSWER TO THE "OPEC BLACKMAIL ON PALESTINE" THEME WHICH IS GAINING CURRENCY.



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3. PROMPTED BY A LETTER FROM REPRESENTATIVE FINDLEY, VANCE HAS WRITTEN TO THE CHAIRMAN OF THE HOUSE AND SENATOR FOREIGN AFFAIRS COMMITTEES ABOUT ISRAELI USE OF AMERICAN SUPPLIED ARMS. IN HIS LETTER (COPIES BY BAG TO FCO AND TEL AVIV) VANCE STATES THAT "I AM REPORTING THAT A VIOLATION OF THE 1952 AGREEMENT (THE BILATERAL MUTUAL DEFENCE ASSISTANCE AGREEMENT OF 23 JULY 1952) MAY HAVE OCCURRED BY REASON OF SUCH ACTIONS AS ISRAEL'S JULY 22 AIR STRIKES AND THE DEPLOYMENT IN SOUTHERN LEBANON OF U.S. SUPPLIED ARTILLERY SUBJECT TO U.S. LAW". AFTER REITERATING THAT THE GOVERNMENT OF ISRAEL ARE AWARE OF THE SERIOUSNESS WITH WHICH THE U.S. GOVERNMENT VIEWS THIS QUESTION, VANCE'S LETTER CONTINUES (AND THIS IS THE PART THAT MAKES IT DIFFERENT FROM EARLIER LETTERS ON RELATED SUBJECTS) "FURTHER ACTION ON OUR PART WILL DEPEND UPON THE COURSE OF EVENTS AND OUR ASSESSMENT OF THEM".

4. WE HAVE BEEN TOLD BY THE STATE DEPARTMENT THAT THIS APPARENTLY MODERATE LANGUAGE REPRESENTS A CLEAR MESSAGE WHICH THEY BELIEVE WILL NOT BE LOST ON ISRAEL THAT ISRAEL HAS NOW CROSSED A THRESHOLD OF AMERICAN TOLERANCE. THEY EXPECT A VIGOROUS ISRAELI COMEBACK, BUT STRESSED THAT THE DECISION TO SEND SUCH A LETTER, WHICH OFFICIALS DID NOT EXPECT, WAS TAKEN BY VANCE HIMSELF AFTER MOST CAREFUL STUDY OF THE EVIDENCE.

5. STATE DEPARTMENT OFFICIALS ARE UNDER STRICT INSTRUCTIONS NOT TO GIVE OUT COPIES OF VANCE'S LETTER, NOR TO MAKE COMMENTS ON IT. UNTIL IT LEAKS THEREFORE, WE SHOULD NOT ADMIT TO HAVING THE FULL TEXT.

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*Middle East*

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TO PRIORITY F C O

TELEGRAM NUMBER 339 OF 8 AUGUST

INFO ROUTINE BEIRUT, CAIRO, TEL AVIV, WASHINGTON

*Middle East*  
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ARAB/ISRAEL

1. IN CASE IT SHOULD BE PICKED UP ELSEWHERE, YOU SHOULD BE AWARE THAT TODAY'S ENGLISH LANGUAGE ARAB TIMES AND ITS SISTER ARABIC PAPER SIYASSA CARRY A REPORT OF AN INTERVIEW I GAVE THEIR CORRESPONDENT ON 1 AUGUST. THE ARTICLE IS PRINTED UNDER A HEADLINE "BRITAIN SUPPORTS MOVE ON NEW RESOLUTION FOR PALESTINE" AND QUOTES ME AS SAYING THAT SUCH A RESOLUTION SHOULD BE DIRECTED TOWARDS CONSOLIDATING THE LEGITIMATE RIGHTS OF THE PALESTINIANS.
2. KNOWING THAT THE LOCAL PRESS HABITUALLY GET THINGS WRONG, WE TOOK CARE TO GIVE THE CORRESPONDENT A WRITTEN RESUME OF THE POINTS I MADE. ON THE QUESTION OF A RESOLUTION I SAID THAT THERE HAD BEEN CONSULTATION IN NEW YORK AND THAT THESE WERE STILL GOING ON; BUT THAT IT WAS NOT CORRECT TO SAY THAT THERE WAS A SPECIFIC BRITISH INITIATIVE. ON THE SUBSTANCE OF THE QUESTION I SPOKE ON THE LINES OF THE 18 JUNE STATEMENT BY THE NINE.
3. THE AMERICANS HERE HAVE ALREADY ENQUIRED ABOUT THIS NEWSPAPER REPORT. I HAVE PUT THE RECORD STRAIGHT FOR THEM. WE WILL REMONSTRATE GENTLY WITH THE CORRESPONDENT FOR DEPARTING SO WILFULLY FROM WHAT PASSED IN THE INTERVIEW; BUT I THINK IT WOULD BE COUNTER-PRODUCTIVE TO GO FURTHER THAN THAT AND ISSUE A DENIAL.

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FM WASHINGTON 061945Z AUG 79

TO PRIORITY F C O

TELEGRAM NUMBER 2205 OF 6 AUGUST

INFO PRIORITY TEL AVIV, CAIRO.

TEL AVIV TELNO 377: US/ISRAELI RELATIONS.

1. STATE DEPARTMENT HAVE TOLD US THAT DAYAN'S VISIT TO WASHINGTON HAS NOW BEEN POSTPONED UNTIL EARLY SEPTEMBER. IN A PERFECTLY CIVIL MESSAGE TO VANCE, DAYAN ACCEPTED THAT THE AUGUST DATES PROPOSED WERE INCONVENIENT. THE EGYPTIAN ATTITUDE TO A SEPTEMBER MEETING IS NOT YET CLEAR.

ROBINSON

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FM CAIRO 061230Z AUG

TO IMMEDIATE FCO

TELEGRAM NR 633 OF 06 AUG 79  
 INFO PRIORITY TEL AVIV WASHINGTON JEDDA DAMASCUS AMMAN AND  
 BAGHDAD:

ARAB/ISRAEL:

1. IN SPEECHES ON 3 AND 5 AUG., PRESIDENT SADAT AGAIN REVIEWED THE SITUATION IN THE MIDDLE EAST. THE SYRIAN REGIME WAS ON THE VERGE OF COLLAPSE. THE SCANDAL OF THE ALAWITE ARMY IN LEBANON CONTINUED. GOVERNMENT IN IRAQ AND SYRIA WAS BASED ON CONSPIRACY AND TREACHERY. IT WOULD NEED GOD'S HELP TO SAVE THE IRANIAN REVOLUTION FROM ITSELF. EGYPT WAS AN ISLAND OF LOVE AND PEACE IN A REGION CONSUMED WITH HATRED AND BLOODY PURGES. QADHAFI AND OTHER ARABS HAD ATTEMPTED TO STARVE THE EGYPTIAN PEOPLE, BUT PRESIDENT CARTER AND CHINA HAD COME TO THE RESCUE WITH FINANCIAL AND MATERIAL SUPPORT. EVEN THE MODERATE ARAB LEADERS HAD LOST THEIR SENSES. WHEN THEY CAME TO AND SOUGHT TO RESTORE THEIR RELATIONS WITH EGYPT, THEY WOULD BE HELD TO ACCOUNT AND SHOWN UP AS THE DWARFS THEY WERE.

2. SADAT SAID HE WAS NOT OPPOSED TO CURRENT MOVES TO AMEND RESOLUTION 242, BUT THE ARABS INVOLVED SHOULD REALISE THAT THEY WOULD GAIN NOTHING IN THE END. THEY WOULD STILL HAVE TO SIT DOWN WITH ISRAEL. EGYPT HAD PROGRESSED FAR BEYOND THAT THAT STAGE, AND WOULD PERSEVERE WITH THE AUTONOMY NEGOTIATIONS.

3. THE INTENSITY OF SADAT'S INVECTIVE MAY OWE SOMETHING TO THE STRAINS OF RAMADAN, BUT IT REFLECTS NATURAL EGYPTIAN SCHADENFREUDE OVER THE TROUBLES OF THE REGIMES IN IRAQ, SYRIA, IRAN ETC AND PERHAPS A GENUINE CONFIDENCE THAT THE MODERATES WILL HAVE TO COME BACK TO EGYPT IN THE END. HIS REMARKS ABOUT THE 242 EXERCISE ARE MORE DIFFICULT TO EXPLAIN, FOR THEY WOULD APPEAR TO BE A GIFT TO THE ISRAELIS. THE PRESS HAS PLAYED THEM

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DOWN, AND THE MFA ISSUED A STATEMENT ON 4 AUG THAT EGYPT CONSIDERED THE INITIATIVE TO BE COMPLEMENTARY TO ITS OWN EFFORTS TO ACHIEVE PALESTINIAN SELF-GOVERNMENT. MY GUESS IS THAT SADAT WAS MOTIVATED PARTLY BY PIQUE AT THE DISTRACTION OF INTERNATIONAL ATTENTION FROM HIS OWN CENTRAL ROLE (IN ORDER TO PLACATE OTHER ARABS) AND PARTLY BY FEAR THAT THE ISRAELIS MIGHT REACT BY INTERRUPTING THE PEACE PROCESS IN SOME WAY.

WEIR.

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FM BEIRUT 041100Z AUG 79

TO ROUTINE FCO

TELEGRAM NUMBER 213 OF 04 AUGUST 1979

INFO ROUTINE AMMAN, DAMASCUS, TEL AVIV, WASHINGTON, MODUK (FOR DI4).

OUR TELNO 171 OF 26 JUNE - LEBANON: SECURITY

BEIRUT

1. SINCE TUR, SECURITY IN BEIRUT HAS DETERIORATED AGAIN. THE ANNOUNCEMENT ON 16 JULY OF THE NEW GOVERNMENT (WITHOUT ANY MAJOR CHRISTIAN POLITICAL LEADER) SIGNALLED AN OUTBREAK OF FIRING ALONG THE TRADITIONAL FRONT IN THE CENTRE OF BEIRUT. ESCALATION OF THE FIGHTING AFFECTED THE PORT AND CULMINATED IN THE MOST SERIOUS FIGHTING BETWEEN THE CHRISTIAN MILITIAS AND THE SYRIAN ARAB DETERRENT FORCES (ADF) FOR SOME MONTHS. THERE ARE CALLS FOR THE LEBANESE ARMY TO TAKE OVER THE ENTIRE PORT AREA BUT RELIABLE TROOPS IN CONFESSIONALLY BALANCED AND ACCEPTABLE UNITS ARE SCARCE THOUGH THEIR NUMBER IS SLOWLY INCREASING. THE LAST TWO DAYS HAVE BEEN RELATIVELY QUIET THOUGH NOT ALL THE USUAL CROSSING POINTS BETWEEN EAST AND WEST ARE SAFE TO USE.

2. WEST BEIRUT WAS CLOSED DOWN FOR TWO DAYS AFTER THE DEATH OF ZUHAIR MOHSEN. GUNMEN ENSURED THE EFFECTIVENESS OF THE STRIKE AND THERE WERE OCCASIONAL CLASHES BETWEEN THEM. (A FIGHT BETWEEN SAIQA AND ONE LEFT-WING GROUP - OVER A STOLEN CAR - LEFT THE BALANCE OF WOUNDED AS 8 - 2, AGAINST SAIQA.)

NORTH LEBANON

3. THE SHI'ITE VILLAGES ABOVE BYBLOS (JBEIL) ARE QUIET NOW, UNDER LEBANESE ARMY PROTECTION. THE COASTAL ROAD IS CLOSED OCCASIONALLY TO TANKER TRAFFIC BY THE CHRISTIAN MILITIAS OF THE LEBANESE FRONT. THEY STILL MAINTAIN ONE CHECK POINT ON THE ROAD.

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/ SOUTH LEBANON

## SOUTH LEBANON

4. YOU WILL BE AWARE FROM OTHER REPORTING OF THE SERIOUS DETERIORATION IN SECURITY IN SOUTH LEBANON. ISRAELI AIR SORTIES AND GROUND INCURSIONS WILL DOUBTLESS CONTINUE. ARTILLERY EXCHANGES OCCUR ALMOST DAILY. A UN SOURCE HERE EXPRESSED CONCERN AT HOW CLOSE TO THE FORWARDMOST SYRIAN POSITIONS SOME SHELLS WERE NOW FALLING.

## GENERAL

5. OVERALL, THE PICTURE IS NOT GOOD. THE SYRIAN ADF POSITION IS AFFECTED BY EVENTS AT HOME. THE LEBANESE ARMY HAVE FEW RELIABLE RESERVES THEY CAN DEPLOY. UNIFIL IS UNDER CONSTANT PRESSURE. IN LOCALISED TERMS, SECURITY IN MANY AREAS REMAINS AS REASONABLE AS USUAL.

## STRACHAN

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FM TEL AVIV 030900Z AUG

TO PRIORITY FCO

TELNO 376 OF 3 AUG

INFO PRIORITY WASHINGTON, CAIRO, UKMIS NEW YORK.

U S/ISRAEL RELATIONS.

1. ISRAELI POLITICAL AND OFFICIAL CIRCLES, AND WITH THEIR GUIDANCE THE MEDIA, ARE WORKING THEMSELVES UP INTO A FINE LATHER OVER WHAT THEY SEE AS A DEEPENING RIFT BETWEEN THE UNITED STATES AND ISRAEL. THE THREE MAIN ELEMENTS, ON WHICH I HAVE REPORTED SEPARATELY IN RECENT DAYS, ARE:- REPORTS OF NEGOTIATIONS IN NEW YORK FOR A NEW SECURITY COUNCIL RESOLUTION TO BE TABLED DURING THE PALESTINIAN DEBATE ON 23 AUGUST; THE UNEF/UNTSO ISSUE; AND WHAT ISRAELIS SEE AS NEW U S POLICIES IN THE AUTONOMY NEGOTIATIONS, LEADING TO A 'LEGISLATURE' IN THE WEST BANK AND GAZA AND THENCE TO A PALESTINIAN STATE. SOUTH LEBANON AND SETTLEMENTS REMAIN RUNNING SORES, OF COMPARATIVELY MINOR IMPORTANCE AT THE MOMENT COMPARED WITH THE ABOVE THREE.

2. PRESIDENT CARTER'S PRESS CONFERENCE COMMENT THAT THERE WAS AN ANALOGY BETWEEN THE PALESTINIAN RIGHTS MOVEMENT AND THE CIVIL RIGHTS MOVEMENT IN THE UNITED STATES HAD PREDICTABLY ADDED FUEL TO THE FLAMES. AND THE STAGE IS BEING SET FOR A FINE DISPLAY OF FIREWORKS WHEN MRSSRS STRAUSS, KHALIL AND BURG MEET FOR A FURTHER ROUND OF AUTONOMY NEGOTIATIONS IN HAIFA ON SUNDAY, 5 AUGUST.

3. THE QUESTION IS TO WHAT EXTENT THE FUSS WHICH THE ISRAELIS ARE MAKING IS DUE TO GENUINE WORRY, OR ARTIFICIAL, IN ORDER TO ACHIEVE A TACTICAL POSITION OF RIGHTEOUS INDIGNATION FROM WHICH BETTER TO ATTACK FROM THE SIDELINES DURING THE FORTHCOMING SECURITY COUNCIL DEBATE. THE ANSWER IS:- A MIXTURE OF BOTH. THUS, I BELIEVE THE UNEF/UNTSO DISPUTE TO BE VERY LARGELY ARTIFICIALLY INDUCED HERE. THERE MAY BE AN ELEMENT OF GENUINE CONFUSION, IN THAT MR

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/ DAYAN TOOK



DAYAN TOOK HIS EYE OFF THE BALL WHILE ILL, AND HIS FOREIGN MINISTRY STAFF DID NOT SUFFICIENTLY INSIST ON DRAWING HIS ATTENTION TO WHAT WAS GOING ON, AND MR BEGIN CAN CORRECTLY CLAIM THAT WHEN MAYNES FIRST RAISED THE SUBJECT OF UNTSO WITH HIM LAST MAY, THE PRIME MINISTER TOLD HIM FIRMLY THAT UNTSO WOULD NOT DO (I HAVE SEEN THE RECORD OF THE CONVERSATION TAKEN ON THAT OCCASION BY THE PRIME MINISTERS POLITICAL ADVISER). BUT I AM SURE THAT MR DAYAN SEES THE ISSUE AS A TACTICAL OPPORTUNITY TO CLAIM GRAVE INJURY TO ISRAEL'S INTERESTS BY THE UNITED STATES, AND PERHAPS TO BRING TO THE FORE A SUBJECT ON WHICH HE CAN DEAL DIRECTLY WITH MR VANCE, AS HE CANNOT, BY DELIBERATE SELF-DENIAL, OVER THE AUTONOMY NEGOTIATIONS.

4. ON THE UNITED STATES ATTITUDE IN THE AUTONOMY NEGOTIATIONS. THE QUESTION IS WHETHER THE ISRAELIS ARE DELIBERATELY EXAGGERATING AND MISINTERPRETING WHAT THE U S TEAM SAID LAST WEEK IN ALEXANDRIA. ACCORDING TO THE ISRAELI PRESS, THE STATE DEPARTMENT MAINTAIN THAT THE ISRAELIS HAVE MISUNDERSTOOD THEIR POSTION: WHILE THEY AGREE WITH THE EGYPTIANS THAT THE ISSUES LISTED IN PARA ONE OF MYTEL 371 DESERVE TO BE DISCUSSED, THERE HAS BEEN NO CHANGE IN THEIR POSITION ON THE SUBSTANCE OF THE NEGOTIATIONS. BUT EVEN THE FACT THAT THE AMERICANS CAN CONTEMPLATE UTTERING THE WORD "LEGISLATURE" HAS GIVEN THE ISRAELIS A BAD FRIGHT. THEY AARE ALSO PROFOUNDLY WORRIED LEST THE AMERICANS ACTUALLY SUCCEED IN MOVING THE NEGOTIATIONS OUT OF THE PROCRASTINATORY BOG INTO WHICH THE ISRAELIS THOUGHT THEY HAD MANOEUVRED THEM. HENCE THE DELIBERATE ATTEMPTS TO FOG THE ISSUE. IT REMAINS TO BE SEEN HOW FAR THIS WILL BE SORTED OUT IN HAIFA NEXT WEEK, THE RESULT NO DOUBT DEPENDING SIGNIFICANTLY ON HOW FAR THE ISRAELIS WANT IT TO BE.

5. FINALLY, THE ISRAELIS ARE GENUINELY AND DEEPLY DISTURBED AT THE PROSPECT OF A NEW SECURITY COUNCIL RESOLUTION, WITH ALL IT IMPLIES FOR U S , AND OTHER, DE FACTO RECOGNITION OF THE P L O AS A VALID NEGOTIATING PARTNER. I AM SURE THAT YOU ARE NOT INCLINED TO UNDERESTIMATE THE FURY WITH WHICH THE ISRAELIS WILL SEEK TO FORESTALL ANY RAPPROCHEMENT, BY ANYBODY,

WITH THE P L O: AND THE VITUPERATION WITH WHICH THEY WOULD CONDEMN AND DISTORT ANY NEW RESOLUTION. IT WOULD BE INTERPRETED HERE, TO A VERY WIDELY RECEPTIVE PUBLIC, AS A DEAL WITH MURDERERS, WHO REMAIN AS DETERMINED AS EVER TO DRIVE JEWS INTO THE SEA, KILLING AS MANY OF THEM AS POSSIBLE ON THE WAY. THIS EXTREME REACTION WOULD OF COURSE BE DUE TO THE FACT THAT A RESOLUTION WHICH COULD BE INTERPRETED AS P L O RECOGNITION OF ISRAEL'S RIGHT TO EXIST WOULD BE THE SEVEREST BLOW TO THE WHOLE DIRECTION OF ISRAELI FOREIGN POLICY. IT IS DIFFICULT TO PREDICT WHAT THE SUBSTANTIAL, AS OPPOSED TO THE VITUPERATIVE, REACTION WOULD BE HERE, BUT NOTHING CAN BE EXCLUDED, EVEN SUSPENSION OF THE IMPLEMENTATION, BUT NOT, I BELIEVE, ABANDONMENT, OF THE PEACE TREATY WITH EGYPT.

6. I HOPE THAT IT WILL BE UNDERSTOOD THAT I AM IN NO WAY SUGGESTING THAT THE UNITED STATES OR WE SHOULD GO SLOW IN OUR EFFORTS TO ACHIEVE A RESOLUTION WHICH WOULD ENABLE US TO START NEGOTIATIONS WITH THE P L O, IN WHATEVER FORM OR AT WHATEVER LEVEL. I AM MERELY REPORTING, WHAT YOU ALREADY KNOW, THAT THE REACTION HERE WILL BE MOST EXTREME AT ALL LEVELS. WHETHER IT WOULD BE SUSTAINED IN THE LONG-TERM IS ANOTHER QUESTION. AS I HAVE REPORTED SEPARATELY, ISRAELI PUBLIC OPINION IS VOLATILE AND IT COULD WELL BE THAT AFTER THE INITIAL SHOCK HAD BEEN ABSORBED, MORE CONSTRUCTIVE REACTIONS MIGHT EMERGE, PARTICULARLY IF THE P L O EXPLICITLY ACCEPTED ISRAEL'S RIGHT TO EXIST AND ABANDONED, OR SUSPENDED, ITS POLICY OF VIOLENCE AGAINST HER.

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FM BEIRUT 031045Z AUG 79

TO PRIORITY FCO

TELEGRAM NUMBER 211 OF 03 AUGUST 1979

INFO PRIORITY UKMIS NEW YORK

INFO ROUTINE DAMASCUS, TEL AVIV, WASHINGTON, MODUY (FOR 014).

## VISIT OF URQUHART TO LEBANON

BRIAN URQUHART CAME ON A FACT-FINDING VISIT TO LEBANON ON 31 JULY TO 1 AUGUST. HE SAW LEBANESE GOVERNMENT LEADERS, INCLUDING PRESIDENT SARKIS, AND HAD A LATE NIGHT MEETING WITH YASSER ARAFAT. THE HEAD OF THE UNITED NATIONS INFORMATION OFFICE, WHO ACCOMPANIED HIM ON HIS OFFICIAL CALLS, TOLD US THAT GREAT CARE HAD BEEN TAKEN TO AVOID THE SUGGESTION THAT URQUHART WOULD PROPOSE A NEW INITIATIVE. SANBAR SAID THAT URQUHART WAS marginally MORE OPTIMISTIC ABOUT SOUTH LEBANON NOW THAN HE HAD BEEN IN FEBRUARY.

2. SANBAR SAID THAT ONE AIM OF THE VISIT HAD BEEN TO TRY AND PERSUADE THE LEBANESE AUTHORITIES ONCE AGAIN THAT ACTIVE PARTICIPATION IN SOUTH LEBANON WAS VITAL IF ANY PROGRESS WAS TO BE MADE: UN RESOLUTIONS DID NOT IN THEMSELVES SOLVE PROBLEMS. SANBAR SAID THAT URQUHART WAS CONVINCED THAT PRESIDENT SARKIS AND FOREIGN MINISTER BOUTROS WERE WELL AWARE OF THIS. A SECOND OBJECTIVE WAS TO IMPRESS UPON THE PALESTINIAN LEADERSHIP THE NEED TO AVOID REACTING TO ISRAELI AGRESSION IN SOUTH LEBANON BY FURTHER TERRORIST ACTS. URQUHART MADE THE POINT, (AS I HAVE,) THAT AS THE PALESTINIAN IMAGE IMPROVES IN THE WEST SO THE ISRAELIS NEED TO PROVOKE THEM INTO SOME GRISLY TERRORIST ACTION.
3. DURING THE VISIT URQUHART MADE IT QUITE CLEAR THAT THERE WAS NO SUGGESTION THAT THE WITHDRAWAL OF UNIFIL WAS UNDER CONSIDERATION.
4. SANBAR ADDED THAT IN PREPARATION FOR HIS VISIT URQUHART HAD REQUESTED A THOROUGH INVESTIGATION INTO WHETHER IN RECENT MONTHS THERE HAD BEEN ANY SUCCESSFUL PALESTINIAN INFILTRATION INTO ISRAEL THROUGH THE UNIFIL AREA: THERE HAD BEEN NONE. URQUHART HAD WISHED TO BE SURE OF THIS BEFORE CONFRONTING THE ISRAELIS ON THIS ISSUE.

15. PRESIDENT

5. PRESIDENT SARKIS HAS NOW MOVED TO HIS SUMMER RESIDENCE FOR ONE WEEK AND IT IS WIDELY REPORTED THAT HE WILL HOLD A SUMMIT MEETING WITH YASSER ARAFAT THERE. THE MAIN TOPIC OF CONVERSATION IS TO BE SOUTH LEBANON.

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TO PRIORITY FCO

TELNO 376 OF 3 AUG

INFO PRIORITY WASHINGTON, CAIRO, UKMIS NEW YORK.

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TO PRIORITY FCO

TELEGRAM NO 2196 OF 3 AUGUST

INFO PRIORITY TEL AVIV CAIRO UKMIS NEW YORK

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*p.a.*

TEL AVIV TEL 376: US/ISRAEL RELATIONS

1. SEEN FROM HERE, HM AMBASSADOR TEL AVIV IS RIGHT THAT US/ISRAEL RELATIONS ARE GOING THROUGH A VERY TENSE PHASE. FIRST, HOWEVER, TWO POINTS OF FACT:

(I) AMBASSADOR STRAUSS WILL NOT (NOT) BE ATTENDING THE AUTONOMY NEGOTIATIONS ON 5 AUGUST. HE WILL NEXT APPEAR AT THE SEPTEMBER ROUND:

(II) STATE DEPARTMENT ARE CATEGORICAL THAT BEGIN DID NOT (NOT) DISCUSS UNTSO WITH MAYNES IN MAY AND CLAIM THAT THE ISRAELIS ARE PUTTING ABOUT A HIGHLY DISTORTED VERSION OF WHAT TOOK PLACE AT THAT MEETING.

2. THERE ARE MANY ISSUES BEDEVILLING US/ISRAEL RELATIONS AT THE MOMENT. OF THESE, THE FORTHCOMING UN RESOLUTION ON PALESTINIAN RIGHTS IS IN A CATEGORY OF ITS OWN. THE ISRAELIS HAVE NO DOUBT WORKED OUT FOR THEMSELVES THAT, HAVING REQUESTED MORE TIME BEFORE BEING REQUIRED TO VOTE ON THE ISSUE, THE AMERICANS HAVE RAISED THE STAKES. THIS, TAKEN WITH A NUMBER OF HIGH LEVEL PUBLIC HINTS (WASHINGTON TELNOS 2103 AND 2170) AND MUCH PRESS SPECULATION HERE MUST BE CAUSING THE ISRAELIS CONSIDERABLE CONCERN ABOUT AMERICAN INTENTIONS VIS A VIS THE PLO. THE AMERICANS AGREE THAT PLO RECOGNITION, HOWEVER INDIRECT, OF ISRAEL'S RIGHT TO EXIST IS THE LAST THING THE ISRAEL GOVERNMENT WANTS.

3. THE SECOND, BUT LESS IMPORTANT, AREA OF FRICTION CONCERNS UNTSO WHERE THE AMERICANS ARE GENUINELY PUZZLED BY THE ISRAELI ATTITUDE. ON BALANCE THEY THINK IT IS LIKELY TO BE TACTICAL, BUT THEY ALSO ADMIT TO NOT HAVING HANDLED THE PREPARATIONS WELL ENOUGH. THEY CONSIDERED THAT AT OFFICIAL LEVEL THEY PREPARED THE GROUND AND HAD RATHER TOO READILY ASSUMED THAT ISRAELI OFFICIALS WOULD PASS ON THE MESSAGE TO THEIR MINISTERS. THEY ALSO SEE AN ELEMENT OF DAYAN GETTING BACK INTO THE GAME. THEY DO NOT BELIEVE, HOWEVER, THAT THE PROBLEM IS INSOLUBLE. ONE PARTICULAR AREA WHICH NEEDS TO BE DISCUSSED IN MORE DETAIL WITH THE ISRAELIS IS THE EXTENT TO WHICH UNTSO MIGHT CARRY OUT THE BUFFER FUNCTION AFTER FULL ISRAELI WITH-

*DRAWAL*

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DRAWAL FROM SINAI. THE AMERICANS ARE QUITE CLEAR WHAT THE TREATY MEANS AND THAT THE COMMITMENT TO PROVIDE AN ALTERNATIVE FORCE DOES NOT APPLY TO THE INTERIM WITHDRAWAL PERIOD. THEY CAN SEE, HOWEVER, THAT THE ISRAELIS MIGHT HAVE JUSTIFIABLE WORRIES ABOUT UNTSO IN ITS PRESENT FORM ATTEMPTING TO DO THE JOB AFTER FULL WITHDRAWAL.

4. THE AMERICANS BELIEVE THAT THE ISRAELIS HAVE GREATLY OVERSTATED WHAT WENT ON AT THE LAST ROUND OF AUTONOMY NEGOTIATIONS. THEY ARE MUCH MORE INCLINED TO SEE THIS AS DELIBERATE MISINTERPRETATION, PARTLY DIRECTED AT DISCREDITING LEONARD AND PARTLY TO BUILD UP THE ATMOSPHERE.

5. ON THE OTHER HAND TEL AVIV TEL UNDER REF. HAS, I THINK, UNDERSTIMATED THE PROBLEM OF THE 22 JULY RAIDS ON LEBANON. THE AMERICANS ARE SERIOUSLY CONSIDERING WHETHER THAT ISRAELI ACTION VIOLATED THE CONDITIONS UNDER WHICH AMERICAN AIRCRAFT WERE SUPPLIED. THEY HAVE BEEN GATHERING EVIDENCE ABOUT WHAT REALLY TOOK PLACE ON THE GROUND AS COMPREHENSIVELY AS POSSIBLE AND, UNDER PRESSURE PARTICULARLY FROM REPRESENTATIVE FINDLEY, WILL HAVE TO TAKE SOME KIND OF DECISION ON THIS. ON BALANCE I THINK IT IS UNLIKELY THAT THEY WILL USE THE ULTIMATE SANCTION OF REDUCING MILITARY SUPPLIES IN ANY WAY BUT THEY ARE TAKING THE 22 JULY RAIDS EXTREMELY SERIOUSLY.

6. AMONG OTHER MINOR IRRITANTS IN US/ISRAEL RELATIONS I WOULD LIST THE POSSIBLE SALE OF M60 A3 TANKS TO JORDAN (ABOUT WHICH WE MAY STILL HEAR MORE AFTER THE CONGRESSIONAL RECESS), CARTER'S REMARKS ABOUT THE PALESTINIAN ISSUE BEING COMPARABLE TO THE AMERICAN CIVIL RIGHTS MOVEMENT (WHICH MAY BLOW OVER QUITE QUICKLY), THE RUNNING SORE OF ISRAEL/HADDAD'S RELATIONS WITH UNIFIL AND PRESS REPORTS THAT CARTER GAVE HIS BLESSING IN ADVANCE TO THE KREISKY/ARAFAT MEETING.

7. THE FULL FORCE OF THE ISRAELI LOBBY HAS NOT YET BEEN TURNED ON. SO FAR THE THRUST OF THE ISRAELI COUNTERATTACK, AS IT COMES THROUGH HERE, SEEMS TO BE THAT ON BOTH THE PLO AND UNTSO THE ADMINISTRATION ARE SHOWING SIGNS OF GOING BACK ON FORMAL COMMITMENTS.

8. ON THE OTHER HAND AN INTERESTING COUNTERTHEME OF WHICH THE

ISRAELIS

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ISRAELIS WILL HAVE TO TAKE ACCOUNT IS GAINING SOME CURRENCY HERE, NAMELY THAT ISRAELI ACTIONS IN THE LEBANON ARE DESIGNED TO WEAKEN THE POSITION OF MODERATE PALESTINIANS AND DRIVE THEM INTO EXTREMEIST ATTITUDES WHICH WILL EFFECTIVELY PREVENT THE US FROM DOING BUSINESS WITH THEM. (C.F. BEIRUT TEL 211).

ROBINSON

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TO PRIORITY KUWAIT

TELEGRAM NUMBER 222 OF 2 AUG

AND TO PRIORITY TEL AVIV, BEIRUT, DAMASCUS, AMMAN, CAIRO, CONSUL  
GENERAL JERUSALEM, JEDDA, BAHRAIN

INFO UKMIS NEW YORK

ARAB/ISRAEL

1. YOUR TELNO 326 (NOT TO ALL). THE STORY OF A BRITISH INITIATIVE AT THE UN FOR A NEW RESOLUTION GOING BEYOND 242 AND INVOLVING RECOGNITION OF PALESTINIAN RIGHTS, SPECIFICALLY THE RIGHT OF SELF-DETERMINATION, SEEMS TO HAVE ORIGINATED IN THE MIDDLE EAST PRESS. IT IS A GARBLED STORY. THERE IS NO SUCH BRITISH INITIATIVE AND NEWS DEPT ARE SAYING AS MUCH IN RESPONSE TO ENQUIRIES.
2. THE BACKGROUND IS THE DISCUSSION IN NEW YORK DURING THE PAST WEEK OF A DRAFT RESOLUTION PROPOSED BY THE KUWAITI REPRESENTATIVE WORKING IN CONCERN WITH THE PLO. FURTHER CONSIDERATION IN THE COUNCIL HAS BEEN POSTPONED UNTIL 23 AUGUST. SINCE WE HELD THE PRESIDENCY OF THE COUNCIL, UKMIS NEW YORK WERE CLOSELY INVOLVED IN DISCUSSION OF THE DRAFT RESOLUTION BUT THE INITIATIVE WAS TAKEN BY THE ARABS. IT IS NOT YET CERTAIN WHAT FORM THE RESOLUTION MIGHT TAKE WHEN THE MATTER IS RECONSIDERED LATER THIS MONTH. THE US ATTITUDE WILL BE CRUCIAL.

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TO PRIORITY FCO

TELEGRAM NUMBER 363 OF 30 JULY

INFO PRIORITY CAIRO, WASHINGTON, UKMIS NEW YORK ROUTINE MOSCOW  
DAMASCUS

UNEF/UNTSO

1. THE ISRAELI CABINET AGREED ON 29 JULY TO SEND THE FOREIGN MINISTER TO WASHINGTON TO DISCUSS THE SUPERVISION OF THE PEACE TREATY WITH MR VANCE AND EGYPTIAN MINISTERS. MR DAYAN IS REPORTED TO HAVE BEEN INSTRUCTED BY THE CABINET TO SAY THAT IF THE US FAILED TO NEGOTIATE THE CREATION OF A UN FORCE REPORTING DIRECTLY TO THE SECURITY COUNCIL, IT MUST DISCHARGE ITS EXPLICIT OBLIGATION TO CREATE A MULTI-NATIONAL FORCE. HE IS ALSO SAID TO HAVE BEEN TOLD TO SEEK "AN ACCEPTABLE FORCE" POSSESSING THE SAME POWERS AS UNEF: OF COMPARABLE SIZE: DEPLOYED IN THE SAME AREA: AND ANSWERABLE EITHER TO THE SECURITY COUNCIL OR TO THE GOVERNMENTS INVOLVED, LED BY THE US GOVERNMENT. THE ISRAELI DEFENCE MINISTER WAS NOT PRESENT BUT HIS REPRESENTATIVE AT THE CABINET MEETING SUBSEQUENTLY MADE IT CLEAR THAT MR WEIZMAN ENDORSED THE CABINET'S LINE.
2. UNNAMED MINISTERS ARE QUOTED AS HAVING SUGGESTED THAT MR DAYAN SHOULD TELL MR VANCE THAT THE US HAD NOT MADE SUFFICIENT EFFORTS EITHER TO RENEW THE UNEF MANDATE OR TO PERSUADE OTHER COUNTRIES TO JOIN THE MULTI-NATIONAL FORCE: WHILE EGYPT AND ISRAEL WERE DISCHARGING THEIR OBLIGATIONS TO THE LETTER, THE AMERICANS WERE MAKING LIGHT OF A PRESIDENTIAL PROMISE.
3. THE CABINET APPARENTLY DID NOT DISCUSS AMERICAN COMPROMISE PROPOSALS REPORTED TO HAVE BEEN GIVEN TO THE ISRAELI AMBASSADOR IN WASHINGTON ON 25 JULY. THESE WERE SAID TO INVOLVE THE DEPLOYMENT OF A REINFORCED UNTSO CONTINGENT.
4. ISRAELI POLICY WAS PUBLICLY CONFIRMED IN A PRESS CONFERENCE

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WHICH ISRAEL'S UNITED NATIONS AMBASSADOR GAVE ON 29 JULY IN JERUSALEM. BLUM IS QUOTED AS SAYING THAT ISRAEL WOULD NOT OPPOSE A "REASONABLY SIZED" UN FORCE SUBORDINATE TO THE SECURITY COUNCIL. HE POINTED OUT THAT THE PEACE TREATY ENVISAGED UN FORCES AND OBSERVERS ON BOTH SIDES OF THE BORDER, NOT FORCES OR (LAST WORD UNDERLINED) OBSERVERS.

5. THE PROBLEM DOES NOT APPEAR TO HAVE BEEN DISCUSSED, AS HAD BEEN EXPECTED, BY THE ISRAELI DEFENCE MINISTER AND HIS EGYPTIAN OPPOSITE NUMBER WHO ARRIVED HERE ON 29 JULY FOR A THREE DAY VISIT. THEY ARE REPORTED TO HAVE DECIDED HOWEVER TO UPGRADE THE JOINT MILITARY COMMITTEE TO FILL THE VACUUM LEFT BY UNEF'S DISBANDMENT IN THE MEANTIME. THIS COMMITTEE WILL HANDLE DAY-TO-DAY CO-OPERATION IN THE SINAI UNTIL A REPLACEMENT IS FOUND FOR UNEF.

6. THERE HAD EARLIER BEEN SUGGESTIONS THAT ISRAELI FORCES WOULD NOT COOPERATE WITH UN PERSONNEL CARRYING OUT THE ROUTINE FORTNIGHTLY CHECK OF SINAI DISPOSITIONS DUE TO START ON 30 JULY. UN HQ JERUSALEM, TELL US THAT THIS HAS NOW BEEN POSTPONED (AT THE REQUEST OF BOTH SIDES) UNTIL A SOLUTION TO THE PROBLEM HAS BEEN FOUND. TROOPS FROM THE SWEDISH BATTALION OF UNEF ARE DUE TO START PULLING OUT THIS WEEK, BUT ACCORDING TO UN HQ THEY HAVE NOT YET BEEN INFORMED OF PLANS TO WITHDRAW BY OTHER CONTINGENTS.

COMMENT

7. MR DAYAN'S TOUGH INSTRUCTIONS FROM THE CABINET CLEARLY REFLECT HIS OWN VIEWS ON THE NEED TO TAKE A FAIRM LINE WHEN HE MEETS MR VANCE LATER THIS WEEK ON WHAT HE SEES AS A MATTER OF PRINCIPLE. HIS - AND THE CABINET'S - THINKING ON THE UNEF/UNTSO ISSUE MAY ALSO BE INFLUENCED BY RECENT PRESS SPECULATION ON NEGOTIATIONS FOR THE REVISION OF SC RESOLUTION 242. THE ISRAELIS WILL FIGHT TOOTH AND NAIL AGAINST THIS AND ALMOST CERTAINLY REGARD THE DISPUTE OVER UNEF/UNTSO AS AN OPPORTUNITY TO REMIND THE US ADMIN-

/ISTRATION, THAT

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ISTRATION, THAT THEIR ACCEPTANCE OF DECISIONS MADE IN NEW YORK  
OR WASHINGTON WHICH THEY CONSIDER CONTRARY TO THEIR INTERESTS  
CANNOT BE TAKEN FOR GRANTED

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TEL NO 2078 OF 26 JULY  
INFO CAIRO, TEL AVIV, JEDDA, BEIRUT, DAMASCUS, UKMIS NEW YORK.

P S TO P M NO 10 DOWNING ST

MIDDLE EAST

*[Handwritten signature]*

Prime Minister

*[Handwritten initials]*

WHEN I SAW NEWSOM (UNDER SECRETARY FOR POLITICAL AFFAIRS, STATE DEPARTMENT) TODAY HE SPOKE AS FOLLOWS ABOUT THE MIDDLE EAST.

2. AS REGARDS THE ISRAELI RAIDS ON THE LEBANON THE AMERICANS WERE CONSIDERING WHETHER THE USE BY THE ISRAELIS OF AMERICAN EQUIPMENT, ALLOWED FOR SELF DEFENCE UNDER THE SUPPLY AGREEMENT WAS A BREACH OF THIS AGREEMENT.

3. NEWSOM HAD NO VERY DEFINITE OPINION ON WHY THE ISRAELIS WERE BEING SO AGGRESSIVE AT THE MOMENT. HE THOUGHT IT HAD SOMETHING TO DO WITH BEGIN'S HEALTH, WITH THE POSSIBILITY OF SUCCESSION AND WITH INNER CABINET CONFLICTS. THEY MIGHT ALSO BE HOPING THAT SUCH RAIDS WOULD HASTEN THE DEPARTURE OF THE SYRIANS NOW IN THE LEBANON. ACCORDING TO NEWSOM THE ISRAELIS FELT THAT THEY HAD GOT WHAT THEY WANTED OUT OF SADAT AND THERE WAS NO PARTICULAR ISRAELI INTEREST IN ANYTHING FURTHER. AS REGARDS SADAT NEWSOM THOUGHT THAT HIS POSITION IN EGYPT WAS FIRM BOTH WITH THE MASSES AND THE MILITARY AND IT MIGHT BE THAT HE HIMSELF WAS IN NO HURRY TO MAKE ANY PROGRESS TOWARDS A WIDER AGREEMENT.

4. NEVERTHELESS, STRAUSS WAS A GO-GETTER AND WAS DETERMINED TO TRY TO PULL SOMETHING OFF BY THE END OF THE YEAR. FOR POLITICAL REASONS PRESIDENT CARTER WOULD WANT SOMETHING TO SHOW ON THIS SUBJECT BY THAT DATE.

5. I ASKED NEWSOM WHETHER THE SAUDIS HAD ALREADY RESORTED, OR WERE LIKELY TO RESORT, TO BLACKMAIL IN LINKING ADDITIONAL SUPPLIES OF OIL TO THE ISRAELI QUESTION. NEWSOM SAID THAT THEY WERE PERHAPS DOING SO BUT IN A SUBTLE WAY. THEY DID NOT WANT TO EXACERBATE RELATIONS WITH THE USA. NEVERTHELESS, THEY HAD INDICATED CLEARLY THAT THE SUBJECT OF OIL WAS LINKED TO PROGRESS ON THE WEST BANK AND IT WAS FOR THEM TO DEFINE WHAT PROGRESS MEANT. HE MENTIONED IN PASSING THAT HE THOUGHT THE SAUDIS WERE UNCOMFORTABLE AT THE PRESSURE BEING EXERCISED BY THE IRAQIS AND KUWAIT.

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/6. LIBYA



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6. LIBYA WAS THE ODD MAN OUT IN THE ARAB WORLD AT THE MOMENT. THEY WERE PROVIDING FUNDS TO THE MORE RADICAL PALESTINIANS AND POSSIBLY HELPING SUBVERSION IN EGYPT, SAUDI ARABIA AND THE GULF. NEVERTHELESS NOBODY DARED TO BE OPENLY RUDE TO QADHAFI.

7. ON THE SUBJECT OF THE PEACE-KEEPING FORCES IN SYRIA NEWSOM FOUND IT DIFFICULT TO UNDERSTAND WHY THE ISRAELIS WERE BEING SO DIFFICULT. THEY WERE SAYING THAT AT CAMP DAVID THE US UNDERTOOK TO FIND A US FORCE IN THE EVENT OF UNEF NOT BEING RENEWED. THE STATE DEPARTMENT ARE STILL WORKING OUT THE BEST LINE ON THIS SUBJECT WHICH MIGHT NOW AMOUNT TO BEING CONTENT WITH HAVING UNTSO FORCES SIMPLY ON THE NON-ISRAELI SIDE.

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TO PRIORITY FCO  
TELNO 359 OF 26 JULY.  
INFO CAIRO, WASHINGTON.

*Prime Minister*

*SM*  
*27/7*

MYTEL 338: MR BEGIN'S HEALTH.

1. THE ISRAELI PRESS REPORT THAT MR BEGIN IS IN GOOD HEART, CONDUCTING A LITTLE BUSINESS AND RECEIVING SELECTED VISITORS. THE ONLY MANIFESTATION OF THE BLOOD CLOT IN HIS BRAIN IS AN IMPAIRMENT OF VISION, AS TO 25 PERCENT IN ONE EYE AND TEN PERCENT IN THE OTHER. HIS PRIVATE SECRETARY CONFIRMED THIS TO ME YESTERDAY, BUT ADDED THAT MR BEGIN'S CONDITION WAS "UP AND DOWN". ON SUNDAY HE HAD BEEN IN EXCELLENT FORM, ON MONDAY HE HAD SEEN VISITORS AND BECOME EXHAUSTED, AND ON TUESDAY HE WAS IN LOW SPIRITS. YESTERDAY, WEDNESDAY, 25 JULY HE WAS BETTER, AS HIS DOCTORS HAD FORBIDDEN VISITORS. THE PROBLEM WAS ALSO THAT AS SOON AS HE FELT BETTER IN HIMSELF, HE WOULD PICK UP THE TELEPHONE AND SEEK TO CONDUCT A WIDE RANGE OF BUSINESS. THE DOCTORS WERE, SENSIBLY, UNWILLING TO PREDICT WHETHER THE IMPAIRMENT OF VISION WOULD DISAPPEAR OR CONTINUE, BUT I GOT THE IMPRESSION FROM THE PRIVATE SECRETARY THAT THEY THOUGHT THE LATTER ON THE WHOLE MORE PROBABLE, WITH THE ACCOMPANYING ATTENDANT RISK OF A FURTHER, MORE SERIOUS, BLOOD CLOT.

2. IF IN THE NEXT FEW WEEKS MR BEGIN'S DOCTORS WERE TO TELL HIM THAT HE MUST RETIRE FROM THE PREMIERSHIP, IT IS POSSIBLE THAT HE MIGHT BE GLAD TO DO SO. HE WOULD LEAVE OFFICE AS THE ARCHITECT OF THE PEACE TREATY, AND DIVEST HIMSELF OF THE EXTREMELY DIFFICULT PROBLEMS OF THE AUTONOMY NEGOTIATIONS AND THE INSOLUBLE, ON HIS TERMS, PROBLEMS OF THE ISRAELI ECONOMY.

*/ME*

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MEMORANDUM FOR THE PRESIDENT  
SUBJECT: ISRAELI POLITICS

HE COULD "RETIRE HURT" AND HONOURABLY LEAVE THE TEAM TO CONTINUE THE MATCH AS BEST THEY COULD WITHOUT HIM. BUT IT IS EQUALLY POSSIBLE THAT HE MIGHT REJECT THEIR ADVICE, AND CLING TO POWER. OR, OF COURSE, THE CLOT MAY DISAPPEAR ENTIRELY, AND MR BEGIN MAY RETURN TO HIS RECENT EXCELLENT FORM. EVEN SO, THIS NEW SET BACK WILL HAVE MADE HIM THINK.

3. ONCE AGAIN MR BEGIN'S HEALTH HAS BECOME A PRINCIPAL FACTOR IN ISRAELI POLITICS. MOST POLITICIANS WILL BE HOPING THAT HE WILL CONTINUE IN OFFICE UNTIL AT LEAST THE END OF THE YEAR, BECAUSE OF THE CONFUSION INTO WHICH ALL OF THEM WOULD BE THROWN SHOULD HE HAVE TO RETIRE.

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Prime Minister

TO PRIORITY FCO

TELEGRAM NR 607 OF 24 JUL 79

INFO ROUTINE TEL AVIV DAMASCUS AMMAN JEDDA BAGHDAD AND WASHINGTON:

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27/7  
ant

ARAB/ISRAEL

1. IN A SPEECH ON 23 JUL (REVOLUTION DAY) VICE PRESIDENT MUBARAK STRESSED EGYPT'S COMMITMENT TO THE ACHIEVEMENT OF PALESTINIAN RIGHTS, WHICH STEMMED BOTH FROM PRINCIPLE AND FROM STRATEGIC INTEREST. EGYPT HAD LINKED THE LIBERATION OF ITS OWN TERRITORY TO THE ACHIEVEMENT OF A SETTLEMENT OF THE PALESTINIAN PROBLEM SATISFACTORY TO THE PALESTINIAN PEOPLE. IT MADE NO CLAIM TO REPRESENT THE PALESTINIANS, WHO MUST IN THE END CHOOSE FOR THEMSELVES. IT WANTED ONLY TO HELP THEM, AS NATURAL ALLIES OF EGYPT, TO TAKE THE FIRST STEP TOWARDS A SETTLEMENT. MUBARAK STRESSED IN FAMILIAR TERMS THE GAINS ACHIEVED FOR THE PALESTINIANS AT CAMP DAVID AND IN THE PEACE TREATY. OTHER ARAB GOVERNMENTS TRADED IN THE PALESTINIAN CAUSE BUT DID NOTHING TO ADVANCE THE PALESTINIANS' INTERESTS. THE SUCCESS OF EGYPTIAN PLANS DEPENDED NOT ONLY ON ISRAELI ATTITUDES, BUT ON THE PALESTINIANS' FREEDOM TO DECIDE THEIR OWN FUTURE. HE APPEALED TO ARAB GOVERNMENTS NOT TO HOLD THEM BACK.

2. MUBARAK REFERRED TO THE UNHOLY IDENTITY OF INTERESTS BETWEEN ARAB AND ISRAELI REJECTIONISTS. SOME ISRAELIS STILL CLUNG TO DREAMS OF ANNEXATION OF ARAB LAND. THEY REGRETTED THE OBLIGATIONS THEY HAD ENTERED INTO IN CAMP DAVID. THEY AND THE ARAB REJECTIONISTS PREFERRED A CONTINUATION OF THE STATUS QUO. EGYPT ON THE OTHER HAND BELIEVED IN MOVEMENT. IT HAD BEEN THE FIRST TO CALL FOR A PALESTINIAN STATE AND FOR THE FORMATION OF A PALESTINIAN GOVERNMENT IN EXILE (A CALL PRESIDENT SADAT HAD RECENTLY REPEATED IN MONROVIA). IT NOW SOUGHT AUTONOMY FOR BOTH THE LAND AND THE PEOPLE OF THE WEST BANK AND GAZA. ARAB JERUSALEM SHOULD BE INCLUDED IN EVERY WAY IN PROVISIONS FOR THE WEST BANK. THE PALESTINIAN GOVT (SIC)

/MUSI

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MUST HAVE JUDICIAL, LEGISLATIVE AND EXECUTIVE POWERS.

3. MUBARAK SAID THAT THERE HAD BEEN SIGNES IN THE NEGOTIATIONS THAT ISRAEL WAS TRYING TO EMPTY AUTONOMY OF SUBSTANCE. EGYPT WOULD NOT BE DETERRED. PROGRESS MUST BE ACHIEVED: WITHOUT IT THE SITUATION COULD EXPLODE. IN ANY CASE ISRAEL HAD COMMITTED ITSELF TO A COMPLETE CHANGE IN THE SITUATION ON THE WEST BANK AND GAZA. EGYPT WOULD INSIST THAT THERE MUST BE TANGIBLE PROGRESS TOWARDS THIS IN THE EARLY AUTUMN: OTHERWISE THERE WOULD BE (UNSPECIFIED) SERIOUS CONSEQUENCES.

4. THIS WAS THE FIRST TIME THAT MUBARAK HAS MADE A MAJOR SPEECH ON PRESIDENT SADAT'S BEHALF ON A DAY OF NATIONAL CELEBRATION. HIS DOING SO PROBABLY MARKS BOTH THE CONTINUING RISE IN HIS OWN STOCK, AND THE DECLINING SIGNIFICANCE ATTACHED TO THE 23 JULY (NASSER'S) REVOLUTION IN PRESIDENT SADAT'S SCHEME OF THINGS. THE VICE-PRESIDENT'S SPEECH STRUCK A NICE BALANCE BETWEEN EGYPTIAN NATIONALISM AND ARAB COMMITMENT. IT WAS AS FORTHCOMING TO THE PALESTINIANS AS ANY RECENT EGYPTIAN STATEMENT, AND, WHILST FIRM WITH THE ANTI-SADAT ARABS, AVOIDED RUDENESS. ON THE AUTONOMY NEGOTIATIONS, MUBARAK'S REFERENCE TO AN AUTUMN DEADLINE REFLECTED THE PRESIDENT'S REMARK TO THE PRESS ON 3 JUL ABOUT REVIEWING MATTERS IN OCTOBER (MY TELNO 563). IN GENERAL HE TOOK A TOUGHER LINE WITH THE ISRAELIS THAN MOST RECENT EGYPTIAN STATEMENTS. DOUBTLESS THIS WILL BE NOTICED IN ISRAEL BUT I WOULD NOT ATTACH TOO MUCH SIGNIFICANCE TO IT. THE SPEECH BEARS THE MARKS OF A FOREIGN MINISTRY DRAFT AND MAY NOT ACCURATELY REFLECT THE PRESIDENT'S THINKING.

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of PLO Middle East  
Subject filed on Israel  
Mr. Kidron's call: July 79

THE ISRAELI AMBASSADOR'S FAREWELL CALL ON THE PRIME MINISTER IN  
THE HOUSE OF COMMONS ON 24 JULY 1979 AT 1600

The Israeli Ambassador, Mr. Kidron, called on the Prime Minister in the House of Commons on 24 July to say goodbye.

Mr. Kidron told the Prime Minister that he was deeply concerned by current developments in Washington and hoped that the West would soon find strong leadership: the present situation, if prolonged, could seriously harm both the West and Israel. Mr. Kidron said that if oil prices were to run riot, the West might be confronted with political demands by the oil producers which could be very damaging to Israeli interests. He had been disturbed by the recent EEC Statement on the Middle East. The peace which had been achieved between Israel and Egypt was a delicate plant. The issue of the settlements should be viewed in proportion and the Western media were inclined to exaggerate it.

Mr. Kidron condemned Dr. Kreisky for inviting Yassar Arafat to meet him in Vienna. He warmly commended M. Mendes-France, who had refused to attend the meeting when Yassar Arafat declined to return affirmative answers to three questions: did Israel have the right to exist, would he accept Resolution 242 as the basis for negotiations and would he abandon the tactic of terrorism?

Mr. Kidron said that he very much hoped that the UK would not always blindly follow the French line; it had to be recalled that France had initially rejected President Sadat's initiative. If the UK would give a lead in Europe on Middle East matters, the Dutch and the Danes would certainly follow it.

The Prime Minister commented that President Sadat was now out on a limb. Mr. Kidron agreed and said that if the financial help from the West which Sadat was expecting were not forthcoming, he would be in a very dangerous situation. It was important that the Palestinians should be brought into the current round of negotiations but the PLO was exerting pressure on them to refrain from coming forward and they were scared.

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/In a short

In a short discussion of Rhodesia, Mr. Kidron told the Prime Minister that Mr. Sithole had called on him on 20 July. He had said that he had refrained from joining Bishop Muzorewa's government because he wished to expose the falsification of the April election results. He nevertheless still supported the internal settlement and would join the government eventually; he had already been offered a choice between three Ministerial portfolios. His contacts with the Israeli Embassy had been in the context of an earlier Israeli offer to accept black Rhodesians for agricultural training.

The Prime Minister wished Mr. Kidron well in his next post, Canberra.

*BM*

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Private Secretary to Foreign and Commonwealth Secretary

24 July 1979

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FM TEL AVIV 210730Z JULY  
TO PRIORITY FCO  
TELNO 338 OF 21 JULY  
INFO PRIORITY CAIRO, WASHINGTON.

*Begin Minister*

*BY  
2/2/77  
[Signature]*

MR BEGIN'S HEALTH.

AT A MINISTERIAL COMMITTEE MEETING IN TEL AVIV ON 19 JULY MR BEGIN WAS TAKEN ILL, AND HURRIED TO HOSPITAL. IT WAS LATER ANNOUNCED THAT HE WAS SUFFERING FROM EXHAUSTION, AND THAT HIS ILLNESS HAD NOTHING TO DO WITH HIS FORMER HEART TROUBLES.

2. THIS MORNING, WHEN THERE ARE NO NEWSPAPERS, ISRAEL RADIO CARRIED A STATEMENT BY MR BEGIN'S DOCTORS THAT HE HAS A CLOT IN A SMALL ARTERY OF THE BRAIN, WHICH ACCOUNTED FOR HIS RECENT DIZZY SPELLS.. HE WILL REMAIN IN HOSPITAL FOR TWO WEEKS, AND THEN REST AT HOME FOR A FURTHER PERIOD BEFORE RETURNING TO HIS OFFICE.

3. I HAVE NOT SPOKEN TO MR BEGIN SINCE 15 JULY, BUT ON THAT DAY, AS FOR MANY WEEKS PREVIOUSLY, HE APPEARED TO BE IN EXCELLENT HEALTH AND SPIRITS.

4. WITH MR DAYAN ALSO STILL CONVALESCING FROM CANCER SURGERY, THE ISRAEL CABINET WILL NO DOUBT TAKE THE OPPORTUNITY, UNDER PROFESSOR YADIN'S CHAIRMANSHIP, TO BE EVEN MORE DIVIDED AND INDECISIVE THAN USUAL, PARTICULARLY AS FAR AS THE CURRENT ECONOMIC DISCUSSIONS ARE CONCERNED. (COLQUHOUN'S TELELETTER OF 23 JULY TO JENNER).

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Prime Minister

6/17/77

P. a. Begin 10/7

TO IMMEDIATE FCO  
TELNO 591 OF 16 JULY  
INFO PRIORITY TEL AVIV WASHINGTON DAMASCUS AMMAN JEDDA  
MY TELNO 588: VISIT OF ISRAELI PRIME MINISTER

1. THE AMERICAN AMBASSADOR WAS SUMMONED TO ALEXANDRIA ON 16 JULY TO RECEIVE FROM PRESIDENT SADAT A REPORT FOR PRESIDENT CARTER ON HIS TALKS WITH MR BEGIN. ATHERTON HAS GIVEN ME IN CONFIDENCE (PLEASE PROTECT) THE FOLLOWING ACCOUNT.

2. SADAT CONFIRMED THAT HE GENUINELY SHARED BEGIN'S VIEW EXPRESSED AT THEIR JOINT PRESS CONFIERENCE, THAT THE MEETING WAS ONE OF THE BEST THEY HAD HAD. THIS WAS BECAUSE, ALTHOUGH THEY REACHED NO NEW AGREEMENTS ON OUTSTANDING PROBLEMS (THERE ARE GROWING RUMOURS IN CAIRO THAT THEY DID) HE HAD SUCCEEDED IN PUTTING ACROSS TO BEGIN HIS VIEWS ON ALL THE BASIC ISSUES IN THE ARAB/ISRAEL PROBLEM. HE HAD EXPLAINED TO BEGIN CANDIDLY HOW IN HIS VIEW ISRAEL WOULD ULTIMATELY BE OBLIGED TO WITHDRAW FROM ALL THE OCCUPIED TERRITORIES AND THAT IT WAS AN ILLUSION TO EXPECT THAT SHE COULD RETAIN SETTLEMENTS IN THEM THEREAFTER. ISRAEL WOULD ALSO HAVE TO ACCEPT THAT THE PALESTINIANS SHOULD EXERCISE THEIR RIGHT TO SELF-DETERMINATION AFTER THE TRANSITIONAL PERIOD OF AUTONOMY PROVIDED FOR IN THE CAMP DAVID AGREEMENTS. HE HAD EVEN MANAGED TO SAY HIS PIECE ABOUT ARAB RIGHTS IN JERUSALEM. ACCORDING TO SADAT, BEGIN HAD HEARD HIM OUT COURTEOUSLY ON ALL THESE TOPICS, INCLUDING JERUSALEM, WHILE MAKING IT CLEAR THAT HE DID NOT AGREE. THIS GAVE SADAT SOME HOPE THAT HIS MESSAGE WOULD GRADUALLY SINK IN. HE INTENDED TO PURSUE THESE THEMES ON HIS VISIT TO HAIFA.

CONFIDENTIAL

/ 3. SADAT SAID

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3. SADAT SAID THAT THE TWO MEN HAD NOT DISCUSSED THE CURRENT AUTONOMY NEGOTIATIONS AT ALL. THEY HAD NOT NEEDED TO, IN VIEW OF THE PROCEDURAL AGREEMENT THAT MR STRAUSS HAD JUST ACHIEVED IN ALEXANDRIA. SADAT STILL SPOKE OF GIVING THE NEGOTIATORS UNTIL OCTOBER TO SHOW PROGRESS, FAILING WHICH HE WAS CONFIDENT THAT HE AND BEGIN WOULD BE ABLE TO AGREE ON THE NECESSARY DIRECTIVES. SADAT REPEATED, AS HE HAD SAID AT THE PRESS CONFERENCE, THAT HE WAS DETERMINED THAT WHATEVER HAPPENED EGYPT WOULD FULFIL HER OBLIGATIONS UNDER THE CAMP DAVID AGREEMENTS. HE WAS NOT WORRIED BY THE OPPOSITION OF HIS ARAB ENEMIES AND POINTED TO THE DISARRAY WITHIN THEIR RANKS.

4. I COMMENTED THAT EVEN SO IT WOULD HELP TO DISARM SOME OF THE LESS EXTREME CRITICS IF SADAT COULD MAKE IT KNOWN TO THEM THAT HE HAD BEEN SPEAKING TO BEGIN IN TERMS OF WHICH THEY WOULD APPROVE. ATHERTON SAID HE DID NOT THINK SADAT COULD BRING HIMSELF TO DO SO, PARTLY OUT OF PRIDE BUT MAINLY BECAUSE HE WOULD REGARD IT AS A BREACH OF CONFIDENCE WITH BEGIN THAT COULD CAUSE A HARDENING IN ISRAELI ATTITUDES.

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10 DOWNING STREET

THE PRIME MINISTER

13 July 1979

Dear Mr. Watson,

Thank you for your letter of 22 June.

I have read your proposals for a Middle East Settlement with interest, and admire the careful thought with which you have tried to produce a balanced package. But, as you recognise, some of your ideas would not be acceptable at present to one or other of the parties involved. While an eventual solution will involve all parties making concessions, I believe this can only be arrived at by a process of careful negotiation giving time for confidence to be built and allowing the parties to move willingly to compromise. The Egypt-Israel peace treaty shows what can be achieved by this approach. The presentation of a package deal at the outset, however carefully balanced, is regrettably only likely to invite rejection by both sides.

I nevertheless wish you well and shall be interested to hear the reaction of others to your proposals.

Yours sincerely

Raymond Barber

Mr. Ian Watson, MP.

Middle E. VB  
a. P. 20  
Original  
i. G. K.

to

Handwritten: Middle - East Situation

CONFIDENTIAL

Handwritten: Subject copy: United Nations: Visit of Sec-General

NOTE OF THE PRIME MINISTER'S DISCUSSION WITH THE UNITED NATIONS SECRETARY GENERAL, DR. KURT WALDHEIM, AT 10 DOWNING STREET, ON THURSDAY 12 JULY 1979 AT 1700 HOURS

Present:

- |  |  |
|--|--|
| The Prime Minister                     | Dr. Kurt Waldheim  |
| The Foreign and Commonwealth Secretary | Mr. Brian Urquhart (Under-Secretary General for Special Political Affairs)           |
| Sir Anthony Parsons                    | Mr. W.B. Buffum (Under-Secretary General for Political and General Assembly Affairs) |
| Mr. B.G. Cartledge                     | Mr. A. Rohan (Deputy Executive Assistant to the Secretary General)                   |

\*\*\*\*\*

Refugees from Indochina

After welcoming Dr. Waldheim, the Prime Minister raised the problem of Vietnamese refugees and stressed that the British Government's objective was not only to achieve progress over their resettlement but also to put a stop to the enforced exodus at its source. The Prime Minister said that the United States had succeeded in holding communism at bay in Vietnam over a long period, for which she had received scant thanks: the exodus from communism was now beginning. The only source of effective pressure on Vietnam was the Soviet Union but, the Prime Minister said, her conversation with Mr. Kosygin in Moscow had shown not only that the Russians had no intention of exerting pressure on the Vietnamese but that, on the contrary, they supported the Vietnamese policy. A major operation was in progress in South East Asia designed to destabilise the region. The Chinese were already unpopular in the area, because they were successful; this was being deliberately exploited. For these reasons, the British Government had not hesitated to pillory Vietnam in Parliament. Lord Carrington told the Prime Minister that he had already warned Dr. Waldheim that he would have some unpleasant things to say about Vietnam at the forthcoming Geneva meeting; he knew that Dr. Waldheim did not altogether approve but he did not think that he would stand in the way. The Prime Minister said that it was essential that the West should demonstrate that it stood for certain values.

CONFIDENTIAL Dr. Waldheim

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- 2 -

Dr. Waldheim told the Prime Minister that he was very well aware of her preoccupation with the refugee problem and shared her deep concern. He had deliberately stressed the humanitarian aspect of the problem for consideration in Geneva, since if the argument became too political before the meeting took place Vietnam might refuse to attend it and the meeting would degenerate into a shouting match instead of doing anything to help the refugees themselves. A political debate on the refugee problem would simply lead to sterile confrontation. Dr. Waldheim said that there could be no doubt that the Vietnamese Government was deliberately forcing the refugees to leave: he had raised the matter repeatedly, both with Mr. Pham Van Dong and with the Vietnamese Ambassador at the United Nations. The Vietnamese argued that the refugees were leaving voluntarily and retorted with counter-accusations that a propaganda campaign was being waged against them. He had suggested to Mr. Pham Van Dong that Vietnam should arrange for a phased and orderly departure of the refugees, in cooperation with the United Nations High Commissioner. Despite his representations, the Vietnamese were continuing to behave exactly as before. The Vietnamese Ambassador was now pleading that his Government could not completely control the long Vietnamese coastline and that the Chinese were deliberately exacerbating the problem. Dr. Waldheim said that he had pointed out to the Vietnamese that they were rapidly losing the widespread international sympathy, for example in Scandinavia, which their country had previously enjoyed.

The Prime Minister commented that, meanwhile, Vietnam was continuing to confiscate the wealth and possessions of those whom they were throwing out and was shooting<sup>at</sup> them as they left. This was a question not of a shouting match but of sheer barbarism. It should be pilloried publicly: this could produce an effect, as the Belgrade meeting to review the CSCE had produced an effect on the East Europeans, who witnessed the pillorying of the Soviet Union in that forum. It was essential that the United Nations should be seen to stand for something and to condemn barbarism.

Dr. Waldheim explained that, under the United Nations Charter, the Secretary General had no authority to convene a conference such as that which was about to take place in Geneva. He had nevertheless

CONFIDENTIAL / gone ahead

gone ahead out of respect for the Prime Minister and in the belief that her objective was to promote a humanitarian solution of the refugee problem. He had decided to break the United Nations rules of procedure, since he knew that if he had adhered to them by taking the matter first to the Security Council, the discussion would have been long and contentious. For the reasons he had explained to the Prime Minister, he had throughout stressed the humanitarian aspect of the meeting and had done his best to invite a representative selection of countries. Despite all his efforts, he was already coming under fire, for example, from the Chinese for not inviting Kampuchea. The Prime Minister said that attacks should not concern one if the policies were right. The fact was that Vietnam was pursuing a policy of barbarism, under the protection of the Soviet veto in the Security Council. Under the same protection, a number of developments which the UN had been established to prevent were gathering momentum, such as the spread of Soviet subversion through the use of proxies. The Prime Minister told Dr. Waldheim that she was very grateful to him for convening the Geneva meeting and congratulated him on his decision to bypass the Rules of procedure. She was nevertheless very concerned by a number of current trends affecting the UN, such as the growing number of small islands, especially in the Caribbean, which were being taken over by Cuban or other communist influence and, despite their small size, commanded a vote in the General Assembly. Although the UN had been designed to protect freedom, it was becoming increasingly difficult for the organisation to fulfil this objective.

Dr. Waldheim said that the UN was indeed handicapped by some of the shortcomings in its Charter and also by the behaviour of some Western Governments, who, for example, voted for political reasons in favour of help for the third world but then voted against providing money for it. Too many UN members were ambiguous in their approach to the world's problems: they were keen to win political credit but reluctant to pay the price. Mr. Gromyko had told him that the Soviet Union was just as concerned as the West about the problems of the UN, but the Soviet Union nevertheless continued to vote against the UN budget.

/ Dr. Waldheim

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Dr. Waldheim told the Prime Minister that he would do everything possible to make the Geneva meeting on refugees a success and hoped that positive results could be achieved; his concern was to avoid a political conference, which could not produce results. He was certain that many delegates would nevertheless speak their mind about Vietnam and he himself proposed to include a reference to Vietnam's responsibility for the situation in his opening statement to the meeting. The Prime Minister, referring to the United Nations as a whole, said that every procedural device should be employed in order to put the Western point of view across and the Western objective should be to perpetuate the values which the West stood for, rather than tolerating perpetual retreat in the face of barbarism and tyranny. Referring to the problems which the refugee situation had created for Hong Kong, the Prime Minister said that Hong Kong constituted a remarkable tribute to the free world and to what the Chinese could achieve when they were free.

Dr. Waldheim gave the Prime Minister an account of the separate but related problem of the 160,000 refugees from Kampuchea who had crossed the border into Thailand and whom the Thais, despite an undertaking to the contrary which General Kriangsak had given him, were forcibly repatriating into Kampuchea. This policy had resulted in a very large number of deaths. The Thais had now said that they would suspend their repatriation policy provided the international community would assist them, with money, in housing and caring for the Kampuchean refugees. Dr. Waldheim mentioned the two islands, in Indonesia and the Philippines, which were being used as processing centres, but agreed with Lord Carrington that these were being used only for refugees who already had a new destination to go to.

The Prime Minister expressed the view that the OPEC countries, with their great financial resources which would now be further increased by the rise in oil prices, should be persuaded to make a direct contribution to solving the refugee problem. Dr. Waldheim told the Prime Minister that OPEC would be represented at the Geneva meeting, as would be Latin America.

/ Tokyo Economic Summit

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Tokyo Economic Summit

Dr. Waldheim asked the Prime Minister if she had derived any encouragement from the Economic Summit Meeting in Tokyo. The Prime Minister said that the meeting had simply re-affirmed the basic truth that if demand and supply were out of balance the price mechanism had to be adjusted so that balance could be restored. The European participants had already agreed that the demand for oil had to be depressed, but that this could not be done by Europe alone. It was agreed at Tokyo that if it could be demonstrated to Saudi Arabia that, by depressing demand, the shortfall in the supply of oil to the West was only, say, 5 per cent, Saudi Arabia might agree to increase her output sufficiently to fill that gap. As Sheikh Khalifa had told her in Bahrain on her way back to London, the Arabs had no desire to hurt the West since this hurt their own interests as well.

Lord Carrington commented that all the Tokyo participants had chosen the base line for their restriction of demand which happened to suit them best.

The Prime Minister went on to say that most economic problems had their origin in political problems. The Middle East was a prime example of this: the first great oil shortage had sprung from the conflict between Israel and Egypt and the new shortage had resulted from the internal political problems of Iran. A major success in Tokyo had been agreement on the importance of developing new sources of energy supply, especially nuclear power. There had also been agreement on the need to improve communication with the OPEC countries and to make them feel that they were being included in the political dialogue. In the last resort, however, the problem of oil could only be solved through a solution to the political problems of the Middle East. The West was at present witnessing the creation by the Soviet Union of a belt of instability across Africa and Asia. A settlement which could restore stability to the Middle East would be a great prize.

Middle East

/ Lord Carrington



Middle East

Lord Carrington asked Dr. Waldheim whether he had it in mind to take any new initiative on the Middle East. Dr. Waldheim said that he fully shared the Prime Minister's view of the situation: without a comprehensive settlement in the Middle East, there could be no solution to the West's economic problems. For this reason, he had proposed that a preparatory conference should be held, under UN auspices, one purpose of which would be to re-involve the Arab states and the Soviet Union in the negotiating process. He had recently discussed this question with President Ceausescu of Romania, who agreed with him that a new international conference offered the only hope of progress. The first step would be to take soundings among the Arabs and then to organise a conference in which both they and the PLO could take part. There would be little hope of progress, however, if the Israelis maintained their present policy on new settlements on the West Bank. To his surprise, Mr. Gromyko had told him recently that the Soviet Union no longer wished to return to Geneva; this had indeed been a Soviet objective before the Camp David Agreement, but to go back to Geneva now would, in the Soviet view, imply approval, or at least recognition, of the bilateral treaties. Dr. Waldheim commented that the Russians were very adept at hiding behind the positions of the Arab extremists.

Lord Carrington asked Dr. Waldheim whether he would wait for the Camp David process to run into the sand before launching his own initiative, or whether he set a time limit to it. Dr. Waldheim said that he proposed to make it clear, when he spoke at the Conference of the OAU, that it was important to begin consultations with the Arabs on how to move forward.

Sir Anthony Parsons expressed the view that Geneva was now tainted by history, as well as bedevilled by the problem of Palæstinian representation. What was now needed was a fresh resolution in the Security Council which would formally establish the rights of the Palestinians but not in terms which would inevitably attract a United States veto. The Camp David process could then be allowed to continue until Mr. Strauss was obliged to admit that no further progress could be made. The problem

/ could then

could then go back to the Security Council so that the Secretary General could be given a new mandate. Dr. Waldheim said that he agreed with Sir Anthony Parsons' comments about Geneva: if he waited too long to launch his initiative, however, President Sadat would find himself in serious difficulties. He remained convinced, that an international conference offered the only way forward. The Prime Minister said that a new Security Council resolution could perhaps go a bit further than Resolution 242 on the question of the national identity of the Palestinians; but the difficulty lay in securing the cooperation of Mr. Begin.

#### Southern Africa

Dr. Waldheim asked the Prime Minister for her view of the situation in South Africa. The Prime Minister expressed the view that if they were not constantly being put in the public stocks, the South Africans might move faster than anybody expected. South African industry was a dynamo in promoting Africanisation. The Nationalist Party had recently been defeated in a by-election. The Prime Minister said that the best catalyst for further progress in Southern Africa would be a settlement in Rhodesia. The West should constantly bear in mind the strategic position which South Africa occupied, across the West's life-lines for oil and raw materials.

Dr. Waldheim said that negotiations with South Africa over Namibia had been very difficult, despite the help which the Group of Five had given. He thought that the British Government might now be in the best position of the Five to resume the effort; it was important to pick up the loose ends and try to put a settlement package together again.

Turning to Rhodesia, Dr. Waldheim said that President Kaunda had kept him informed of his contacts with the Prime Minister. Dr. Waldheim expressed the view that Bishop Muzorewa's Government should be regarded as a transitional stage towards a final settlement in Rhodesia.

/ The Prime Minister

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- 8 -

The Prime Minister said that it should be constantly borne in mind that Rhodesia had recently conducted elections on the basis of one person, one vote in which the people had been able to choose between four different political parties. The elections had produced a black president, a black Prime Minister, a black majority in the Cabinet and a black majority in the Parliament. This was a colossal advance. The situation in Rhodesia now was infinitely closer to democracy than the situation which existed in many of the countries most critical of Bishop Muzorewa's regime. If the UK were now to go too far in pressing for changes in the constitution, this might upset the white population and the Rhodesian economy could collapse. President Kaunda, for example, had turned out too many whites and the result was that he was now unable to feed his people. Rhodesia could be self-sufficient in food and could also help her neighbours. Bishop Muzorewa had expressed the view that it was essential to encourage the whites to remain so that the economy could be efficiently run in the interests of the black population. The Prime Minister said that Bishop Muzorewa had done everything which had been asked of him: he had been advised to work for a substantial turnout in the elections and he had achieved this. The present constitutional position was not perfect, but few constitutions were.

Dr. Waldheim said that it would be possible to help Bishop Muzorewa by means of new elections to be held under international supervision. He thought that Rhodesia's problems could be solved if the Muzorewa Government were regarded as transitional. The Prime Minister recalled that Rhodesia's last elections had been assessed by observers both from the UK and Australia. The many representatives of the media who had been in Rhodesia at the time had found no defects in the electoral procedures. The conflict in Rhodesia now was not between black and white but between black and black. It was essential that the internal settlement should not be upset: it should be built upon. Joshua Nkomo had made it very clear to Mr. Callaghan's envoy, Mr. Cledwyn Hughes, that he intended to achieve his aims by force.

/Dr. Waldheim

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Dr. Waldheim said that he feared that if no solution could be found soon, there would simply be an endless guerilla war. The Prime Minister said that the British Government would do everything possible to achieve an acceptable settlement: but the UK would have to take others along with her. Lord Carrington agreed and said that recognition by the UK alone would not be much help to Rhodesia. It was essential to chart a middle course between changes which would be acceptable to international opinion and changes which could be accepted by the white population. It was certainly necessary to give Bishop Muzorewa reassurance: but it was also important to convince him of the necessity for changes to the constitution. The Prime Minister said that too radical changes might bring the whole structure down. One way of achieving a better Parliamentary balance would be to add more black members instead of reducing the number of white members.

Concluding the discussion, the Prime Minister said that she greatly looked forward to Dr. Waldheim's official visit to the UK later in the year. The meeting ended at 1810.

*Gen.*

12 July 1979

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For: Middle East  
Sit<sup>n</sup> (May 79).

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(#2) Tokyo Econ Summit.

10 DOWNING STREET

cc MOD  
FCO

From the Private Secretary

3 July, 1979.

Dear George,

Prime Minister's Conversations at a Quadripartite Breakfast at the French Embassy, Tokyo, on 29 June, 1979, and during the Prime Minister's subsequent car journey to the Akasaka Palace, Tokyo, with President Carter

On the morning of 29 June, the Prime Minister attended a quadripartite breakfast (with President Giscard, President Carter and Chancellor Schmidt) at the French Embassy in Tokyo and subsequently travelled with President Carter from the Embassy to the Akasaka Palace for the Third Session of the Economic Summit. The following is a summary of some of the points which arose during these conversations.

Middle East

President Carter said that he had been surprised by the strength of the Saudi Arabian reaction to Camp David. Earlier contacts with the Saudis had convinced him that they would acquiesce in the Camp David Agreements. The US had put much effort into maintaining close links with the Saudis and in assisting them in the defence and intelligence fields. President Carter was deeply pessimistic about future relations between the consumer countries and OPEC and about the possibility of OPEC blackmail. OPEC had, for example, told Premier Clark that they would withdraw all their deposits from Canada if the Canadian Government transferred their Embassy in Israel from Tel Aviv to Jerusalem. In the face of this threat, Mr. Clark had abandoned his intention of doing so.

President Carter had emphasised to Mr. Brezhnev, at the Vienna Summit, that the US had a special and continuing interest in the Middle East and, in particular, in the Gulf region.

President Giscard revealed that he had refused to see Colonel Ghadaffi when the latter had informed him, at 24 hours' notice, that he wished to visit Paris.

All those present at the quadripartite breakfast had expressed concern over the possibility that Saudi Arabia and the Gulf States would decide to reduce their oil production to a level sufficient to meet their own needs alone.

/ President Carter

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President Carter said that Saudi Arabia had urged the United States to take this opportunity of pulling out of the Camp David process: President Giscard had predicted that Sadat would probably do that in any case.

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file Middle East

original filed  
on Bahrain, June 79  
UK/Bahraini relations.



10 DOWNING STREET

From the Private Secretary

2 July 1979

cc Minister Sab  
cc Middle East Situation  
cc Energy Policy Pt 2

Dear Paul,

Prime Minister's Meeting with the Prime Minister of Bahrain  
Sheikh Khalifa, at Bahrain Airport  
on 2 July 1979

The Prime Minister's aircraft made a refuelling stop at Bahrain Airport at 0930 (local time) this morning and the Prime Minister of Bahrain, Sheikh Khalifa, came to the airport to meet her (interrupting, in order to do so, a meeting with Colonel Qaddafi of Libya). The following is a summary of the main points which arose during half an hour's discussion in the airport lounge, at which H.M. Ambassador was also present. Audibility was poor and Mr. Walker may wish to supplement this account if he finds significant gaps in it.

Arab/Israel

Sheikh Khalifa said that the recent declaration on the Middle East by the E.E.C. had been helpful. It was essential to safeguard the rights of the Palestinians and to give them a homeland. Nothing would be achieved in the negotiations on the future of the West Bank unless the Palestinians, who were becoming desperate, were allowed to take part in them. Commenting on the Camp David agreements, Sheikh Khalifa said that they had so far failed to produce any concrete results. Although they had been intended to mark the first steps towards peace, the only outcome so far had been the isolation of Egypt from her close friends. The Arab world could not afford to wait two or three years for more substantial results.

The Prime Minister gave Sheikh Khalifa a short account of Mr. Begin's last visit to London, when she had found him immovable on the issue of Israeli settlements. The Prime Minister said, however, that it was Mr. Begin's usual tactic to go to the brink before making any concessions. Later in the discussion, Sheikh Khalifa repeated that the West could not go on making excuses for the absence of a solution to the problem of the Palestinians; a homeland had to be found for them.

Iran

Sheikh Khalifa repeatedly expressed his deep concern over recent developments in Iran and the present situation there. The Shah had been a constant and staunch friend of the West, and

/ especially

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especially of the United States; but now the Americans would not even allow him into their country. The Prime Minister explained that the U.S., like the U.K., were constrained by the threat to their own people in Iran which would be created if the Shah were to be given permanent refuge in either capital. Sheikh Khalifa expressed understanding of this. He said that the present course of events in Iran, and especially the wave of executions which had taken place, was not representative of Islam. He expected a further power struggle to develop in Iran; Iranian refugees were arriving in Bahrain at the rate of about 30 a week.

#### Iraq

The Prime Minister mentioned to Sheikh Khalifa the Foreign and Commonwealth Secretary's current visit to Baghdad, and asked for his advice on how the U.K. should respond to indications that the Iraqis wished to improve their relations with us. Sheikh Khalifa recommended that the British Government should respond positively.

#### Libya

Sheikh Khalifa told the Prime Minister that Colonel Qadaffi had arrived in Bahrain on the previous day and, when he heard that Sheikh Khalifa was to meet the British Prime Minister during her stop-over, had asked him to convey a message to her. This was to the effect that he wished to open a new book in Libya's relations with the U.K.. Colonel Qadaffi wished the Prime Minister to know that for the past three years there had been no contact between the Libyan regime and the I.R.A., nor any supply of weapons to them.. Colonel Qadaffi also admitted that he had been mistaken in his handling of the abortive defence deals between Libya and the U.K.. Sheikh Khalifa told the Prime Minister that Colonel Qadaffi evidently wished to improve relations with Britain: if he really meant it, this could be of benefit to the British Government. Libya evidently needed friends and a helping hand; but, the Sheikh added, there was an Arab proverb to the effect that if one had been bitten by a snake, one was suspicious of a piece of rope. The Sheikh suggested that Colonel Qadaffi's approaches could be pursued through diplomatic channels.

#### Relations between the West and OPEC

After a short discussion of the new instability in the Middle East and in Africa, following events in Iran and the activities of the Soviet Union's Cuban and East German proxies in Africa, Sheikh Khalifa spoke of the need to restore stability and said that the Communique issued at the end of the Tokyo Summit, like the E.E.C. Declaration on the Middle East, had produced a good effect in the OPEC countries. The fact remained, however, that unless the West's ideals concerning human rights were fulfilled so far as the Palestinians were concerned, OPEC would continue to use the

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- 3 -

energy weapon against Western consumers. He admitted frankly that the oil-producing countries had been robbing the West: Iran, for example, had cancelled all her long-term contracts and was now selling her oil to the highest bidder. The Iranians were producing less oil but gaining more revenue. Sheikh Khalifa said that he fully recognised, however, that if the West suffered, the Arab world would suffer as well. He agreed with the Prime Minister's comment that the less-developed countries would suffer most of all. The Prime Minister asked Sheikh Khalifa whether it was his view that if some advance could be achieved towards a solution of the Palestinian problem, oil prices would be stabilised: Sheikh Khalifa confirmed this. He strongly urged the Prime Minister to promote more frequent and more direct contact between the Western nations and the Arab world. The West should make a greater effort to hear Arab views at first hand. When the Prime Minister mentioned Prince Salman's visit to London in May, Sheikh Khalifa commented that Saudi Arabia was deeply committed to maintaining stability in the region. The Prime Minister told Sheikh Khalifa that the West and the Arab world should stand together to prevent the spread of Communism. Sheikh Khalifa agreed and commented that it was easier to let the Communists in than to get them out.

Bilateral Relations

Sheikh Khalifa spoke very warmly of U.K./Bahraini relations. Bahrain found it easier to get along with the U.K. than with any other country. The Sheikh went on to stress the importance which he attached to security matters and told the Prime Minister that he would greatly value British co-operation in this field. The Prime Minister invited him to let us know of his requirements. Sheikh Khalifa said that Bahraini resources were limited but it was not simply a matter of purchasing equipment: training and techniques were at least as important and Bahrain would value assistance of this kind.

I am sending a copy of this letter to Martin Vile (Cabinet Office).

Yours ever,  
D. G. Llewellyn

Paul Lever, Esq.,  
Foreign and Commonwealth Office.

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Middle  
East

Middle East

Extract Meeting Record: PM/PM of Australia, Malcolm FRASER  
Parliament House, Canberra, Sat. 30 June 1600 hrs.

The Prime Minister said that President Carter was acutely aware of all the obstacles in the way of making progress on the Middle East but he felt that he had no choice but to push ahead. She, like a number of other Western leaders, had tried to persuade Mr. Begin to modify his policies on the West Bank but they had all received the same answer that Israel was entitled to establish settlements in biblical Judaea and Samaria.

Original on  
Australia, May 79, PM's meetings with Fraser

Prime Minister  
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28/6

LDW 791/28

LDX 194/28

FDW G217/27

OO TOKYO

OO BEIRUT

OO DAMASCUS

OO TEL AVIV

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TO IMMEDIATE TOKYO (FOR DELEGATION)

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TELEGRAM NUMBER 295 OF 387 JUNE

AND TO BEIRUT DAMASCUS TEL AVIV PRIORITY AMMAN WASHINGTON

SYRIAN/ISRAELI CLASH

21 6 73

1. YOU WILL HAVE SEEN REPORTS THAT ISRAELI AIRCRAFT SHOT DOWN 5 SYRIAN MIGS OVER SOUTH LEBANON THIS MORNING.
2. THE INCIDENT HAPPENED DURING ISRAELI AIR ATTACKS ON PALESTINIAN POSITIONS IN THE AREA OF TYRE AND SIDON. IT FOLLOWS AN INCREASE IN RECENT WEEKS IN DEFENSIVE AIR PATROLLING OVER LEBANON BY SYRIAN AIRCRAFT, ALTHOUGH THEY HAVE HITHERTO AVOIDED CLOSE CONTACT WITH ISRAELI AIRCRAFT. IF THE INCIDENT INDEED HAPPENED OVER TYRE AND SIDON THIS WOULD PUT IT SOUTH OF THE SO-CALLED RED LINE BEYOND WHICH SYRIAN GROUND FORCES HAVE BEEN WARNED NOT TO ADVANCE BY THE ISRAELIS. IT WOULD BE UNUSUAL FOR SYRIAN AIRCRAFT TO PATROL THIS FAR SOUTH.
3. THE INCIDENT FOLLOWS WARNINGS BY THE SYRIAN GOVERNMENT THAT ISRAELI ATTACKS AGAINST PALESTINIAN POSITIONS COULD NOT CONTINUE WITH IMPUNITY. THE SYRIANS MAY HAVE FELT OBLIGED TO SHOW THE PALESTINIANS AND LEBANESE THAT THESE WERE NOT EMPTY THREATS. NONTHELESS IT SEEMS STRANGE THAT THE SYRIANS WOULD EITHER ATTACK OR

DELIBERATELY PROVOKE THE ISRAELIS AT THIS JUNCTURE, PARTICULARLY  
WHEN THERE IS SERIOUS INTERNAL TROUBLE IN SYRIA. OUR PRELIMINARY  
VIEW IS THAT ISRAELIS WOULD NOT WANT OPEN HOSTILITIES WITH SYRIA<sup>27</sup> 71  
BUT JUDGED THE MOMENT OPPORTUNE TO WARN THE SYRIANS OFF ANY ATTEMPT  
TO INTERFERE WITH ISRAEL'S CONTINUED OPERATIONS IN SOUTH LEBANON.  
THEY MAY ALSO HAVE CONSIDERED THAT A SHARP BLOW WOULD BE A SETBACK  
TO ASSAD, WHOSE POSITION THEY PROBABLY BELIEVE TO HAVE BEEN WEAKENED  
BY RECENT EVENTS. WE WOULD EXPECT THE SYRIANS TO REACT BY A  
POLITICAL MOVE, IE RECOURSE TO THE SECURITY COUNCIL RATHER THAN  
MILITARILY. THEY MUST BE WELL AWARE THAT THEY ARE NO POSITION TO  
FIGHT A WAR AGAINST ISRAEL.

4. NEWS DEPARTMENT HAVE BEEN INSTRUCTED TO SAY, IF ASKED, THAT  
WE ARE CONCERNED BY THE DANGERS OF THIS INCIDENT AND APPEAL TO  
BOTH SIDES TO EXERCISE RESTRAINT.

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*John W. ...*

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FM CAIRO 251624Z JUN

TO IMMEDIATE FCO

TELEGRAM NR 533 OF 25 JUN 79

INFO PRIORITY WASHINGTON TEL AVIV DAMASCUS AMMAN JEDDA  
BAGHDAD TRIPOLI KHARTOUM KUWAIT AND MOSCOW:

MY TWO IPTS

1. THE PRESIDENT WAS IN GOOD FORM. HE SPOKE FROM A PREPARED TEXT, WITH FEW DIGRESSIONS. THE MINISTER OF STATE FOR FOREIGN AFFAIRS (NO DOUBT LARGELY FOR THIS REASON) DESCRIBED IT TO ME AFTERWARDS AS AN EXCELLENT SPEECH, ONE OF THE BEST SADAT HAD MADE FOR A LONG TIME. HE HAD GIVEN HIS AUDIENCE AND THE NATION A REASONED EXPOSITION OF HIS PEACE POLICY, AND CONVINCINGLY EXPOSED THE FAILURE OF THE REJECTIONISTS TO COME UP WITH A POSITIVE ALTERNATIVE. WHILE CONTRASTING THE STABILITY EGYPT ENJOYED WITH THE DISSENSION PREVAILING AMONG THE RANKS OF THE OTHER ARABS, HE HAD NOT BEEN UNDULY PROVOCATIVE AND HAD LEFT THE DOOR OPEN FOR A RAPPROCHEMENT.
2. I THINK THE SPEECH PROBABLY DOES REPRESENT A CONSCIOUS ATTEMPT ON SADAT'S PART TO BE CONCILIATORY. IT WAS NOTEWORTHY THAT HE MADE NO REFERENCE TO SAUDI ARABIA BY NAME, AND HE RESISTED THE TEMPTATION TO EXPLOIT THE MASSACRE IN ALEPPO. (HIS REMARK ABOUT EGYPT NOT BEING ABLE TO DO WITHOUT THE OTHER ARABS WAS SURPRISING NOT TO SAY UNPRECEDENTED COMMA BUT IT CAME IN AN EXTEMPORARY ASIDE AND TOO MUCH SHOULD NOT BE MADE OF IT). HE EVEN HELD OUT AN OSTENSIBLE OLIVE BRANCH TO THE RUSSIANS, WITH THE OFFER OF A GENEVA-TYPE CONFERENCE AT EL ARISH. SADAT MAY WELL BE GENUINELY ANXIOUS TO KEEP THIS KIND OF OPTION OPEN, BUT HE RATHER SPOILED THE EFFECT LATER ON BY COMMENTING THAT THE OTHER ARABS WOULD NO DOUBT REJECT ALL SUCH OFFERS AND CONTINUE

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TO BEHAVE LIKE ADOLESCENTS.

3. THE EXTENDED PASSAGE ABOUT THE SHAH AND EGYPT'S TRADITION OF POLITICAL ASYLUM WILL HAVE ASTONISHED MOST THINKING EGYPTIANS, AS IT DID THE FOREIGN MEDIA LIKE THE BBC WHO MADE IT THE HEADLINE. BUT IT CLEARLY REFLECTED STRONG PERSONAL FEELINGS, AND IS CALCULATED TO WIN SADAT SOME POPULAR CREDIT FOR COURAGE AS WELL AS MAGNANIMITY. THE FACT THAT THE ASSEMBLY, WITH ONE DISSENTIENT VOICE, GAVE THIS PASSAGE THE LOUDEST AND LONGEST APPLAUSE SHOWED THAT THEY REALISED THIS, AND IS A POINTER TO THE PERFORMANCE OF THE NEW BODY.

4. THE PRESIDENT'S REMARKS ON INTERNAL AFFAIRS CONTAINED FEW SURPRISES. MUCH OF THE LEGISLATION HE PROPOSED - EG ON TAXATION AND THE STATUS OF WOMEN - HAS BEEN UNDER DISCUSSION FOR SOME TIME, BUT ON BOTH SOCIAL AND ECONOMIC QUESTIONS HE STRUCK A MORE LIBERAL AND MORE REALISTIC NOTE THAN IN THE PAST. HIS CALL TO GREATER ATTENTION TO FAMILY PLANNING WAS, I UNDERSTAND, THE FIRST HE HAS MADE IN A MAJOR PUBLIC SPEECH.

IT REMAINS TO BE SEEN HOW FAR HE WILL BE PREPARED TO PUSH THIS INITIATIVE AGAINST THE VIEWS OF THE MUSLIM DIVINES. SADAT'S PROMISES OF ECONOMIC BENEFITS TO COME WERE ALSO WELL TEMPERED BY WARNINGS ABOUT THE NEED FOR HARD WORK IF THEY WERE TO BE REALISED. THIS WAS NOT EXACTLY A BLOOD, SWEAT AND TEARS SPEECH, BUT IT IS AS CLOSE AS SADAT HAS COME TO THAT FOR A LONG TIME, AND MUST BE A SOURCE OF SOME SATISFACTION TO HIS ADVISERS.

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FM CAIRO 251555Z JUN

TO IMMEDIATE FCO

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TELEGRAM NR 531 OF 25 JUN 79

INFO PRIORITY WASHINGTON TEL AVIV DAMASCUS AMMAN JEDDA  
BAGHDAD TRIPOLI KHARTOUM KUWAIT AND MOSCOW:

PRESIDENT SADAT'S SPEECH TO THE PEOPLE'S ASSEMBLY, 23  
JUNE: EXTERNAL AFFAIRS

1. PRESIDENT SADAT ADDRESSED THE OPENING SESSION OF THE NEW PEOPLE'S ASSEMBLY ON 23 JUNE. THIS AND MIFT SUMMARISE THE MAIN POINTS HE MADE ON FOREIGN AND DOMESTIC AFFAIRS. AS A POSTSCRIPT TO HIS SURVEY OF FOREIGN AFFAIRS SADAT ANNOUNCED THAT THE GOVERNMENT WOULD, IN THE NAME OF PRINCIPLES OF ISLAM AND CHRISTIANITY, LAY LEGISLATION BEFORE THE ASSEMBLY TO GRANT THE SHAH AND HIS FAMILY POLITICAL ASYLUM IN EGYPT. EGYPT WAS NOT OPPOSED TO THE IRANIAN REVOLUTION, DESPITE THE BREAK IN RELATIONS, BUT THE SHAH HAD IN THE PAST HELPED EGYPT. IT WAS PAINFUL TO SEE ARAB AND WESTERN COUNTRIES, WHICH HAD COURTED HIM, NOW REFUSING HIM REFUGE FROM MOTIVES OF MATERIAL INTEREST AND COWARDICE.

2. THE MAIN POINTS OF THE SURVEY WERE AS FOLLOWS:

A) REAL DIFFERENCES REMAINED BETWEEN EGYPT AND ISRAEL. BUT THE TWO SIDES WERE SITTING AT THE NEGOTIATING TABLE IN CIVILISED FASHION TO RESOLVE THEM. AS AN EARNEST OF THEIR GOOD INTENTIONS THE ISRAELIS HAD WITHDRAWN FROM AL ARISH BEFORE THE APPOINTED DATE, AND EGYPT HAD TAKEN STEPS TO OPEN ITS BORDERS TO EXCHANGES OF DELEGATIONS. HE WOULD SOON MEET MR BEGIN FOR TALKS WHICH WOULD, HE HOPED, PROVIDE AN OPPORTUNITY FOR FURTHER PROGRESS. HE WAS GRATEFUL FOR THE WARM WELCOME HE HAD RECEIVED IN BEERSHEBA.

*(B) IN A*



B) IN A SARCASTIC SURVEY OF THE ARAB SCENE PRESIDENT SADAT POINTED TO THE RIFTS EMERGING IN THE STEADFASTNESS FRONT, EG BETWEEN IRAQ AND PDRY, IRAN AND IRAQ, ALGERIA AND MOROCCO. WHILE THESE COUNTRIES WAGED THEIR PROGAGANDA CAMPAIGNS, EGYPT WAS TAKING PRACTICAL STEPS TO ACHIEVE SELF-RULE FOR THE WEST BANK AND GAZA AND SUBSEQUENT PALESTINIAN SELF-DETERMINATION. EGYPT CONTINUED TO REGARD EAST JERUSALEM AS PART OF THE WEST BANK AND CHANGES PURPORTEDLY MADE THERE BY THE ISRAELIS WERE NULL AND VOID. WAS THIS THE TREACHERY THE ARABS TALKED OFF?

C) EGYPT DID NOT DENY THE VALUE OF ARAB SOLIDARITY, BUT IT MUST BE BASED ON PRINCIPLE. THE ARABS MUST REALISE THAT THERE COULD BE NO ARAB ROLE, NO ARAB LEAGUE AND NO ARAB SOLIDARITY WITHOUT EGYPT. EGYPT IN TURN NEEDED THE OTHER ARABS.

D) EGYPT WOULD ACCEPT ANY POSITIVE STEP PROPOSED BY THE ANTI-SADAT ARABS, INCLUDING A GENEVA CONFERENCE WITH SOVIET PARTICIPATION. INDEED THE GOVT WAS READY TO OPEN AL ARISH TO ALL THE PARTIES TO THE MIDDLE EAST CONFLICT, INCLUDING THE RUSSIANS, AS A VENUE FOR PEACE NEGOTIATIONS. EGYPT HAD NEVE CLOSED THE DOOR TO NORMAL RELATIONS WITH THE RUSSIANS.

E) PRESIDENT SADAT REFERRED WITHOUT COMMENT TO EGYPTIAN ATTEMPTS TO SECURE GREATER AID FROM THE US, JAPAN, FRG AND THE EEC. THE ARABS HAD CHOSEN THIS MOMENT TO TRY TO THROTTLE EGYPT'S PROGRESS TOWARDS PROSPERTIY. THEY WOULD NOT SUCCEED. EGYPT WAS GRATEFUL FOR WHAT THEY HAD GIVEN IN THE PAST, BUT SHE WOULD NOT BEG FROM THEM NOW.

F) VICE-PRESIDENT MUBARAK'S RECENT DISCUSSIONS OF MILITARY AND POLITICAL TOPICS IN WASHINGTON, LONDON AND PARIS HAD ILLUSTRATED CONTINUING WORLF RESPECT FOR EGYPT'S STAND. PRESIDENT SADAT REITERATED , TO LOUD APPLAUSE HIS GRATITUDE FOR THE EFFORTS OF THE "BRAVE US PRESIDENT". HE ALSO THANKED CHINA FOR HER ASSISTANCE. HE ACKNOLEDGED, TO FURTHER APPLAUSE THE STAND OF PRESIDENT NIMERI, SULTAN QABOOS AND PRESIDENT SIAD BARRE. EGYPT WOULD NOT FORGET SOMALIA'S ROLE.

16) THE ARABS

G) THE ARABS WOULD NOT SUCCEED IN SUSPENDING EGYPTIAN PARTICIPATION IN THE NON-ALIGNED MOVEMENT OR THE OAU. EGYPT HAD MADE PLAIN ITS CONDEMNATION OF BISHOP MUZOREWA AND ITS SUPPORT FOR MR NKOMO AND WOULD CONTINUE TO SUPPORT LIBERATION

MOVEMENTS UNTIL THE REMNANTS OF COLONIALISM DISAPPEARED FROM AFRICA. HE WOULD PERSONALLY ATTEND THE MONROVIA OAU SUMMIT.

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Middle East (May 79)  
Situation

Middle E. 15

Subject copy filed on  
Singapore (May 79)

'Visit by Lee Kuan Yew'

10 DOWNING STREET

From the Private Secretary

20 June 1979

THE PRIME MINISTER'S DISCUSSION WITH THE PRIME MINISTER OF SINGAPORE,  
MR. LEE KUAN YEW, AT 10 DOWNING STREET ON 20 JUNE 1979:  
OIL AND THE MIDDLE EAST

The Prime Minister had an hour's *tete-a-tete* discussion with the Prime Minister of Singapore, Mr. Lee Kuan Yew, at No. 10 this morning, before offering him a working lunch at which Mr. Lee was joined by other members of his delegation and at which the Home Secretary, the Secretary of State for Trade and Mr. Peter Blaker were present. The *tete-a-tete* discussion concentrated on two subjects: oil/Middle East and Vietnamese refugees. The following is a summary of the main points which arose during the exchanges on oil and the Middle East.

Mr. Lee told the Prime Minister that the Chief Executives of two important oil companies had both told him during the past week that he should not be surprised if the price of oil on the spot market were to rise to between \$24 and \$28 p.b. before the end of 1979. The Prime Minister told him that Shaikh Yamani had told the Government on the previous day that Saudi Arabia intended to increase output by 1 million barrels per day and that this should relieve some pressure on the spot market. Mr. Lee criticised President Carter's decision to authorise a \$5 subsidy on imported oil but said that the deterioration in the energy situation and the implications for the world economy, should hit the United Kingdom less hard given her smaller dependence on oil imports. The Prime Minister pointed out that the UK would have to keep with world market prices; we could not subsidise our oil. For the future, a great deal would depend on how soon Iran returned to a normal level of exports.

Mr. Lee said that in his view Iran would remain unstable for many years. He then developed the theme that the Arab rulers had totally lost faith in the United States, primarily as a result of the treatment which the Shah of Iran had received at the hands of the Americans after thirty years of friendship between them.

/One Arab ruler

19m

One Arab ruler had remarked to him that a member of the PLO or an Iraqi Marxist could always, in the last resort, find refuge in the Soviet Union or Eastern Europe; but the Shah had been able to find no refuge. The Americans should have given the Shah their unwavering support, leaving him to provide his own solutions to Iran's problems instead of telling him what to do in public; in these circumstances, the Iranian army would probably have remained loyal. Mr. Lee said that the Arab rulers were drawing their own conclusions from what had happened in Iran and were making their own contingency plans, which did not necessarily involve a closer accommodation with the West. Mr. Lee told the Prime Minister that it was up to the Europeans, acting together, to nudge the United States' Administration towards firmer and more responsible policies: the Europeans should encourage the Americans to re-assert their dominance. The joint Western objective should be to convince a substantial group of Arab oil producers that they would be helped when they needed help and that they could look to Europe, if not to the United States, if their regimes were to be put in jeopardy. Whatever other longer-term policies needed to be pursued in order to cope with the energy crisis, Mr. Lee said, the first and immediate priority must be to recreate confidence in the West on the part of the Arab oil producers.

When the Prime Minister suggested that the Camp David Agreements might have contributed to Arab disillusionment with the United States, Mr. Lee agreed but commented that this was only one among several factors which, in combination, had resulted in the Baghdad Summit and the harder Arab line. President Sadat was now isolated in the Arab world and could, after the Havana Conference of the non-aligned, find himself isolated in the non-aligned movement as well.

I am sending copies of this letter to Bill Burroughs (Department of Energy) and Martin Vile (Cabinet Office).

B. G. CARTLEDGE

Paul Lever, Esq.,  
Foreign and Commonwealth Office.

MIDDLE EAST: ADVANCE COPIES

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PS/HR HORD

PS/PUS

SIR A PARSONS

J C HOBERLY

Mr. Flanagan

Mr. Sutherland

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FM TEL AVIV 201220Z JUN 79

TO IMMEDIATE FCO

TELEGRAM NUMBER 290 OF 20 JUNE

INFO IMMEDIATE UKREP BRUSSELS CAIRO AND WASHINGTON

MIPT:

FOLLOWING IS TEXT, IN THE ORIGINAL ENGLISH:

THE GOVERNMENT OF ISRAEL TOTALLY REJECTS THE MIDDLE EAST STATEMENT OF THE FOREIGN MINISTERS OF THE EUROPEAN COMMUNITY OF JUNE 18TH AND VIEWS IT AS INJURIOUS TO THE ENTIRE PROCESS OF NEGOTIATIONS IN THE AREA AND TO THE SEARCH FOR A COMPREHENSIVE SETTLEMENT.

THE POSITION TAKEN BY THE EUROPEAN COMMUNITY CAN ONLY DISCOURAGE THE NEGOTIATIONS BETWEEN THE PARTIES OF ALL THE VARIOUS ISSUES INVOLVED IN AUTONOMY AND THE FUTURE OF JUDAEA, SAMARIA AND THE GAZA DISTRICT.

IT HAD BEEN OUR HOPE AND EXPECTATION THAT THE EUROPEAN COMMUNITY WOULD GIVE ITS FULL SUPPORT TO THE HISTORIC ACHIEVEMENT OF THE ISRAEL EGYPT PEACE TREATY AND TO THE ARDUCUS NEGOTIATIONS UPON WHICH WE ARE NOW EMBARKED. HOWEVER, AFTER THE NEW STATEMENT, I CAN ONLY ASK YOU TO WEIGH MOST CAREFULLY THE GRAVE RESPONSIBILITY AND CONSEQUENCES OF ATTEMPTS TO PREJUDICE AND DICTATE FROM WITHOUT THE COURSE OF THE NEGOTIATIONS. STRENGTHENING THE FORCES AND

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NO 10 DOWNING STREET (2)

CABINET OFFICE SIR J HUNT

CABINET OFFICE DIO

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ASK YOU TO WEIGH MOST CAREFULLY THE GRAVE RESPONSIBILITY AND CONSEQUENCES OF ATTEMPTS TO PREJUDICE AND DICTATE FROM WITHOUT THE COURSE OF THE NEGOTIATIONS, STRENGTHENING THE FORCES AND POSITIONS COMMITTED TO THEIR FAILURE AND THEREBY CAUSING IRREPARABLE DAMAGE TO THE HOPES OF PEACE IN THE MIDDLE EAST.

THE ISRAELI SETTLEMENTS ARE, IN OUR OPINION, STRICTLY IN ACCORD WITH INTERNATIONAL LAW, AND WE KNOW OF NO RULE OF LAW WHICH COULD FEASIBLY BAN JEWS FROM LIVING IN JUDAEA, SAMARIA AND GAZA DISTRICT. NOT A SINGLE ARAB HAS BEEN DISPLACED BY THESE SETTLEMENTS. ON THE CONTRARY, THE ESTABLISHMENT OF THE JEWISH SETTLEMENTS IN THE AREAS HAS BROUGHT WITH IT ECONOMIC DEVELOPMENT AND ADDITIONAL SOURCES OF EMPLOYMENT TO THE ARAB INHABITANTS OF THESE AREAS.

DESPITE THE STATEMENT OF THE EUROPEAN COMMUNITY, AND MANY OTHER OBSTACLES IN OUR PATH, ISRAEL WILL DO ITS BEST TO CONTINUE THE NEGOTIATIONS IN THE HOPE OF ACHIEVING AN AGREEMENT IN ACCORDANCE WITH THE CAMP DAVID ACCORDS - BOTH IN LETTER AND IN SPIRIT.

ENDS.

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PS/MR HURD  
PS/PUS  
MR A PARSONS  
MR J C MOBERLY

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FM TEL AVIV 201215Z JUN 79

TO IMMEDIATE FCO

TELEGRAM NUMBER 289 OF 20 JUNE

INFO IMMEDIATE UKRE BRUSSELS, WASHINGTON AND CAIRO

YOUR TEL NO 206: EUROPEAN COMMUNITY MIDDLE EAST STATEMENT

1. PREDICTABLY THE DEPUTY DIRECTOR GENERAL OF THE ISRAEL FOREIGN MINISTRY HAS THIS MORNING, 20 JUNE, SUMMONED SEPARATELY EACH COMMUNITY AMBASSADOR, STARTING WITH THE FRENCH, IN ORDER TO COMMUNICATE IDENTICAL LETTERS FROM THE ISRAEL FOREIGN MINISTER TO EACH FOREIGN MINISTER OF THE COMMUNITY. (TEXT IN MIFT.) ALTHOUGH HE WAS NOT CERTAIN, SASSON THOUGHT IT LIKELY THAT THE TEXT OF LETTERS WOULD BE RELEASED TO THE PRESS. THE FACT OF THEIR EXISTENCE ALREADY HAS BEEN.

2. IN SUPPORT OF MR DAYAN'S LETTER, SASSON SPOKE IN FAMILIAR TERMS ABOUT THE MALADROIT CONTENTS AND TIMING OF THE COMMUNITY STATEMENT. DID THE COMMUNITY REALLY THINK THAT IT WOULD CONTRIBUTE PROGRESS TOWARDS PEACE? I REPLIED THAT THE COMMUNITY WERE AS CONCERNED AS ANYBODY TO SEE A JUST AND LASTING PEACE IN THE MIDDLE EAST. THEY WERE AT PRESENT EXTREMELY CONCERNED THAT ISRAEL WAS NOT HELPFULLY CONTRIBUTING TO THE PROCESS. IF THEIR OWN STATEMENT TURNED OUT TO HAVE CONTRIBUTED NOTHING ITSELF, THIS WOULD BE BECAUSE ISRAEL HAD NOT TAKEN TO HEART ITS CONTENTS.

3. I ASKED WHETHER MR DAYAN'S STATEMENT THAT THE ISRAELI SETTLEMENTS WERE STRICTLY IN ACCORD WITH INTERNATIONAL LAW WAS BASED ON

3. I ASKED WHETHER MR DAYAN'S STATEMENT THAT THE ISRAELI SETTLEMENTS WERE STRICTLY IN ACCORD WITH INTERNATIONAL LAW WAS BASED ON THE RECENT SUPREME COURT JUDGEMENT, OF WHICH MR BEGIN GAVE THE PRIME MINISTER A COPY DURING HIS VISIT LAST MONTH. WHEN SASSON RATHER RELUCTANTLY INDICATE THAT IT WAS I DEALT WITH THE IRRELEVANCE OF THE JUDGMENT, AND THEN TOOK THE OPPORTUNITY TO CRITICE, FIRST, THE ISRAEL LEGISLATURE'S FAILURE TO TRANSFORM THE RELEVANT PARTS OF THE 1949 GENEVA CONVENTION FROM CONVENTIONAL INTO CUSTOMARY LAW; AND SECOND, THE FACT THAT THE SUPREME COURT'S JUDGMENT WAS BASED ON ISRAEL'S SECURITY REQUIREMENTS, WHICH THE MINISTER OF DEFENCE HIMSELF HAD SAID DID NOT APPLY IN THE LATEST CASE OF ELON MOREH. (AT THE TIME, NEITHER SASSON NOR I UNFORTUNATLY KNEW OF THE SUPREME COURT'S REJECTION OF THE CHIEF OF STAFF'S SUBMISSION TO THE CONTRARY ON WHICH WE SHALL BE REPORTING TOMORROW AFTER THE DEBATE NOW GOING ON IN THE KNESSET ON THE COURT'S DECISION HAS CONCLUDED.)

4. SASSON MADE THE POINT, TO WHICH ISRAELI FOREIGN MINISTRY OFFICIALS ARE ATTACHED, THAT IT WAS THE COMMUNITY RATHER THAN THE EGYPTIANS WHO WERE MAKING ALL THE FUSS ABOUT SETTLEMENTS. I DID NOT FEEL ABLE TO DRAW ON THE CONTENTS OF PARA 2 OF YOUR TELNO 256 TO CAIRO (NOT TO ALL), AND THEREFORE LET THE POINT GO BY DEFAULT.

5. SASSON WAS ENTIRELY AT HIS EASE WHILE DETAILING THE COMMUNITY'S SHORT-COMINGS, BUT BY NO MEANS AS HAPPY DEFENDING ISRAEL'S PRESENT STANCE. UNUSUALLY FOR THE ISRAEL FOREIGN MINISTRY, THERE WAS A NOTE TAKER PRESENT, SO MY ANIMADVERSIONS WILL AT LEAST HAVE BEEN PLACED ON RECORD.

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Prime Minister

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FM F C O 182016Z JUN 79

TO IMMEDIATE PARIS

TELEGRAM NUMBER 206 OF 18 JUNE

INFO IMMEDIATE TEL AVIV, CAIRO, DAMASCUS, BAGHDAD, AMMAN, UKMIS  
NEW YORK, UKDEL NATO, UKDEL STRASBOURG, WASHINGTON, MOSCOW,  
TOKYO, ALL EEC POSTS

INFO ROUTINE TUNIS, MOGADISHU, MUSCAT, ABU DHABI, RABAT, TRIPOLI,  
SANA'A, BAHRAIN, KUWAIT, DUBAI AND ATHENS

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EUROPEAN POLITICAL COOPERATION, MINISTERIAL MEETING, PARIS, 18  
JUNE 1979

MIDDLE EAST

THE PRESIDENCY LAUNCHED DISCUSSION OF THE MIDDLE EAST AT LUNCH:  
SHORTLY AFTERWARDS FRANCOIS-POUCET (FRANCE PRESIDENCY) CIRCULATED  
A DRAFT STATEMENT WHICH AFTER A BRIEF DISCUSSION WAS AMENDED AND  
ISSUED AS FOLLOWS:

QUOTE

THE NINE EXAMINED THE SITUATION IN THE MIDDLE EAST

1. THEY RECALL, IN ACCORDANCE WITH THEIR PREVIOUS DECLARATIONS, IN  
PARTICULAR THOSE OF 29 JUNE 1977 AND 26 MARCH 1979, THAT A JUST  
AND LASTING PEACE CAN BE ESTABLISHED ONLY ON THE BASIS OF A COMPR-  
HENSIVE SETTLEMENT WHICH SHOULD BE BASED ON SECURITY COUNCIL  
RESOLUTIONS 242 AND 338 AND ON

- I) THE INADMISSABILITY OF THE ACQUISITION OF TERRITORY BY FORCE
- II) THE NEED FOR ISRAEL TO END THE TERRITORIAL OCCUPATION WHICH  
IT HAS MAINTAINED SINCE THE CONFLICT OF 1967
- III) RESPECT FOR THE SOVEREIGNTY, TERRITORIAL INTEGRITY AND INDE-  
PENDENCE OF EVERY STATE IN THE AREA AND THEIR RIGHT TO LIVE IN  
PEACE WITHIN SECURE AND RECOGNISED BOUNDARIES
- IV) RECOGNITION THAT IN THE ESTABLISHMENT OF A JUST AND LASTING  
PEACE ACCOUNT MUST BE TAKEN OF THE LEGITIMATE RIGHTS OF THE  
PALESTINIANS INCLUDING THEIR RIGHT TO A HOMELAND.

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2. THE NINE DEPLORE ANY ACTION OR STATEMENT WHICH MIGHT STAND IN THE WAY OF THE QUEST FOR PEACE. THEY CONSIDER IN PARTICULAR THAT CERTAIN ATTITUDES OR DECLARATIONS OF THE ISRAELI GOVERNMENT ARE SUCH AS TO CREATE OBSTACLES IN THE SEARCH FOR SUCH A COMPREHENSIVE SETTLEMENT, NOTABLY

- I) THE ISRAELI CLAIM TO PERMANENT SOVEREIGNTY OVER THE OCCUPIED TERRITORIES WHICH IS INCOMPATIBLE WITH SECURITY COUNCIL RESOLUTION 242 WHICH STATED THE PRINCIPLE OF THE INADMISSABILITY OF THE ACQUISITION OF TERRITORY BY FORCE.
- II) THE POLICY OF SETTLEMENTS PURSUED BY THE ISRAELI GOVERNMENT IN THE OCCUPIED TERRITORIES, WHICH IS ILLEGAL FROM THE POINT OF VIEW OF INTERNATIONAL LAW.

3. AS REGARDS THE LEBANON, THE NINE SUPPORT ITS INDEPENDENCE, SOVEREIGNTY AND TERRITORIAL INTEGRITY. THEY DEPLORE ALL ACTS ENDANGERING THE SECURITY OF THE POPULATION OR PLACING OBSTACLES IN THE WAY OF THE RESTORATION OF THE AUTHORITY OF THE GOVERNEMENT OF LEBANON THROUGHOUT THE WHOLE OF ITS TERRITORY AND PARTICULARLY IN THE SOUTH OF THE COUNTRY. GRAVELY CONCERNED AT THE DIFFICULTIES WHICH UNIFIL, TO WHICH SOME OF THE NINE CONTRIBUTE IS ENCOUNTERING IN CARRYING OUT ITS MANDATE THEY APPEAL TO ALL PARTIES TO RESPECT THE DECISIONS OF THE SECURITY COUNCIL.

THE ABOVE ARE THE COMMENTS WHICH THE NINE WISH TO MAKE AT THIS MOMENT. THEY RESERVE THE RIGHT TO RETURN TO ALL OF THESE QUESTIONS AT A LATER DATE.

UNQUOTE

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FM JERUSALEM 180725Z JUNE 79

TO PRIORITY FCO

TELEGRAM NO 73 OF 18 JUNE

INFO TEL AVIV (PASSED) AMMAN CAIRO WASHINGTON

*Pisai Minister*

WEST BANK

*mt*

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19/6*

1. IN ONE OF THE LARGEST DEMONSTRATIONS SEEN ON THE WEST BANK FOR SOME TIME, SOME FIFTEEN HUNDRED INHABITANTS OF NABLUS AND SURROUNDING VILLAGES MARCHED IN PROTEST YESTERDAY AGAINST THE ESTABLISHMENT OF ELON MOREH AND THE EXPECTED COMMENCEMENT OF WORK ON KARNEI SHOMRON B. IN FACT WORK ON THE LATTER SETTLEMENT HAS BEEN POSTPONED.

2. MAYOR OF NABLUS BASSAM SHAKA'A IS REPORTED TO HAVE MADE A MODERATE SPEECH AT THE NABLUS MUNICIPALITY IN WHICH HE PRAISED THE PEACE NOW MOVEMENT'S OPPOSITION TO ISRAEL'S SETTLEMENT POLICY AND CALLED FOR THE PALESTINIANS' STRUGGLE TO BE QUOTE ORGANISED, LOGICAL AND WISE UNQUOTE. DEMONSTRATION WAS INTENDED TO BE PEACEFUL BUT YOUNGER DEMONSTRATORS STARTED THROWING STONES AND TAUNTING SECURITY FORCES. SEVERAL HUNDRED DEMONSTRATORS WHO WERE REPORTEDLY WAVING COPIES OF THE KORAN BROKE THROUGH AN ARMY BARRIER ON THE WAY TO ELON MOREH AND THE CROWDS WERE DISPERSED ONLY AFTER TEAR GAS GRENADES WERE USED AND BATON CHARGES MADE. A NUMBER OF ARABS WERE ARRESTED. MOST OF THE TOWN'S SHOPS WERE CLOSED YESTERDAY ALTHOUGH SOLDIERS FORCED SOME TO OPEN BY CUTTING LOCKS ON DOORS AND SHUTTERS.

3. THERE HAVE BEEN NUMEROUS ROADBLOCKS ON THE WEST BANK OVER THE WEEKEND, POSSIBLY TO PREVENT NOTABLES FROM OTHER WEST BANK TOWNS FROM TRAVELLING TO NABLUS TO PARTICIPATE IN DEMONSTRATIONS, BUT MORE PROBABLY BECAUSE OF RECENT ARREST OF UNIFIL OFFICER SUSPECTED OF SMUGGLING ARMS AND EXPLOSIVES INTO ISRAEL FROM LEBANON. THE US CONSULATE GENERAL WERE INVOLVED IN AN INCIDENT AT A ROADBLOCK ON THE OUTSKIRTS OF JERUSALEM IN THE EARLY HOURS OF YESTERDAY. CONSULATE GENERAL STAFF MEMBERS IN AN OFFICIAL VEHICLE WERE STOPPED AND SOLDIERS INSISTED ON SEARCHING VEHICLE. STAFF MEMBERS IDENTIFIED THEMSELVES AND REFUSED TO ALLOW SEARCH.

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*/AFTER*

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AFTER SOME ACRIMONIOUS EXCHANGES CONSULATE CAR DROVE OFF BUT WAS FORCED INTO SIDE OF ROAD BY A CHASING POLICE CAR. INCIDENT WAS SMOOTHED OVER EVENTUALLY BUT I UNDERSTAND THAT US CONSUL GENERAL HAS NOW INSTRUCTED HIS STAFF TO CO-OPERATE AT ROADBLOCKS AND TO ALLOW CARS TO BE SEARCHED IF ISRAELIS INSIST ON THIS.

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ARAB/ISRAEL DISPUTE

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10 DOWNING STREET

From the Private Secretary

18 June 1979

file 116  
Top Copy on: Jordan,  
June 7,  
King Hussein

Dear Paul,

THE PRIME MINISTER'S DISCUSSION WITH KING HUSSEIN OF JORDAN  
AT 10 DOWNING STREET ON 18 JUNE 1979

The Prime Minister entertained King Hussein of Jordan at a working lunch at No. 10 today. The King was accompanied by his Foreign Affairs Adviser, Sharif Abdul Hamid Sharaf; by the Commander in Chief of the Jordanian Armed Forces, Sharif Zeid bin Shaker; and by the Jordanian Ambassador. The Secretary of State for Defence, the Lord Privy Seal, Mr. Douglas Hurd and Mr. John Moberly were present. The following is a summary of the main points which arose in discussion during the meal.

The Prime Minister gave King Hussein an account of her conversation with Mr. Begin over lunch at No. 10 on 23 May. King Hussein commented that the US had in his view given away all the cards which would have enabled them to bring pressure to bear on Mr. Begin, including the possible withholding of military equipment and of oil supplies. Mr. Sharaf expressed the view that the Europeans should adopt a stronger position with regard to Israeli policies which would, in turn, help the US to stiffen its stance on the issues of withdrawal, Jerusalem and Palestinian rights. King Hussein said that he had taken up with the Israelis the question of withdrawal and the implementation of Resolution 242 on numerous occasions but had always been given a negative response, even before Mr. Begin took office. The Prime Minister told King Hussein what Vice President Mubarak of Egypt had said to her about Mr. Begin's brinkmanship at Camp David and said that it might be necessary for the negotiators on the West Bank issue to go to the brink before Mr. Begin would move. The Prime Minister went on to say that, as she had told Vice President Mubarak, it was very important for all those concerned to keep close to Saudi Arabia although she recognised that President Sadat had made some ill-considered remarks about the Saudis. Mr. Sharaf recalled that King Hussein had stood alone in giving a public welcome to President Sadat's original initiative, while at the same time stressing the need for an appropriate response from the Israelis; this response had, however, never materialised and President Sadat's clumsiness in handling his relations with the Arab world had contributed further to the deterioration of the situation. The Prime Minister pointed out that President Sadat was confronted with economic problems of immense gravity, including a rapid increase in the population of his country; these difficulties had spurred him on in the search for a settlement. King Hussein repeated that the Americans had now given the Israelis everything for which they could have asked and found themselves unable to influence Israel any more.

/King Hussein

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King Hussein added that, throughout the quest for a settlement, he had constantly stressed that it was essential to involve all parties in it. He had recently been in touch with the Soviet Government about the implementation of Resolution 242 and a possible return to Geneva. The Soviet response had indicated that the Soviet Union was now opposed to a revival of Geneva: they simply wanted abrogation of the peace treaty and the replacement of President Sadat. King Hussein commented that the Russians clearly thought that time was on their side, that Arab and Israeli positions would harden and that this would eventually bring the regional instability from which they would hope to profit. This was one reason why he saw the revival of the peace process as a matter of such urgency. When Mr. Hurd asked the King whether it might be possible to reopen the Geneva negotiations without the Soviet Union, King Hussein replied that if all those concerned agreed to resume these negotiations, the Soviet Union would have to do so too.

The Prime Minister said that Mr. Begin clearly believed that he had succeeded in splitting the Arab world, that he had in his pocket an agreement which would protect Israel from combined Arab attack and that, consequently, he could afford to stand pat on what he had achieved and make no effort to move on to the next stage. Mr. Sharaf said that King Hussein had been saying for years that this was the Israeli tactic. In the long term, however, the tactic was mistaken since it ruled out the comprehensive settlement which alone could give Israel security. The Camp David Agreements had reinforced Mr. Begin's divisive course while making a comprehensive settlement virtually impossible to achieve.

King Hussein said that Jordan now found herself in a difficult position since both the United States and the Soviet Union were opposed to going back to the Security Council and Geneva. The breakdown of the negotiations on the West Bank could be quite close and he therefore believed that the Arab world should before long make a restatement of its position. In preparing for this, the Arabs should keep in close touch with their European friends in order to be sure of making their move at the right time. It would not, however, be a good idea to remain inactive for too long.

When Mr. Hurd asked King Hussein whether he expected trouble on the West Bank, the King confirmed that the period of relative quiet there was coming to an end. Mr. Sharaf pointed out that, despite Israeli propaganda to the contrary, the Israeli occupation was by no means benevolent. The West Bank was subjected to chronic exploitation of its water resources and its labour: Jordan had taken the firm decision to help the West Bankers by, for example, purchasing their produce and paying municipal salaries; this constituted a drain on Jordan's resources. East Jerusalem and a growing area around it had been incorporated into Israel and the character of the city transformed. General Shaker said that Israel's "security measures" on the West Bank included the collective punishment of the local population; in a recent incident, school children had thrown themselves out of top storey windows in order to escape a search of their school by Israeli troops. There was, however, a news blackout on episodes of this kind. Mr. Sharaf said that if present Israeli policies on the West Bank continued, the whole area would have been transformed, and depopulated of its Arab inhabitants to such an extent by the time the negotiations came to any conclusion that the need for them would have disappeared. King Hussein said that before his departure people had told him jokingly in Amman that he should urge the Americans to stop making statements criticising Israeli settlement policy, since such statements invariably resulted in the creation of

a new settlement. There were large numbers of teachers and students in Jordan who had been obliged to leave the West Bank because their colleges and schools had been closed down.

The Prime Minister asked what was the best result which could be expected from the talks on the West Bank. Mr. Sharaf said that, according to Camp David, the next steps would be the creation of the self-governing authorities, the establishment of political autonomy and then a further round of negotiations about the future status of the West Bank. One of King Hussein's fundamental objections to the Camp David Agreements was that they said nothing about the future status of the Palestinians; they contained no assurance of ultimate self-determination for the Palestinians. Mr. Hurd pointed out that the Americans argued that once an autonomous community had been established the local people would quickly begin to demand sovereignty as well. Mr. Sharaf replied that Mr. Begin had said recently that he would arrest any local people who did so. Mr. Sharaf went on to say that it was now up to the Europeans and others to create an atmosphere which would compel Israel to change her policies. When the Lord Privy Seal said that it would be important for the Europeans to avoid doing anything which could undermine Mr. Strauss' efforts by casting doubts on the validity of the current negotiations, Mr. Sharaf said that the Jordanians wanted to build on the Camp David process rather than upset it but pointed out that it should be possible for the Europeans to support the negotiating process while calling upon Israel in strong terms to allow it to produce results. King Hussein said that everybody regarded Resolution 242 as the right basis for any settlement, but the Resolution itself was being eroded by the passage of time.

King Hussein said that he would be talking to the Syrians about the redefinition of the Arab position which he had in mind; these discussions would take place within a small group of Arab states and would not include all the participants in the Baghdad Conference. Mr. Sharaf explained that King Hussein believed that unless a unified Arab position could be maintained, radical opinion in the Arab world would become even stronger. King Hussein confirmed that he saw his main task as being to keep the Arab world together, which was an essential pre-condition of frustrating Communist plans for the extension of their influence in the region. A just settlement would help the moderate elements among the Arabs.

The Lord Privy Seal said that the Palestinians had moved towards at least a position of de facto recognition of Israel; it would be very helpful to their position viz a viz the West if they were to move one step further. King Hussein agreed but pointed out that Israel, too, had to make a move. Palestinians in Lebanon were now under daily attack; the King recalled arguing at the very first Arab Summit, in 1964, that the Arab/Israel conflict should not be allowed to spill over into the Lebanon. He thought that the Syrians should announce a deadline for their withdrawal, thus giving the Lebanese an incentive to find their own solutions to their problems. Mr. Sharaf commented that Lebanon had virtually been partitioned and King Hussein added that the Israelis might be pursuing a long term plan for controlling the Litani River.

/Mr. Sharaf

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Mr. Sharaf emphasised once more the view he had expressed at the outset, namely that pressure from outside would be needed to achieve acceptable results from the peace process and that there should be a demonstration of the collective will of the West to give Israel what she needed for her security but insisting that the Palestinians should be given their legitimate rights as well. In the present situation, the position of the moderate Arabs was gradually being eroded and the rejectionist case was being proved. The Prime Minister said that all that could be done for the moment was to wait and see what came out of the negotiations on the West Bank. When King Hussein asked whether consideration could be given to ways in which Europeans could help the situation, the Prime Minister said that this could indeed be discussed both in Strasbourg and in Tokyo. The Jordanian Ambassador said that any statements would have to embody a more explicit emphasis on self-determination than had previous statements. King Hussein indicated that the UK should be able to exercise a helpful and very necessary influence on the US in these matters.

In a reference to Jordan's requirement for UK Shir I tanks, Mr. Sharaf said that Jordan needed to be strengthened by her traditional allies. The Prime Minister replied that the British Government recognised that the UK was Jordan's traditional friend and supplier and that they would, therefore, negotiate the sale of the Shir tanks. The Defence Secretary confirmed that negotiations were already under way. Mr. Sharaf said that King Hussein had been telling all the Arab Governments that the UK tank was the best one.

After King Hussein's departure, the Prime Minister indicated that she would be quite prepared to ask President Carter, when she met him in Tokyo, to exert pressure on Mr. Begin to put an end to his policy on settlements and to accept the principle of Palestinian sovereignty for the West Bank. Mr. Moberly gave her a summary of current attitudes within the Nine to a possible statement on the Middle East. Mr. Hurd told the Prime Minister that it would be a mistake for the Nine to rush into a statement for the sake of making one; the time for this would be when the current negotiations showed signs of running into the sand. I should be grateful for advice on whether, in the light of the Prime Minister's talk with King Hussein, the brief on the Middle East which has been provided for the Prime Minister's use at Strasbourg needs any revision; and on the terms in which the Prime Minister might raise the Middle East issue with President Carter in Tokyo.

I am sending copies of this letter to Roger Facer (Ministry of Defence) and Martin Vile (Cabinet Office).

*Yours ever,  
Brian Crockett.*

Paul Lever, Esq.,  
Foreign and Commonwealth Office.

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Middle East

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PRIME MINISTER'S  
PERSONAL MESSAGE  
SERIAL No. T26A/797

See p. 3/4

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DESKBY 181400Z  
FM FCO 181152Z JUNE  
TO IMMEDIATE WASHINGTON  
TELEGRAM NUMBER 693 OF 18 JUNE 1979

PRIME MINISTER'S MESSAGE TO THE PRESIDENT

1. THE PRIME MINISTER SIGNED ON 15 JUNE HER REPLY TO MR CARTER'S MESSAGE OF 13 MAY (OUR TELNO 502). SIGNED ORIGINAL FOLLOWS BY BAG BUT PLEASE NOW PASS TO THE WHITE HOUSE FOR TRANSMISSION TO THE PRESIDENT TEXT AS FOLLOWS.

DEAR MR PRESIDENT,

AS YOU KNOW I DEFERRED A FULL REPLY TO YOUR MESSAGE OF 13 MAY UNTIL MY COLLEAGUES AND I HAD BEEN ABLE TO TALK TO MR VANCE. THOSE TALKS WERE MOST VALUABLE. CY VANCE WILL HAVE REPORTED TO YOU. BUT I THOUGHT YOU WOULD WISH TO KNOW MY THOUGHTS ON THE POINTS MADE IN YOUR MESSAGE.

YOUR RIGHTLY GAVE PRIDE OF PLACE TO SALT AND THE FUTURE STRATEGIC BALANCE. WE HAVE FOLLOWED THE SALT II DEVELOPMENTS WITH CLOSE ATTENTION AND ARE GRATEFUL FOR THE CARE YOU HAVE TAKEN TO KEEP US INFORMED. I SHARE YOUR CONVICTION THAT THE SUBSEQUENT DEBATE ON RATIFICATION OF THE TREATY WILL BE OF CRITICAL IMPORTANCE. AS I SEE IT, YOU IN THE UNITED STATES PARTICULARLY IN YOUR DIALOGUE WITH THE SENATE, AND WE AND OUR OTHER ALLIES HAVE TO STRIKE THE RIGHT BALANCE IN SUPPORTING THE RATIFICATION OF SALT II WHILE AT THE SAME TIME ENSURING THAT OUR PUBLIC OPINION UNDERSTANDS THE NEED FOR THE ALLIANCE TO MAINTAIN AND MODERNISE ITS NUCLEAR FORCES. CY VANCE ASSURED PETER CARRINGTON AT THE OUTSET OF HIS DISCUSSIONS THAT SALT II WAS WHOLLY COMPATIBLE WITH THE RETENTION OF A STRONG US DEFENCE CAPABILITY. WE WELCOME THAT. BOTH SIDES OF THE EQUATION WILL NEED TO BE EMPHASISED IN THE NEXT FEW MONTHS, IF WE ARE TO AVOID CREATING A FALSE SENSE OF SECURITY THAT MIGHT UNDERMINE THE CONTINUING DEFENCE EFFORT THE ALLIANCE MUST MAKE.

I NOTE WHAT YOU SAY ABOUT THE IMPORTANCE OF EUROPEAN VIEWS IN THE RATIFICATION DEBATE THAT LIES AHEAD OF YOU. AND I ACCEPT THAT THE ATTITUDE OF BRITAIN, AS A NUCLEAR POWER, WILL BE SCRUTINISED PARTICULARLY CLOSELY. ON OUR REACTIONS TO DATE WE HAVE

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DONE OUR BEST TO BE HELPFUL, BOTH IN OUR NATIONAL STATEMENTS AND IN THE COMMUNIQUE OF THE NATO DEFENCE PLANNING COMMITTEE AND FOREIGN MINISTERS' COUNCIL. WE HAVE CONSISTENTLY SUPPORTED EFFORTS TO ACHIEVE LIMITATIONS ON STRATEGIC ARMS AND I HAVE MADE IT QUITE CLEAR THAT I HOPE THE TREATY WILL BE RATIFIED. MAY I ASK YOU TO LET ME KNOW AT ANY STAGE HOW BEST YOU THINK WE CAN CONTINUE TO HELP ?

AS YOU KNOW, OUR REACTIONS SO FAR HAVE BEEN GOVERNED BY THE VIEW THAT A STATEMENT ON THE SUBSTANCE OF THE AGREEMENT MADE AFTER ONLY A BRIEF PERIOD IN GOVERNMENT AND BEFORE WE HAD THE OPPORTUNITY TO STUDY THE FULL TEXT OF THE TREATY WOULD NOT HAVE CARRIED CONVICTION EITHER WITH THE PUBLIC HERE OR WITH YOUR CONGRESS. BUT I ASSURE YOU THAT, WITHIN THE ALLIANCE AND IN OUR PUBLIC STATEMENTS, WE WILL DO ALL WE CAN TO ASSIST YOU IN SECURING RATIFICATION.

CY VANCE WILL HAVE CONFIRMED TO YOU THAT ONE ASPECT OF THE SALT II NEGOTIATIONS THAT HAD GIVEN US, AS IT HAD OUR PREDECESSORS, SERIOUS CAUSE FOR CONCERN WAS THE WORDING ON NON-CIRCUMVENTION AND THE POSSIBILITIES FOR NUCLEAR TRANSFERS IN THE FUTURE. I THEREFORE MUCH APPRECIATE THE CATEGORICAL ASSURANCES IN THIS RESPECT THAT HE GAVE US. THIS WILL ALLOW US WHEN QUESTIONED, IN PARLIAMENT AND ELSEWHERE, AS WE SHALL BE, TO CONFIRM UNEQUIVOCALLY THAT OUR INTERESTS ARE SAFEGUARDED.

LOOKING AHEAD, I FULLY SHARE YOUR VIEW OF THE IMPORTANCE OF FULFILLING THE LONG-TERM DEFENCE PROGRAMME. PETER CARRINGTON FRANCIS PYM AND I ALL UNDERLINED TO CY VANCE THE STRENGTH OF OUR COMMITMENT TO THE NATO TARGET OF 3 PERCENT GROWTH IN DEFENCE EXPENDITURE. I AGREE TOO THAT WE NEED TO ENSURE THAT CONCRETE DECISIONS ON THEATRE NUCLEAR FORCE MODERNISATION ARE TAKEN BY THE ALLIANCE BY THE END OF THIS YEAR, AND IN THAT RESPECT THE RECENT NATO COUNCIL MEETING MARKED A MAJOR STEP FORWARD. AS FOR SALT III, I HAVE NO DOUBT THAT CY VANCE'S VISIT HAS GIVEN ADDED IMPETUS TO WHAT I HOPE WILL BE A PERIOD OF INTENSIVE CONSULTATION BOTH WITHIN THE ALLIANCE AND BETWEEN OUR TWO GOVERNMENTS. FOR THIS REASON I VERY MUCH WELCOME YOUR POSTSCRIPT AND LOOK FORWARD TO HEARING YOUR VIEWS ON SALT III AT ANY TIME.

ON THE COMPREHENSIVE TEST BAN NEGOTIATIONS IT IS GOOD OF YOU TO HAVE ARRANGED FOR YOUR SCIENCE ADVISER TO COME OVER HERE TO BRIEF ME ON THE TECHNICAL ASPECTS AND ON YOUR OWN THINKING. CLEARLY WE NEED TO KEEP IN CLOSE TOUCH ON THIS.

YOU WILL HAVE HEARD THAT, IN RESPONSE TO THE CONCERN WHICH BOTH YOU AND HELMUT SCHMIDT HAD EXPRESSED, WE HAVE RECENTLY ANNOUNCED A DOUBLING OF THE CONTRIBUTION PROMISED BY THE PREVIOUS ADMINISTRATION TO THE TURKEY RESCUE OPERATION. I AM NO LESS PERSUADED THAN YOU OF THE STRATEGIC IMPORTANCE OF TURKEY. BUT I MUST STRESS THAT POUNDS STERLING 15 MILLION IS ABSOLUTELY AS FAR AS WE CAN GO, BEYOND THE SUBSTANTIAL SUMS WE ARE ALREADY PROVIDING TO THE TURKS THROUGH THE EEC, GIVEN OUR DETERMINATION TO CUT PUBLIC EXPENDITURE IN THE UK. AND I THINK WE ALL AGREE THAT THE TURKS MUST COME TO AN AGREEMENT WITH THE IMF BEFORE OUR CONTRIBUTIONS ARE PAID OVER.

I SHARE YOUR CONCERN ABOUT SOUTHERN AFRICA. I AGREE THAT CLOSE COLLABORATION BETWEEN US WILL BE OF GREAT IMPORTANCE AS WE TRY TO RESOLVE THE PROBLEMS WHICH CONCERN US EQUALLY IN THAT AREA. ON RHODESIA WE WELCOMED THE TALKS WITH CY VANCE. DAVID HARLECH IS NOW IN AFRICA FOR DISCUSSIONS WITH THE COMMONWEALTH AND OTHER AFRICAN GOVERNMENTS DIRECTLY CONCERNED. WE SHALL BE CONSIDERING THE WAY FORWARD IN THE LIGHT OF HIS REPORT; AND WE SHALL WISH TO KEEP IN THE CLOSEST TOUCH WITH YOU OVER THIS PROBLEM.

PETER CARRINGTON AND CY VANCE HAVE BEEN IN CLOSE TOUCH ABOUT THE VARIOUS IDEAS ON NAMIBIA WHICH WE PUT FORWARD AFTER RICHARD LUCE'S VISIT TO THE AREA, AND I THINK YOU, WE AND OUR OTHER PARTNERS ARE NOW LARGELY AGREED ON THE NEXT STEPS.

MY MEETING WITH MR BEGIN WAS PROFOUNDLY DISHEARTENING. I WELL UNDERSTAND YOUR CAUTION ABOUT THE POSSIBILITY OF MAKING PROGRESS IN THE WEST BANK NEGOTIATIONS. I EMPHASISED TO MR BEGIN THE DANGER WHICH CONTINUED EXPANSION OF ISRAELI SETTLEMENTS REPRESENTS TO THE AUTONOMY NEGOTIATIONS AND ALSO THE NEED TO HELP PRESIDENT SADAT. BUT HE WILL NOT LISTEN AND EVEN RESENTS THE SUBJECT OF SETTLEMENTS BEING RAISED AT ALL.

PETER CARRINGTON WILL DISCUSS WITH HIS COMMUNITY COLLEAGUES HOW THEY CAN BEST HELP. FOR OUR PART WE SHALL CONTINUE TO SUPPORT YOUR GENERAL APPROACH WITH ITS EMPHASIS ON THE NEED TO ACHIEVE A COMPREHENSIVE SETTLEMENT. WE SHALL BE HAPPY TO KEEP IN CLOSE TOUCH WITH MR STRAUSS AS YOU SUGGEST.

AS FOR THE DIVISIONS IN THE ARAB WORLD, I DOUBT WHETHER ANY EARLY PROGRESS TOWARDS RECONCILIATION BETWEEN PRESIDENT SADAT AND SOME OF THE MORE MODERATE ARAB GOVERNMENTS IS POSSIBLE. THE FIRST STEP MUST BE TO URGE PRESIDENT SADAT HIMSELF TO STOP HIS ATTACKS ON HIS

NATURAL ALLIES SUCH AS THE SAUDIS AND THE JORDANIANS. I WAS GLAD TO HEAR THAT YOUR AMBASSADOR IN CAIRO HAS BEEN ABLE TO HELP WITH THIS. I EXPECT TO SEE KING HUSSEIN IN THE NEXT WEEK AND SHALL URGE ON HIM THE NEED NOT TO COMMIT HIMSELF IRREVOCABLY AGAINST THESE PEACE NEGOTIATIONS.

BOTH FOREIGN MINISTER SONODA, AND HIS COLLEAGUE, MR ESAKI, WHOM I HAVE SEEN RECENTLY, UNDERLINED THE IMPORTANCE THE JAPANESE ATTACH TO THE TOKYO SUMMIT. I ACCEPT THAT SUCH MEETINGS CAN BE USEFUL AND I SHALL BE INTERESTED TO TAKE PART IN IT WITH YOU AND OUR FIVE OTHER COLLEAGUES. BUT I MUST ADMIT THAT PREVIOUS MEETINGS IN THE SERIES HAVE STRUCK ME AS SOMETIMES LONGER ON DIAGNOSIS THAN ON PRESCRIPTIONS. THE PROBLEM WE FACE THIS TIME ARE EVEN MORE ACUTE THAN BEFORE, WITH THE ENERGY SHORTAGE AGGRAVATING AN ALREADY UNCERTAIN SITUATION. I HOPE WE SHALL BE ABLE TO GET NEARER TO FINDING SOLUTIONS - BUT FRANKLY I AM NOT OPTIMISTIC. ON ONE POINT I WHOLLY AGREE WITH YOU. WE MUST TRY TO DEAL ONLY WITH A LIMITED NUMBER OF SPECIFIC ISSUES AND AVOID THE OVER-GENERALISED APPROACH. I HOPE ALSO THAT WE SHALL BE ABLE TO AVOID A COMMUNIQUE WHICH DEALS MAINLY IN PIOUS PLATITUDES.

WE WERE ABLE TO ASSURE BOTH JAPANESE MINISTERS OF THE IMPORTANCE WE ATTACH TO A HEALTHY AND CONSTRUCTIVE RELATIONSHIP WITH THE JAPANESE GOVERNMENT, BOTH BILATERALLY AND THROUGH THE EUROPEAN COMMUNITY. I THINK THERE IS A LIMIT TO HOW FAR OTHERS CAN OR SHOULD GO IN ADVISING THE JAPANESE HOW TO RUN THEIR AFFAIRS, BUT I AGREE THAT THE CONTINUING JAPANESE TRADE SURPLUS IS A CAUSE FOR CONCERN FOR US ALL. ALTHOUGH THE LATEST FIGURES ARE SLIGHTLY MORE REASSURING, THIS MAY BE NO MORE THAN TEMPORARY, AS THE DEPRECIATION OF THE YEN ONCE AGAIN LEADS TO AN INCREASE IN JAPANESE EXPORTS.

FINALLY, I SHOULD LIKE BRIEFLY TO MENTION ONE SUBJECT NOT COVERED IN YOUR LETTER TO ME. I AM VERY CONCERNED ABOUT THE REFUGEE SITUATION IN SOUTH EAST ASIA, AND IN PARTICULAR ABOUT THE INCREASING FLOOD OF BOAT REFUGEES FROM VIETNAM. THE IMPACT IN HONG KONG, WHERE OVER 50,000 VIETNAMESE REFUGEES HAVE ARRIVED THIS YEAR, IS NOW VERY SERIOUS INDEED. THE UNITED STATES AND A HANDFUL OF OTHER COUNTRIES INCLUDING BRITAIN, ARE MAKING A SUBSTANTIAL CONTRIBUTION. BUT WHAT

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IS NEEDED IS A CONCERTED INTERNATIONAL EFFORT BOTH TO GET MORE COUNTRIES TO OPEN THEIR DOORS TO THESE UNFORTUNATE REFUGEES, AND TO EXERT MORE EFFECTIVE PRESSURE ON THE VIETNAMESE GOVERNMENT TO STOP EXPORTING THEIR UNWANTED PEOPLE. AND WE NEED TO ACT SOON - WHICH IS WHY I HAVE ASKED DR WALDHEIM TO CONVENE AN INTERNATIONAL CONFERENCE UNDER UN AUSPICES. I HOPE WE CAN COUNT ON YOUR SUPPORT. I AM LOOKING FORWARD TO OUR MEETING IN TOKYO.

YOURS TRULY  
MARGARET THATCHER.

CARRINGTON

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Bima Minister

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DESKBY MIRIMBA SALISBURY 161000Z

FM WASHINGTON 152135Z JUN

TO IMMEDIATE F C O

TELEGRAM NUMBER 1535 OF 15 JUNE

INFO IMMEDIATE MIRIMBA SALISBURY (DESKBY 161000Z)

PRIORITY CAPETOWN, PRETORIA, LUSAKA, GABORONE, MAPUTO, LUANDA, LAGOS,  
DAR ES SALAAM

BISHOP MUZOREWA

1. STATE DEPARTMENT EXPECT MUZOREWA TO VISIT THE U S IN EARLY JULY, ALTHOUGH THEY REMAIN UNCERTAIN ABOUT HIS PRECISE PLANS. HE IS NOT (NOT) COMING TO WASHINGTON AT THE ADMINISTRATION'S INVITATION, INDEED THE PROPOSED VISIT IS AN EMBARRASSMENT SINCE HIS PRESENCE HERE WILL BE USED MAINLY FOR PROPAGANDA PURPOSES BY CONGRESSIONAL OPPONENTS OF THEIR CURRENT POLICY ON RHODESIA. SENATOR HELMS IS ARRANGING MUZOREWA'S PROGRAMME.

2. VANCE HAS AGREED TO SEE THE BISHOP, BUT IT IS LESS CERTAIN THAT HE WILL MEET PRESIDENT CARTER: AT WORKING LEVEL IN STATE DEPARTMENT A SUBMISSION IS BEING PREPARED ADVISING AGAINST SUCH A MEETING. CERTAINLY NO FIRM APPOINTMENT WITH THE PRESIDENT HAS YET BEEN MADE (MIRIMBA TELNO 305, PARA 8), NOR, AS FAR AS STATE DEPARTMENT KNOW, FORMALLY REQUESTED.

JAY.

## FILES

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## Cabinet / Cabinet Committee Document

The following document, which was enclosed on this file, has been removed and destroyed. Such documents are the responsibility of the Cabinet Office. When released they are available in the appropriate CAB (CABINET OFFICE) CLASSES.

Reference:

JIC (79) (N) 36

Date:

15 June 1979

Signed

A Wayland

Date

5 November 2009

PREM Records Team

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Original on:  
~~Master set~~  
EGYPT: May 79

NOTE OF A CONVERSATION BETWEEN THE PRIME MINISTER AND THE VICE-  
PRESIDENT OF EGYPT, MR. MUHAMMED HUSNNI MUBARAK, IN THE HOUSE OF  
COMMONS ON 14 JUNE 1979 AT 1715 HOURS

Middle East

Present:-

The Prime Minister	Vice President Muhammed Husnni Mubarak
Sir Anthony Parsons	HE The Egyptian Ambassador
Mr. B.G. Cartledge	Mr. al-Baz

After welcoming the Vice President, the Prime Minister said that the British Government supported the position of the Egyptian Government on the West Bank issue: the negotiations which lay ahead would clearly be very difficult. Vice President Mubarak said that the Egyptian Government expected them to be so. President Sadat had asked him to convey his warm regards to the Prime Minister; he felt that there was strong support among the new British leadership for the peace process.

Vice President Mubarak went on to summarise the discussions between President Sadat and Mr. Begin at El Arish. President Sadat had told Mr. Begin that the delegations which were about to begin their negotiations in Beersheba would need a firm directive from their Heads of Government if they were to make progress. When the Egyptian Prime Minister, Dr. Khalil, had met the Israeli delegation in Alexandria shortly afterwards, however, the Israelis had taken a tough and difficult stance, with all media representatives present, taking the line that the settlement of the West Bank by Israel would continue and that the United States should be given only observer status in the negotiations, rather than that of full participant as the Camp David Agreements required. Moreover, Vice President Mubarak said, Mr. Begin had delivered a series of statements about the West Bank and Israeli settlement policy before the Beersheba negotiations had even begun. This was all the more regrettable since the moderate Arab states were looking for an excuse to split away from the rejectionist camp. The Israeli Defence Minister, Mr. Weizman, had, moreover, threatened

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/that if



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that if Egypt were to violate the peace treaty Israel would reoccupy Sinai for the fourth time. Egypt had done everything to promote the spirit of the treaty by opening her borders and the air corridor between Egypt and Israel and by issuing visas at Cairo Airport to Israeli tourists. Provocative Israeli statements nevertheless continued to be made. This was putting President Sadat in a difficult position in front of his own people but he had refrained from engaging in a war of statement and counter-statement, since he knew that this would not help the negotiations on the West Bank.

The Prime Minister said that she wished she could say that she was surprised by what the Vice President had told her. Mr. Begin had visited London three weeks before and she had tackled him about Israeli policy on settlements: to suggest a freeze on further statements was, after all, not much to ask of Israel. The Prime Minister said that she had been unable to make any headway with Mr. Begin, who was already angry that the question of settlements had been raised with him at a meeting with Members of Parliament. Mr. Begin had handed over a copy of the Judgement of the Israeli Supreme Court in justification of Israeli settlement policy; but this amounted to acting as judge and jury in one's own cause. The settlements raised the basic issue of sovereignty. If the West Bank territory belonged to anybody it was to Jordan. But Mr. Begin had refused to accept that this land was not part of biblical Israel.

The Prime Minister told Vice President Mubarak that her meeting with Mr. Begin had been one of the most difficult she had experienced. She had told him that, in international legal terms, she had never come across an arrangement by which a people were given political autonomy without having sovereignty over the territory on which they lived. The Prime Minister said that she had gained the impression that not all Mr. Begin's colleagues supported his position. She had emphasised to Mr. Begin that President Sadat, after his courageous moves, deserved support not only for his own sake but for that of Israel as well.

/Sir Anthony Parsons

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Sir Anthony Parsons said that he thought the Prime Minister had made some impression on Mr. Begin when she had asked him if he valued the peace treaty with Egypt: when Mr. Begin had replied that he did, the Prime Minister asked him why, in that case, he was willing to endanger it. The Prime Minister went on to say that when Prince Salman of Saudi Arabia had called on her at the beginning of May, she had told him that the British Government strongly supported President Sadat's efforts. Prince Salman had made clear that the Saudis were prepared to judge the peace treaty and the negotiations which were to follow it on their merits. The position of Saudi Arabia was clearly of great importance to Egypt, and also to the West as a whole.

Vice President Mubarak agreed that Mr. Begin seem impervious to reason or criticism. Mr. Vance had told him in terms that the West Bank settlements were illegal. Some people thought that Mr. Begin was actually trying to undermine President Sadat's position. He was giving the moderate Arabs no grounds for supporting Egypt. The Prime Minister commented that if this was Mr. Begin's policy, he risked losing everything. It would be important for Egypt to keep close to the Saudis, despite the occasional hot words which passed between them.

Vice President Mubarak agreed and said that Saudi Arabia was trying to find an excuse to split away from the rejectionists. The Saudis had told Egypt that if President Sadat could find any possibility of bringing about a change in Jerusalem, this would give them the excuse they sought. President Sadat had put this to Mr. Begin, but without result. The Prime Minister agreed that Jerusalem would be the most difficult aspect of a settlement for the West Bank. The Prime Minister repeated that the British Government supported Egyptian arguments in every way and fully shared Egyptian concern about the prospects.

Sir Anthony Parsons said that the harder the line Mr. Begin took, the more open the split within the Israeli Cabinet and in the Knesset was becoming: this could have a real effect on the prospects for the negotiations. Vice President Mubarak said that Dr. Khalil had been told by Mr. Burg that Mr. Begin still held complete power in Israel. The Prime Minister

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commented that in politics a great deal could change in 24 hours.

Vice President Mubarak went on to say that Mr. Robert Strauss would be coming to Cairo on 4 July and Mr. Begin would also come there to meet him. If Mr. Begin could not be made to understand that everything depended on finding a solution to the problem of the West Bank and the Palestinians, there would be no hope for an agreement. If he persisted with his policy of new settlements, that would be the end of the negotiations; Egypt was already being urged by other Arabs to break them off. After a further discussion of Mr. Begin's tactics of brinkmanship, Sir Anthony Parsons expressed the view that if the negotiations could only be kept going the change which was taking place in Israeli public opinion might produce a helpful effect. It was true that Mr. Begin would probably win an election now but not if the negotiations were to collapse.

Vice President Mubarak said that Mr. Burg had been told frankly that the negotiations could not continue if Israel's policy on settlements went on.

Sir Anthony Parsons said that he had just returned from visits to Saudi Arabia and the Gulf, and had found the Saudis in a more pessimistic mood than at the time of Prince Salman's call on the Prime Minister. They showed understanding for the UK's position of support for the peace process, while disagreeing with it. They believed that time was running out for President Sadat and that the Arab world would become increasingly rejectionist. The way to return to "total negotiation", which meant Geneva, was blocked.

Vice President Mubarak said that no other Arabs had so far done much for the cause of peace. He thought that King Hussein wanted the West Bank as part of his Kingdom, or so he had told President Sadat in confidence. (The Prime Minister expressed some doubt as to whether King Hussein could really relish the prospect of taking over the West Bank.) President Asad, for his part, was quite content with the present situation since Israeli

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occupation of the Golan Heights was helpful to his regime politically. But if Israel kept Golan for another five years it would be theirs for good.

The Prime Minister said that she would certainly take up the whole problem with President Carter when she met him in Tokyo at the end of June. It was clear that if there were not some move forward the whole peace process would fall apart. Quite apart from her friendship for Egypt, it was not in the UK's own self-interest that this should happen. She hoped that President Sadat would do his best to keep close to Saudi Arabia and the Gulf rulers.

The discussion ended at 1755.

*BWS.*

15 June 1979

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TO PRIORITY FCO  
TELEGRAM NUMBER 274 OF 13 JUNE  
INFO CAIRO AMMAN AND WASHINGTON

ms

EGYPT/ISRAEL

1. THE ISRAEL FOREIGN MINISTER SUMMONED AMBASSADORS TO A BRIEFING THIS MORNING, 13 JUNE. HE REMARKS TO US WERE IDIOSYNCRATIC, WITH OVER TONES OF HIS CONVERSATION WITH ME ON 31 MAY (MY TELS 250 AND 251).
2. MR DAYAN SAID THAT HE HAD HAD TWO PURPOSES IN MIND IN SUMMONING US. THE FIRST WAS TO PUT TO US A SUGGESTION FOR TRANSMISSION TO OUR GOVERNMENTS. HE WAS AWARE THAT MANY OF THE GOVERNMENTS REPRESENTED ROUND THE TABLE BELIEVED THAT THE BEST FORMULA FOR PROGRESS TOWARDS A COMPREHENSIVE PEACE STILL LAY IN A RETURN TO THE GENEVA CONFERENCE. (IT SUBSEQUENTLY BECAME CLEAR THAT THIS POINT OF VIEW HAD BEEN EMPHATICALLY PRESSED UPON HIM BY A RECENT VISITING ROUMANIAN DELEGATION, WITH WHOM HE SAID HE HAD HAD FRANK TALKS). HE WANTED TO PUT IT TO US THAT EVENTS HAD MOVED ON, AND THE THE GENEVA FORMULA WAS NOW BOTH OUT OF DATE AND IRRELEVANT. THE PEACE TREATY BETWEEN ISRAEL AND EGYPT WAS A FACT, AND FUTURE IDEAS ABOUT HOW BEST TO PROGRESS MUST START FROM THAT FACT. HE WOULD WELCOME SUGGESTIONS FROM ANY GOVERNMENT ABOUT HOW PROGRESS MIGHT BEST BE ACHIEVED, (CF MY TEL NO 250, PARA 1); BUT URGED THAT SUCH SUGGESTIONS SHOULD TAKE ACCOUNT OF THE REALITY OF THE SITUATION NOW.
3. MR DAYAN SAID THAT HIS SECOND PURPOSE WAS TO LET US KNOW THAT THE PEACE TREATY WITH EGYPT WAS WORKING EXCELLENTLY. HIS MEETINGS WITH THE EGYPTIANS TEN DAYS AGO ABOUT IMPLEMENTATION HAD GONE BETTER THAN HIS WILDEST HOPES. HE HAD IN PARTICULAR FEARED THAT THE EGYPTIANS WOULD BE AWKWARD ABOUT THE POSITION OF EGYPTIAN CITIZENS LIVING EAST OF THE NEW EL ARISH/RAS MUHAMMAD BOUNDARY; BUT IN FACT THEY HAD WANTED THIS "FRONTIER" TO BE CLOSED, AND ACCEPTED THE CONSEQUENCES THEREOF FOR THEIR OWN CITIZENS.
4. FINALLY, AS HE HAS DONE TO ME IN PRIVATE, MR DAYAN WAXED UNCHARACTERISTICALLY TYOQUENT ABOUT HIS ENTHUSIASTIC RECEPTION BY

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THE EGYPTIAN MAN IN THE STREET. HE BELIEVED THAT THE EGYPTIAN PEOPLE WERE AS PREPARED AS THEIR LEADERS TO MAKE THE TREATY WORK AND TO ACHIEVE FULL NORMALISATION. HE HIMSELF FELT AS MUCH AT HOME IN EGYPT, AFTER TWO SHORT VISITS, AS HE DID IN ANY OTHER FOREIGN COUNTRY.

5. WHEN HE INVITED QUESTIONS, MR DAYAN WAS PREDICTABLY ASKED ABOUT THE AUTONOMY NEGOTIATIONS IN ALEXANDRIA EARLIER THIS WEEK. THE ONLY TIME THAT HE WAS ASKED A QUESTION (ABOUT THE UNITED STATES ROLE) WHICH HE COULD NOT ANSWER FROM NEWSPAPER REPORTS, HE HEDGED AND SAID THAT THE QUESTION SHOULD BE DIRECTED TO DR BURG, THE LEADER OF THE ISRAELI TEAM.

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TELNO 269 OF 12 JUNE

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Prime Minister

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ISRAELI SETTLEMENT POLICY.

1. MR BEGIN HAS REACTED VIGOROUSLY TO THE SHARP CRITICISM, BOTH INTERNAL AND FROM OVERSEAS, OF THE ISRAEL GOVERNMENT'S DECISION TO PRESS AHEAD WITH THE DEVELOPMENT OF THE NEW GUSH EMUNIM SETTLEMENT AT ELON MOREH. IN A LONG STATEMENT DRAFTED IN HIS OWN HAND, AND ISSUED YESTERDAY, HE HAS VIGOROUSLY REITERATED ISRAEL'S "FULL RIGHT TO SETTLE IN ALL PARTS OF ERETZ ISRAEL".
2. IN A SPECIFIC REFERENCE TO THE USE OF THE WORD "PROVOCATION" BY "PEACE-NOW" ACTIVISTS AND THEIR SUPPORTERS, INCLUDING SOME OPPOSITION POLITICIANS, MR BEGIN SAID THAT THOSE APPLYING THIS TERM TO JEWISH SETTLEMENT SHOULD BE ASHAMED OF THEMSELVES. "ONE RECALLS TIMES WHEN IT WAS ASSERTED THAT THE VERY PRESENCE OF JEWS WAS OF ITSELF "PROVOCATION".....". THE USE OF THIS WORD WAS "PERHAPS THE MOST DISTASTEFUL ELEMENT OF THE WHOLE INCITEMENT CAMPAIGN.....". "IF NOW THERE BE ISRAELIS OF CERTAIN OUTLOOKS WHO ACCEPT THE ASSUMPTION THAT THE PRESENCE OF JEWS ALONGSIDE ARABS IN OUR HISTORIC HOMELAND, ERETZ ISRAEL, CONSTITUTES A "PROVOCATION" - THEN SHAME ON THEM. BY SO DOING THEY ADOPT THE EVIL PATH OF THE ENEMIES OF OUR PEOPLE."
3. TURNING TO RECENT CRITICISM IN THE "THE NEW YORK TIMES", MR BEGIN ARGUED THAT AN ARTICLE ACCUSING HIM OF BREAKING A PLEDGE TO FREEZE SETTLEMENT WAS BASED ON "DISTORTIONS ORIGINATING EITHER IN CYNICISM OR IN IGNORANCE". THE ALLEGATION THAT HE, MR BEGIN, HAD PROMISED THAT SETTLEMENT ACTIVITY WOULD NEVER BE CARRIED OUT IN AREAS OF ERETZ ISRAEL SEIZED FROM THE ARABS "ABSOLUTELY WITHOUT FOUNDATION". "EVER SINCE MY VERY FIRST VISIT TO PRESIDENT CARTER, IN 1977,

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I HAVE STATED AND REITERATED THAT WE HAVE AN ABSOLUTE RIGHT TO SETTLE IN ALL PARTS OF ERETZ ISRAEL, SINCE THIS IS OUR LAND, PARTS OF WHICH WERE CONQUERED IN 1948, IN THE EAST AND IN THE SOUTH, BY AGGRESSION AND INVASION BY JORDAN AND EGYPT. UNDER NO CIRCUMSTANCES DID I EVER AGREE WITH THE ASSERTION, WHATEVER ITS ORIGIN MIGHT BE, THAT OUR SETTLEMENTS ARE ILLEGAL OR THAT THEY CONSTITUTE AN OBSTACLE TO PEACE''.

4. IN RESPONSE TO OTHER CRITICISM FROM OVERSEAS, MR BEGIN WENT ON TO SAY THAT ''SINCE FORMING THE GOVERNMENT WE HAVE NOT MISLED ANYBODY. AT EVERY OPPORTUNITY, AND PARTICULARLY DURING THE 12 DAYS OF THE CAMP DAVID DISCUSSIONS, WE DECLARED AND REITERATED THAT: JERUSALEM IS THE ETERNAL, INDIVISIBLE CAPITAL OF ISRAEL: WE HAVE THE FULL RIGHT TO SETTLE IN ALL PARTS OF ERETZ ISRAEL. SUCH SETTLEMENT IS ALSO A VITAL SECURITY NEED TO PREVENT THE MURDER OF OUR CHILDREN: UNDER NO CIRCUMSTANCES WILL WE PERMIT THE ESTABLISHMENT OF A PALESTINIAN STATE IN JUDAEA, SAMARIA AND THE GAZA DISTRICT.''

5. MR BEGIN'S STATEMENT CONTINUED: ''WE HAVE PROMISED AUTONOMY TO THE ARAB INHABITANTS OF JUDAEA, SAMARIA AND GAZA. WE WISH TO CARRY OUT THIS PROMISE IN ACCORDANCE WITH EVERY WORD WE SIGNED IN THE CAMP DAVID AGREEMENT. FOR THE TRUE UNDERSTANDING OF THE CAMP DAVID AGREEMENT IS: AUTONOMY FOR THE ARAB INHABITANTS OF JUDAEA, SAMARIA AND GAZA: JEWS AND ARABS LIVING TOGETHER IN ERETZ ISRAEL: AND SECURITY FOR ISRAEL AND ALL ITS CITIZENS.''

6. A MOVE TO HAVE THE ESTABLISHMENT OF ELOM MOREH DEBATED URGENTLY IN THE KNESSET WAS DEFEATED YESTERDAY WHEN THE PRAESIDIUM (THE SPEAKER AND DEPUTY SPEAKERS) RULED THAT THE SUBJECT DID NOT MERIT AN URGENT DEBATE. BUT THE QUESTION WILL COME UP TOMORROW (13 JUNE) AS AN ORDINARY MOTION FOR THE AGENDA TABLED BY ALIGNMENT MR YOSSE SARID. WE SHLL REPORT ON THE DISCUSSION IN THE KNESSET AND COMMENT ON THE LATEST STAGE IN THE SETTLEMENT ISSUE LATER THIS WEEK, WHEN WE HAVE GONE OVER THE GROUND WITH A REPRESENTATIVE GROUP OF ISRAELI'S INCLUDING MEMBERS OF PEACE NOW.

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FM TEL AVIV 041200Z JUN 79

TO PRIORITY FCO

TELEGRAM NUMBER 257 OF 4 JUNE

INFO AMMAN, CAIRO, DAMASCUS, UKMIS NEW YORK, WASHINGTON AND JERUSALEM

Prime Minister

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OUR TELNO 168: ISRAELI SETTLEMENT POLICY

1. THE CABINET YESTERDAY (3 JUNE) REJECTED BY EIGHT VOTES TO FIVE (THREE DEMOCRATIC MOVEMENT MINISTERS, YADIN (DEPUTY PRIME MINISTER), KATZ (LABOUR) AND TAMIR (JUSTICE), PLUS WEIZMAN AND DAYAN) WITH TWO ABSTENTIONS (LIBERAL PARTY MINISTERS EHRLICH (FINANCE) AND PATT (INDUSTRY)) AN APPEAL BY YADIN AGAINST THE EARLIER DECISION OF THE MINISTERIAL DEFENCE COMMITTEE, APPROVED BY THE CABINET ON 22 APRIL, TO ESTABLISH A NEW GUSH EMUNIM SETTLEMENT, ELON MOREH, AT RUJEIB, APPROXIMATELY 3 KM SOUTH-EAST OF NABLUS. THE THREE MINISTERS WHO WERE ABSENT FROM THE MEETING, BEGIN, LANDAU (TRANSPORT) AND SHOSTAK (HEALTH), WOULD ALMOST CERTAINLY HAVE VOTED IN FAVOUR OF ESTABLISHING THE SETTLEMENT HAD THEY BEEN PRESENT.
2. THE LAND EARMARKED FOR THE SETTLEMENT IS PRIVATELY OWNED ARAB LAND WHICH WILL HAVE TO BE REQUISITIONED BY MILITARY ORDER SIGNED BY THE DEFENCE MINISTER. WEIZMAN IS REPORTED TO HAVE ALREADY REFUSED ONCE TO SIGN A REQUISITION ORDER FOR THE LAND, ON THE GROUNDS THAT IF THE SITE IS TO BE REQUISITIONED ON SECURITY GROUNDS, THEN IT SHOULD BE USED FOR MILITARY PURPOSES AND NOT FOR A CIVILIAN SETTLEMENT ESTABLISHED AS A RESULT OF GUSH EMUNIM PRESSURE, BUT, HAVING REGISTERED HIS OPPOSITION YESTERDAY, WEIZMAN WILL PRESUMABLY NOW SIGN THE REQUISITE ORDER. IF HE DOES SO, PROCEDURES FOR SEIZING THE LAND COULD BEGIN THIS WEEK. THE LANDOWNERS MAY APPEAL TO THE HIGH COURT, ALTHOUGH THE COURT'S RECENT RULING - NOW BEING QUOTED FAR AND WIDE BY MR BEGIN - THAT REQUISITION (WHERE THE OWNER KEEPS TITLE TO THE LAND, ALTHOUGH HE MAY NOT ENTER OR USE IT, AND MAY BE ENTITLED TO COMPENSATION) AS DISTINCT FROM EXPROPRIATION, IS JUSTIFIED WHERE SECURITY IS THE MAIN CONSIDERATION, SUGGESTS THAT ANY APPEAL IS UNLIKELY TO SUCCEED.
3. OTHER CABINET OPPONENTS OF THE DECISION MAY HOWEVER DECIDE TO TAKE THE ISSUE FURTHER. AFTER HIS EARLIER FAILURE TO PREVENT CABINET APPROVAL OF THE ESTABLISHMENT OF ELON MOREH, YADIN CLAIMED

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THAT

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THAT THE MINISTERIAL DEFENCE COMMITTEE HAD AGREED THAT ALL SETTLEMENT DECISIONS WOULD IN FUTURE BE ANNOUNCED PUBLICLY: AND THAT THE LIFTING OF RESTRICTIONS ON DEBATE IN THE KNESSET WOULD ALLOW GREATER PARLIAMENTARY FREEDOM TO OPPONENTS OF FRESH SETTLEMENT. HE MAY NOW DECIDE TO RAISE THE ISSUE IN THE KNESSET FOREIGN AFFAIRS COMMITTEE IN AN ATTEMPT TO FORCE THE GOVERNMENT TO MODIFY ITS DECISION.

4. IF YADIN GOES AHEAD, IT IS JUST POSSIBLE, GIVEN SUPPORT BY HIS DMC COLLEAGUES AND ALSO, PERHAPS, BY SOME LIBERALS, THAT HE MIGHT BE ABLE TO MUSTER A MAJORITY IN THE FOREIGN AFFAIRS COMMITTEE AND, SUBSEQUENTLY, IN THE FULL KNESSET, AGAINST THIS PARTICULAR DECISION. BUT HE WILL THINK HARD AND LONG BEFORE ENGAGING MR BEGIN DIRECTLY ON SUCH A SENSITIVE ISSUE. AND EVEN IF HE CARRIES THE DAY ON THIS OCCASION, HE IS UNLIKELY TO BE ABLE TO DEFLECT THE PRIME MINISTER AND THE CABINET MAJORITY FROM APPROVING FURTHER SETTLEMENTS IN THE OCCUPIED TERRITORIES IN AREAS WHICH ARE NOT OWNED BY ARABS (E.G. STATE LANDS).

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FM TEL AVIV 010900Z JUNE

TO PRIORITY FCO

TELNTELNO 251 OF 1 JUNE

AND TO ROUTINE CAIRO, JEDDA, WASHINGTON.

M I P T: MR DAYAN.

MR DAYAN SAID THAT WAS WORRIED ABOUT THE EGYPTIANS, THE AMERICANS AND HIS OWN SIDE, FOR DIFFERENT REASONS BUT IN EQUAL MEASURE.

2. HE WAS WORRIED AT THE EXTENT TO WHICH HIS EGYPTIAN CONTACTS, FROM MUBARRAK DOWNWARDS, SEEMED TO HIM TO BE DISTANCING THEMSELVES FROM BOTH THE PEACE TREATY AND THE FUTURE NEGOTIATIONS. THEY OPENLY LAUGHED TOGETHER AT PRESIDENT SADAT BEHIND HIS BACK, AND HAD MADE IT CLEAR TO HIM, MR DAYAN, THAT FOR THEM THE RETURN OF EL ARISH WAS FOR THE BIRDS. THEY COULD NOT CARE LESS ABOUT IT. HE THOUGHT THAT THE ARMY WAS STILL FULLY BEHIND SADAT, BUT WORRIED ABOUT THE INTELLIGENTSIA, WHO SEEMED TO HIM REMOTE FROM THE EGYPTIAN PEOPLE IN A WAY NOT ENCOUNTERED IN OTHER ARAB STATES IN HIS EXPERIENCE. HE WAS LOOKING TO HIS FIRST EVER VISIT TO CAIRO (ON 4 JUNE) TO GIVE HIM A BETTER BALANCED VIEW.

3. MR DAYAN SAID THAT, FROM HIS THIRTY YEARS EXPERIENCE OF THEM, HE WAS WORRIED THAT THE AMERICANS WERE GETTING BORED AND TIRED WITH THE ARAB/ISRAEL CONFLICT. MR VANCE THIS WEEK HAD ALLEGED TO HIM THAT WAS DELIGHTED TO BE HANDING OVER TO MR STRAUSS, WHOM MR DAYAN, FROM HIS SINGLE ENCOUNTER WITH HIM, REGARDED AS BEING UNLIKELY TO STAY THE COURSE. HE FEARED THAT THE AMERICAN INTEREST WAS DYING AWAY, AND THAT AMERICAN PRESSURE, WHICH WOULD BE NEEDED TO ACHIEVE PROGRESS, WOULD NOT MATERIALISE.

4. MR DAYAN BELIEVED, MOREOVER, THAT THE AMERICANS HAD MADE TWO MISTAKES, ONE MINOR AND ONE DISASTROUS. THE MINOR ONE WAS TO CHANGE THEIR TEAM, PARTICULARLY MR VANCE AND MR EILTS, WHOM THE EGYPTIANS KNEW AND TRUSTED, AND WERE UNCOMFORTABLE ABOUT LOSING. THE DISASTROUS ONE, IN WHICH WE AND THE GERMANS ALSO SHARED THE BLAME, HAD BEEN NOT IMMEDIATELY TO LAUNCH A MARSHALL PLAN ..

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FOR EGYPT. PRESIDENT SADAT NEEDED SHOWY ECONOMIC PROGRESS (E.G., HE SAID, LIKE AN ASWAN DAM) TO SHOW BOTH HIS OWN PEOPLE AND THE OTHER ARABS THE CONCRETE ADVANTAGES OF SIDING WITH THE AMERICANS. IT WAS NOT EVEN NOW TOO LATE FOR SUCH A GESTURE, THE ABSENCE OF WHICH WAS THE FEATURE OF THE SITUATION WHICH MOST DISTURBED HIS EGYPTIAN FRIENDS. HE ASKED ME TO IMPRESS ON YOU THE NEED TO PERSUADE THE AMERICANS TO MAKE SUCH A GRAND GESTURE.

5. AS REGARDED HIS OWN SIDE, MR DAYAN SAID THAT, WHEREAS BEN GURION HAD ALWAYS THOUGHT FIRST OF ISRAEL'S FUTURE, MR BEGIN NOW THOUGHT OF NOTHING BUT HIS OWN PLACE IN HISTORY. CONSEQUENTLY, HE LOOKED TO PLAY OUT TIME UNTIL THE ELECTIONS IN 1981, CONCEDED NOTHING AND LOOKING FOR NO PROGRESS MEANWHILE, UNTIL HE COULD RETURN AND WRITE HIS THREATENED SIX VOLUMES OF "HISTORY". DR BURG, THE LEADER OF THE NEGOTIATIONS, APART FROM BEING IN THE HANDS OF GUSH EMUNIM, WAS IN HIS SEVENTIES AND LIKewise HAPPY TO PLAY OUT TIME. IN CONTRAST, HE, YADIN AND WEIZMAN ALL SAW THE NEED FOR QUICK PROGRESS, BUT THEY WERE NOT A COHESIVE FORCE AND COULD NOT CARRY THEIR SHARED VIEWS IN CABINET. HE HIMSELF WOULD CERTAINLY NOT STAND ON THE LIKUD TICKET NEXT TIME, AND, BECAUSE HE HAD NO POLITICAL BASE, HE WOULD PROBABLY RETIRE. IN A REVEALING COMMENT, HE ADDED THAT HIS OBJECT IN RETURNING TO POLITICS HAD BEEN TO REINSTATE HIMSELF AFTER HIS FALL FROM GRACE AFTER THE YOM KIPPUR WAR. HE HAD NOW DONE SO.

6. AGAIN, THIS WAS STANDARD DAYAN, TYPICALLY DIAGNOSING THE ILLS, SUGGESTING THE CURES, BUT FEELING UNABLE, EITHER FROM TEMPERAMENT OR THE LACK OF A POLITICAL BASE, TO DO ANYTHING EFFECTIVE ABOUT IT HIMSELF. BUT HIS VIEWS WOULD BE ECHOED BY THE MODERATES IN THE CABINET AND BY A LARGE PROPORTION OF THE ELECTORATE.

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TO PRIORITY FCO

TELNO 250 OF 1 JUNE

AND TO CAIRO, JEDDA, WASHINGTON.

Prime Minister

2 Feb. 1967

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ARAB/ISRAEL.

DURING A TWO-HOUR TETE A TETE CONVERSATION IN MY HOUSE ON 31 MAY, DURING WHICH WE RANGED OVER THE WHOLE FIELD OF ARAB-ISRAEL RELATIONS, MR DAYAN, BASING HIMSELF ON YESTERDAY'S NATO REFERENCE TO THE "LEGITIMATE RIGHTS OF THE PALESTINIAN PEOPLES", ASKED ME WHAT THE EUROPEANS REALLY WANTED OF ISRAEL AT THIS JUNCTURE. HE WAS GENUINELY PUZZLED TO KNOW.

2. I REPLIED THAT, SPEAKING RATHER FOR YOU THAN FOR ALL OF EUROPE, WE BELIEVED THAT IN THE LONG TERM A COMPREHENSIVE PEACE SETTLEMENT DEPENDED ON ISRAELI COMPLIANCE WITH ARTICLE 242, WITH MINOR MODIFICATIONS. MR DAYAN SAID THAT HE DISAGREED. ISRAEL, FOR HER SECURITY, WOULD REQUIRE MILITARY INSTALLATIONS AND SETTLEMENTS IN THE WEST BANK "FOR EVER". HE THEN EXPOUNDED A SCENARIO WHICH, AS I TOLD HIM, I COULD NOT DISTINGUISH FROM THE ALLON PLAN. HE SAID IT WAS HIS OWN, NOT ALLON'S.

3. I CONTINUED THAT, IN THE SHORT TERM, LOOKING ALWAYS FOR PROGRESS ON THE LINES LAID DOWN AT CAMP DAVID, WE WANTED ISRAEL TO ADJUST HER TACTICS SO AS TO MAKE THINGS AS EASY AS POSSIBLE FOR PRESIDENT SADAT VIS A VIS THE OTHER ARABS. DAMAGE TO HIM WAS DAMAGE TO ISRAEL. SECOND, WE WANTED THEM TO SHUT UP, PARTICULARLY OVER SETTLEMENTS, WHERE THERE WAS A LOT MORE NOISE THAN ACTUAL PEOPLE; BUT ALSO OVER OTHER INTRANSIGENT REQUIREMENTS, MR DAYAN SAID THAT HE FULLY AGREED ON BOTH COUNTS, BUT THAT HIS WRIT DID NOT RUN IN THIS AREA. HE HAD TRIED UNSUCCESSFULLY, TO PERSUADE MR BEGIN THAT <sup>T</sup>HIS NEW PLOY, ABOUT THE SUPREME COURT JUDGEMENT ON ISRAEL'S RIGHT TO THE WEST BANK, WAS A NON-STARTER.

4. MR DAYAN THEN ASKED WHY WE AND THE AMERICANS DID NOT PROMOTE JERUSALEM TO BE THE NEXT ITEM FOR RESOLUTION. THE EGYPTIANS WERE INSISTING TO HIM THAT THE SAUDIS HAD TOLD THEM THAT IF

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THEY COULD GET A SOLUTION ON JERUSALEM THEY WOULD TAKE OFF THE PRESSURE ON THE WEST BANK. WHY, ASKED MR DAYAN, DID WE NOT PUT FORWARD SOME PROPOSAL? I REPLIED THAT HE KNEW THAT IT WAS NOT AS EASY AS THAT. I ADDED THAT I DID NOT PERSONALLY

BELIEVE THAT THE SAUDIS WOULD BEHAVE AS THE EGYPTIANS WERE ALLEGING TO HIM. BUT I SUPPOSE THAT IT IS POSSIBLE THAT WE MAY HEAR MORE OF THIS "JERUSALEM FIRST" PROPOSAL.

5. IN REPLY TO MY QUESTION, MR DAYAN SAID THAT HIMSELF DOUBTED WHETHER MATTERS WOULD SO PROGRESS AS TO PERMIT ELECTIONS TO BE HELD IN THE OCCUPIED TERRITORIES NEXT MARCH. IF SO, HIS TACTIC, IF HE HAD THE CHOICE, AS HE WOULD PROBABLY NOT HAVE, WOULD BE THAT WHICH HE USED TO EMPLOY WITH MAYOR SHAWA OF GAZA: HE WOULD TELL HIM WHAT HE PROPOSED TO DO, AND THEN GO AHEAD AND DO IT TO SAVE THE MAYOR THE EMBARRASSMENT OF AGREEING OR NOT. SIMILARLY, NEXT SPRING, HE WOULD TELL THE ELECTED MAYORS IN THE WEST BANK, AS WELL AS SHAWA IN GAZA, THAT THE ISRAELIS WERE WITHDRAWING THEIR CONTROL, AND LEAVE THE MAYORS TO GET ON WITH IT REGIONALLY. THEY COULD FORM THEIR OWN LOCAL POLICE FORCES, WHO WOULD DEAL WITH BOTH PALESTINIANS AND JEWS.

6. THE ABOVE, EXCEPT FOR THE PIECE ABOUT JERUSALEM, IS PRETTY STANDARD DAYAN. MY TWO I F T'S (NOT TO ALL) REPORT OTHER ASPECTS OF OUR CONVERSATION.

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Original on:  
USA: May 79  
Mid East

NOTE OF THE PRIME MINISTER'S DISCUSSION WITH THE US SECRETARY OF STATE, MR. CYRUS VANCE, AT 10 DOWNING STREET on 23 MAY 1979 AT 1000 HOURS

Present:

The Prime Minister	Mr. Cyrus Vance
The Foreign and Commonwealth Secretary	H.E. The U.S. Ambassador
The Lord Privy Seal	
Mr. B.G. Cartledge	

Rhodesia

The Foreign and Commonwealth Secretary explained the respective roles of the three emissaries whom the Government were sending to Southern Africa in the near future - Mr. Luce for discussions on Namibia, a political emissary to have discussions with the Front Line Presidents and others and a senior FCO official to maintain contact with Bishop Muzorewa in Salisbury. Lord Carrington explained that it might be necessary for the political emissary to have discussions with Mr. Mugabe and Mr. Nkomo as well as with some of the Front Line Presidents and that he might pay subsequent visits to Salisbury and South Africa. The emissary would be leaving on this mission as soon as possible. The Prime Minister commented that if these discussions did not succeed in moderating African positions, some alternative approach would have to be devised in advance of the meeting of Commonwealth Heads of Government in Lusaka: her concern was that African attitudes might freeze if the momentum were not sustained. It was essential to secure the maximum possible recognition for a Rhodesian regime since that country held the key to the whole Southern African region. The Prime Minister thought that Mozambique would welcome a settlement but acknowledged that President Nyerere would be difficult. Lord Carrington commented that President Kaunda would almost certainly be difficult as well.

/ Mr. Vance

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Mr. Vance told the Prime Minister that the United States Ambassador in Dar Es Salaam had called on President Nyerere on 22 May. President Nyerere had expressed the view that it would be possible for some kind of negotiation to be arranged; but he remained very fearful of recognition of the Muzorewa regime. President Nyerere had not excluded the possibility of playing a helpful role in negotiations and had mentioned the need for some revision of the new Rhodesian constitution. President Nyerere had acknowledged that Bishop Muzorewa did have a Government. The American Ambassador's impression had been that there was now slightly more flexibility in the Tanzanian approach. Lord Carrington said that the deputation of Commonwealth High Commissioners who had called on him earlier in the morning had dismissed the Rhodesian elections as irrelevant and had criticised the constitution. He had taken the line that the elections had in fact transformed the situation. His own view, however, was that there was some force in the criticisms which had been made of the constitution, which did entrench white control in a number of important areas. Lord Carrington went on to say that if the provisions of the constitution posed a real problem, the Commonwealth African leaders should go to see Bishop Muzorewa themselves and take the matter up with him in order to persuade him to make the necessary changes. The Prime Minister asked whether Bishop Muzorewa was talking to Mugabe. Lord Carrington said that he was; they were both from the Shona tribe.

Mr. Vance said that he had been disturbed by the report in that morning's Daily Telegraph to the effect that the United States were opposed to the UK official presence in Salisbury which Lord Carrington had mentioned. It was fully appreciated in the State Department that this did not amount to recognition and he would take an opportunity later in the day to make it clear that the Daily Telegraph report was wholly incorrect.

[The ensuing discussion on SALT and CTB has been recorded separately.]

/ The Middle East

# CONFIDENTIAL

The Middle East

The Prime Minister asked Mr. Vance what line she could most helpfully take with Mr. Begin when he lunched at No. 10 later in the day. Mr. Vance said that the emphasis should be on persuading Mr. Begin to freeze the number of settlements on the West Bank. The Prime Minister said that she regarded this as a very modest requirement. She was concerned by the way in which Mr. Begin thought in terms of biblical Israel: this was quite illogical, since the original inhabitants of the region had all come from the Russian Steppes - it depended how far back one wished to go for one's argument. Mr. Vance said that, although some of Mr. Begin's colleagues, including Mr. Weizmann, disagreed with his approach to the West Bank issue, his position was deeply rooted in religious and philosophical conviction. If Mr. Begin continued to insist on Israeli sovereignty over the West Bank, there could be no solution. It was essential to make him change his view during the course of the five-year transitional period. Mr. Vance explained that two sets of parallel negotiations would be set in train on the future of the West Bank, one on the establishment of the self-governing authority, in which the Palestinians and perhaps the Jordanians would participate, and one on a peace treaty between Israel and Jordan. Mr. Begin had assured the United States at the time of Camp David that he would not assert Israeli sovereignty over the West Bank during the five-year transitional period; but he had now gone back on his word and this had produced a very damaging reaction. The Prime Minister commented that those who asserted sovereignty over land which had been acquired through hostilities had no leg to stand on when that land was regained by the same means. Mr. Vance agreed.

Mr. Vance went on to say that the essential objective was self-determination for the West Bank in a form agreed by its neighbours and endorsed by the popular vote of the inhabitants. It was clear that Israel would not agree to full self-determination now; but he thought that the objective might be obtained by leading up to it gradually during the transitional period. The Prime Minister said that it was clear that the West Bank could not be a viable entity by itself and, also, that it could become a nest of subversion. Could a solution be devised which was

acceptable to Syria, Jordan and Israel? Mr. Vance said that he thought this was possible and that the process of negotiation would inevitably produce a limited range of options, falling short of full self-determination. The two most obvious were that the people of the West Bank would choose to keep the status quo resulting from the establishment of the self-governing authority; or that they would enter a Federation or Confederation with Jordan (or, theoretically, with Israel although this was not a practical possibility). These options would, however, be recognised as such only as a result of the process of hard discussion and argument. The negotiations on the self-governing authority would take at least a year and it was already clear that Mr. Begin would be very difficult on the issue of powers and responsibilities, as well as on land tenure and water rights. Once the self-governing authority had been established, it would be possible for negotiations to begin on the longer term issues. The timescale, therefore, was quite a long one of at least six years.

The Lord Privy Seal asked whether Israel might not be more ready to enter the negotiations if their preferred solution were not excluded at the outset; it was clear that a Palestinian State joined to Jordan would constitute a stronger entity and consequently a greater threat to Israel. Mr. Vance said that he thought that confederation with Jordan would be the best outcome in practical terms and that King Hussein would be willing to accept this. Lord Carrington asked whether it would be possible to restrain the moderate Arab States for as long as six years without the achievement of a comprehensive settlement. Mr. Vance said that he thought this would be possible, provided that negotiations were seen to be continuing and progress seen to be made, if slowly. The essential was to build up trust and confidence, hence the importance of the settlements issue. Lord Carrington mentioned the possibility of a declaration by the Nine designed to put more pressure on Mr. Begin.

The Prime Minister said that in the last resort Israel could not exist without Western help and presumably depended on the United States for her oil supplies. Mr. Vance said that the US had agreed to supply Israel with oil for 15 years if other sources of supply failed; but President Sadat, against the opposition of his Prime

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Minister, had agreed to supply Israel with Egypt's surplus oil and the American undertaking was therefore only a reinsurance.

The Prime Minister commented that Mr. Begin had achieved a good deal by separating the strongest Arab state from the others, hence his present euphoric mood. Mr. Vance agreed that Syria and Jordan would not launch a major attack on Israel without Egyptian help. The Prime Minister said that this improvement in Israel's position would only last for as long as President Sadat remained in power; but all the other Arabs were, literally, gunning for him. Mr. Vance agreed and said that President Sadat needed all the help the West could give him. Lord Carrington said that it was essential to re-assure the moderate Arabs that the West wished to see a comprehensive settlement. Mr. Vance said that he was always careful to emphasise this.

#### Iran

Mr. Vance told the Prime Minister that the Iranian acting Foreign Minister, Mr. Yazdi, had summoned the US Charge d'Affaires on the previous day to make representations about the report produced by the US Senate against the continuing executions in Iran. Mr. Yazdi had been careful to emphasise that the Iranian Government drew a distinction between the Senate and the US President and had said that Iran wished to continue to develop good relations with the United States. Mr. Vance said that the problems in Iran stemmed from the existence of two Governments, that of Prime Minister Bazargan and the revolutionary committees under the Ayatollah Khomeini and his mullahs. Bazargan knew very well that he needed the help of the West whereas the Ayatollah was prone to fly off at tangents. In answer to the Prime Minister's question, Mr. Vance said that the Ayatollah was in control of his own religious hierarchy but that there were a number of Maoist and PLO splinter groups which could constitute a danger if Bazargan failed to establish his Government's control over the country. However, opposition was building up within the Islamic movement to the Ayatollah Khomeini's excessive interference in political matters. Mr. Vance said that the United States would continue to maintain its presence in Iran - it would be folly to

CONFIDENTIAL / pull out -

pull out - and would adapt a low profile while working towards better relations.

### Turkey

Lord Carrington said that Turkey's negotiations with the IMF would reach the crunch during the following week and that the OECD countries would have to give their pledges on financial assistance. Mr. Vance made the point that, although the Turks had so far refused to agree to the IMF's terms, Mr. Ecevit might find it easier to persuade his colleagues to do so if the Western countries had made their financial pledges conditional on this.

The Prime Minister said that the UK's contribution would have to be looked at against the background of a massive quantity of UK exports to Turkey which would never be paid for and consequently amounted to welfare. Mr. Vance agreed that the Turks had made a mess of their economy by expanding too fast, especially in the industrial sector. Turkey nevertheless continued to have great strategic importance. The Prime Minister said that, strategically, Turkey was vital; were the Turks trading on this? Mr. Vance replied that they might be but realised at the same time that they would have to come close to acceptance of the IMF's terms eventually in any case. The Prime Minister said that the West, and the UK, would be obliged to help Turkey, on strategic grounds alone - these must take priority.

Lord Carrington commented that the Turks were very touchy about the accession of Greece to the EEC, for themselves they wished to secure all the advantages of EEC membership without joining or exposing themselves to a Greek veto. The Prime Minister asked whether the Greek Treaty of Accession would have conditions attached to it designed to safeguard Turkey's position. Lord Carrington said that it would not but that it would be important to pay extra attention to the Turks after the Treaty had been signed - consideration might be given to sending an envoy from the EEC.

The discussion ended at 1100.

*B.M.*

Top Copy filed on  
Israel May 79  
Visits to UK by Begin.

✓ Master Set



Middle East VJ  
file

10 DOWNING STREET

From the Private Secretary

23 May 1979

Dear Paul,

Prime Minister's Lunch for Mr. Begin at 10 Downing  
Street on Wednesday 23 May 1979

The Israeli Prime Minister, Mr. Begin, accompanied by the Israeli Ambassador and two advisers lunched with the Prime Minister at No. 10 today. The Foreign and Commonwealth Secretary, Mr. Douglas Hurd and Sir Anthony Parsons were present.

I enclose a copy of my note of the discussion round the table at the end of the meal. The Prime Minister has asked that distribution of this record should be limited strictly to those Ministers and officials directly concerned with the Middle East problem.

The Prime Minister commented after Mr. Begin's call that it was clear from the discussion that Mr. Begin had no comprehension of the broader aspects of security and that there was no basis on which he could be persuaded to change his narrow concept of it. She was apprehensive that Mr. Begin's attitude could kill the whole process of the search for a comprehensive settlement in the Middle East.

I am sending a copy of this letter and enclosure to Martin Vile (Cabinet Office).

Yours ever,

Baroness Corbett.

PC

Paul Lever, Esq.,  
Foreign and Commonwealth Office.

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NOTE OF A DISCUSSION DURING THE PRIME MINISTER'S LUNCH FOR THE PRIME MINISTER OF ISRAEL, MR. MENACHEM BEGIN, AT 10 DOWNING STREET, on 23 MAY 1979 AT 1315.

Present:

- |  |                           |
|--|---------------------------|
| The Prime Minister                           | Mr. Menachem Begin        |
| The Foreign and Commonwealth Secretary       | HE The Israeli Ambassador |
| Mr. Douglas Hurd<br>(Minister of State, FCO) | Dr. Rubin Hecht           |
| Sir Anthony Parsons (FCO)                    | Mr. Yehuda Avner          |
| Mr. Ron Mason<br>(HM Ambassador, Tel Aviv)   |                           |
| Mr. B.G. Cartledge                           |                           |

\* \* \* \* \*

Towards the end of the Prime Minister's lunch for the Israeli Prime Minister, Mr. Begin initiated a discussion of the situation in the Middle East by citing the unexpected postponement of the inauguration of the air corridor between Cairo and Tel Aviv as an example of the unpredictability of the Egyptian Government. He mentioned, in the same context, the violent attack which had been launched on him by the Egyptian press only two days after the signing ceremony of the peace treaty between Egypt and Israel at which President Sadat had been the soul of affability.

Lord Carrington asked Mr. Begin whether he was not apprehensive about the consequences of the reaction of other Arab states to the peace treaty. Mr. Begin said that he was not: he would like to help President Sadat but there was few means open to him for doing so - and time was on the side of the treaty. Of all the Arab states, Syria's attitudes, which were dictated by Soviet influence, were the most negative. In the Lebanon, Syria had 15,000 troops armed with Soviet weapons who had attacked the Christians in the South. Israel had helped the Christians who were now in no danger of annihilation. Lord Carrington interjected that there was nevertheless a danger to UNIFIL. Those contingents in UNIFIL who were being shot at found the experience unpleasant and their

Governments were quite likely to pull them out, putting the blame on the Christians. As the Christians obtained their weapons from Israel, could not Israel restrain them?

Mr. Begin did not agree with Lord Carrington's assessment and claimed that of the 19 UNIFIL soldiers who had been shot, only one had been a victim of shooting by the Christians whereas 18 had been killed by the PLO. Israel would use such influence as she could but the Christians were not directly under Israeli influence.

The Prime Minister said that political failure was inevitably followed by economic failure; hatred could destroy anything, as it was doing in the Lebanon. Mr. Begin explained that divisions between the Moslem sects greatly complicated the situation in the Lebanon and mentioned President Sadat's public insult to the small sect to which President Asad of Syria belonged. The Prime Minister said that two such able men should be giving leadership in the Middle East, rather than exchanging insults. The Syrian Foreign Minister, Mr. Khaddam had opened her eyes to the depth of Arab hostility to President Sadat. President Sadat was nevertheless the key to the survival of the peace treaty and he should be helped. The extent to which he could be helped would depend on the progress of the negotiations about the West Bank.

Mr. Begin said that Egypt and Israel had acted to put an end to war between them: this was not a crime. They had not concluded a separate peace treaty; they both wanted a comprehensive settlement and there was no reason why they should abandon their efforts simply because some states did not like them. The Prime Minister said that it would therefore be important to help President Sadat by stressing whenever possible that the peace treaty constituted only a first step. Mr. Begin emphasised the malign influence of the Soviet Union in the Middle East, quoting Soviet successes in Mozambique, Angola, Afghanistan and Ethiopia as evidence of a continuing extension of Soviet power.

/ Lord Carrington

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Lord Carrington told Mr. Begin that the continuing process of Israeli settlement on the West Bank was a matter of concern to the UK and could, in the UK's view, constitute a real difficulty in the way of the impending negotiations. Mr. Begin replied that the settlements were entirely legal in terms of international law and also from the point of view of Israel's national security. He gave the Prime Minister a translation of the judgement on this matter by the Supreme Court of Israel, handed down at the end of 1978, and read an extensive quotation from it.

The Prime Minister said that the UK was deeply concerned that a comprehensive settlement should be achieved, both in Israel's interests and in those of the West as a whole. Israel and the UK were both small countries of whom, for a variety of reasons, higher standards were expected than of others. She urged Mr. Begin to look at the long-term objective: the safeguarding of a way of life which Soviet policies were placing in jeopardy. The UK was concerned for the stability of the whole Middle Eastern region. The depth of this concern was well-known to her in her own constituency, from which large numbers of Jews would go to fight for Israel if necessary. Mr. Begin said that his Government would obey the ruling of the Supreme Court. This was not, however, only a matter of law but one of geography and security. If the PLO were allowed to take over the hills on the West Bank, the whole urban population of Israel would fall within the range of their machine guns, let alone of their artillery and rockets. News had arrived only that morning of the brutal murder of an Israeli mother and her baby. If the PLO were given freedom to shoot at Israelis, the bloodshed would be permanent.

Mr. Begin went on to explain his Government's concept of autonomy for the West Bank. He said that the Palestinian Arabs would have full autonomy in the election of their own representatives and in the administration of departments running their internal affairs: only matters of security would be reserved for Israel, otherwise bloodshed would be inevitable. Israel would, never, however, agree to the creation of a Palestinian state - Mr. Begin asked that the Lord Privy Seal should be made aware of this: such a state would simply become a Soviet base, since the PLO

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/ were Soviet

were Soviet agents. A situation would be created in which there were Soviet Generals on the West Bank - a Soviet base in the heart of the Middle East. It was for this reason that President Carter himself was opposed to a Palestinian state, as was King Hussein. The Arabs, said Mr. Begin, had self-determination in 22 sovereign Arab states: why should the small Jewish state be jeopardised by the creation of a 23rd Arab state? Israel would be faithful to all the undertakings she had signed at Camp David. Israel would not refuse to carry forward negotiations on the West Bank simply because Jordan and the Palestinians refused to join in. But, as Lloyd George had recognised, the land of Palestine belonged to the Jews.

Lord Carrington said that, leaving aside the legalities, continuing settlement of the West Bank surely made it less likely that any agreement could be reached. Mr. Begin disagreed. He knew that the Lord Privy Seal had declared in Parliament that the Israeli settlements were illegal: but he obeyed the judges of the Israeli Supreme Court, not the Lord Privy Seal.

Mr. Begin then recalled the sufferings of the Jewish people both during and immediately after the Second World War, from which nobody had acted to save them. It was against this background that Israel's views on security should be judged. Lord Carrington commented that one man's security could be another man's threat.

The Prime Minister commented that she did not know of any case in which political autonomy had been separate from territorial autonomy. Since all the inhabitants of the West Bank would have the same right to elect representatives to the Knesset, would not the Arabs soon achieve a majority? Mr. Begin said that the Arabs would be given a choice of citizenship; if they chose Israeli citizenship they would vote to the Knesset, if Jordanian citizenship, to the Jordanian Parliament. The answer to the Prime Minister's question, however, lay in the continuing flow of immigrants into Israel. Jews were not only continuing to come to Israel from the Soviet Union, but also from Canada, the United States and even Latin America.

/ Lord Carrington

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Lord Carrington told Mr. Begin that the UK had some experience of granting independence and knew that the kind of autonomy envisaged by Israel for the West Bank could not stick; self-government alone would not satisfy the inhabitants. Mr. Begin said that the Israelis referred to self-rule rather than self-government

The Prime Minister emphasised once more that the UK's concern, and that of the West, that a comprehensive settlement should be achieved in the Middle East stemmed from a determination to oppose the tyranny of the Soviet Union, which thrived on disunity and dissension. Mr. Begin referred to the failure of the West to bomb the railways leading to Auschwitz at the end of the war and of Israel's determination that those in the Middle East who would like to see Israel and all her people destroyed should not succeed. Israel had a valiant army which would fight if necessary. The Israeli Government would never tolerate a situation in which the men of Israel could not defend their wives and children. Lord Carrington said that everybody would understand Israeli feelings about the Jewish past; but there were different ways of reaching an objective and it was possible to say, without any hostility, that a certain course would not achieve it. He hoped that the views of friends could sometimes be taken into account.

It was agreed at the end of the discussion that the press could be told that the Prime Minister and Mr. Begin had had a wide-ranging discussion of the problems of the Middle East, in a most friendly atmosphere.

*Ben.*

23 May 1979

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Middle East 2

GRS 1400

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Prime Minister

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TO IMMEDIATE FCO

TELNO 193 OF 21 MAY 79

INFO PRIORITY BAGHDAD CAIRO DAMASCUS JEDDA TEL AVIV UKMIS NEW YORK WASHINGTON AND CG JERUSALEM

WASHINGTON TELNO 1125: VISIT OF HEAD OF JORDANIAN ROYAL COURT TO WASHINGTON

1. ABDUL HAMID SHARAF GAVE ME THIS MORNING HIS IMPRESSION OF HIS RECENT VISIT TO WASHINGTON. HE SAID HE HAD BEEN VERY WELL RECEIVED, HAD SEEN MR VANCE TWICE, MR BRZEZINSKI, SAUNDERS AND OTHER STATE DEPARTMENT OFFICIALS, MEMBERS OF BOTH THE SENATE AND HOUSE OF FOREIGN RELATIONS COMMITTEES, HAMILTON JORDAN FROM THE WHITE HOUSE AND MANY REPRESENTATIVES OF THE MEDIA. THE WHOLE EMPHASIS OF HIS VISIT HAD BEEN ON THE NEED FOR DIALOGUE AND CONSULTATION BETWEEN THE US AND JORDAN AND ON JORDAN'S WISH FOR CONTINUED FRIENDSHIP WITH THE US. ON THE AMERICAN SIDE THERE HAD BEEN A GENERAL UNDERSTANDING OF JORDAN'S POSITION AND ALSO AN EXPRESSED WISH ON THE PART OF THE AMERICANS TO WORK TOGETHER.

2. HE THOUGHT THE AMERICANS REALISED THAT THEY HAD REACHED A VERY DIFFICULT POINT IN THE MIDDLE EAST NEGOTIATIONS, ALMOST A DEAD END, THAT THEY SAW THE NEED TO TRANSCEND THIS AND ALSO

THAT THEY WOULD HAVE GREAT DIFFICULTY IN BUILDING ON THE BILATERAL TREATY BETWEEN EGYPT AND ISRAEL. THEY ALSO NOW REALISED THAT THEY HAD GOT ACROSS MOST OF THE ARAB COUNTRIES AND MUST DO SOMETHING CONCRETE AND POSITIVE TO RESTORE THEIR RELATIONS WITH THE ARAB STATES WHICH HAD ATTENDED THE BAGHDAD SUMMIT LAST NOVEMBER.

3. SHARAF SAID HE HAD HOWEVER FOUND THE AMERICANS STILL COMMITTED TO THE CAMP DAVID FRAMEWORK, ENVISAGING THE SETTING UP OF A SELF-GOVERNING AUTHORITY ON THE WEST BANK AND IN GAZA AND MAKING SELF-RULE WORTHWHILE AND CAPABLE OF EVOLUTION INTO

*/Something*

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SOMETHING MUCH MORE. THEY ALSO KNEW THAT MR BEGIN DID NOT WANT THIS TO HAPPEN AND WOULD DO HIS BEST TO RENDER IT MEANINGLESS. THE AMERICANS WISHED TO WORK IN PARALLEL ON THE REFUGEE ISSUE AND OTHER ASPECTS OF A COMPREHENSIVE SETTLEMENT, BUT WERE STILL IN THE PROCESS OF FORMULATING THEIR THINKING ON THESE SUBJECTS. EVERYONE HE HAD SEEN IN WASHINGTON HAD TOLD HIM THAT PRESIDENT CARTER REMAINED COMMITTED TO A COMPREHENSIVE SETTLEMENT, THAT THE ISRAELI/EGYPTIAN TREATY WAS ONLY A FIRST STEP, THAT THE US COMMITMENT WAS SERIOUS AND WHOLEHEARTED AND THAT THE AMERICANS HAD NO WISH TO DIVIDE THE ARAB WORLD.

4. SHARAF SAID HE HAD EXPLAINED THE JORDANIAN VIEW THAT THE PEACE PROCESS HAD BEEN DERAILED SINCE CAMP DAVID AND HAD LED INEVITABLY TO A SEPARATE PEACE BETWEEN EGYPT AND ISRAEL. HE HAD TOLD THEM THAT IN THE ARAB WORLD THERE WAS A DIFFERENT PERCEPTION OF THE SITUATION: IT WAS THOUGHT THAT THE AMERICANS HAD ALIGNED THEMSELVES WITH THE OLD ISRAELI PLAN OF ISOLATING EGYPT AND TRYING TO DETACH IT FROM THE ARAB MAINSTREAM AND THAT THE PRESENT PROCESS WAS GIVING ISRAEL THE OPPORTUNITY TO ABSORB THE OCCUPIED AREAS AND PARTICULARLY THE WEST BANK AND GAZA. MEANWHILE ISRAEL CONTINUED TO PURSUE A STRATEGY OF FRAGMENTING THE ARAB STATES SURROUNDING IT: THE LEBANON WAS BOTH THE BEGINNING OF THIS PROCESS AND A CLEAR INDICATION OF ISRAELI AIMS. SHARAF SAID HE HAD EXPLAINED TO HIS INTELCOLOCUTORS THAT THE BAGHDAD SUMMIT HAD BEEN NECESSARY AND INEVITABLE AND THAT JORDAN HAD PLAYED AN ACTIVE ROLE IN BRINGING IT ABOUT, BECAUSE THE JORDANIANS BELIEVED THAT THE ISRAELIS WERE TRYING TO SPLIT THE ARAB COUNTRIES AND THAT THIS PROCESS MUST BE PREVENTED. THE PURPOSE OF BAGHDAD HAD BEEN NOT SO MUCH TO ISOLATE EGYPT AS TO BUILD A UNITED ARAB FRONT. KING HUSSEIN HIMSELF HAD WORKED VERY HARD TO BRING THIS ABOUT AND TO PREVENT A POLARISATION OF THE ARAB WORLD SEMICOLON AS A RESULT ARAB ANGER HAD BEEN CHANNELLED AND TO SOME EXTENT RESTRAINED BY THE BAGHDAD RESOLUTIONS, WHICH REPRESENTED A REASONABLE PLATFORM, AND FAR FROM TURNING MODERATE ARABS INTO 'REJECTIONISTS' HAD BROUGHT THE ESTREMISTS WITHIN A MORE MODERATE FRAMEWORK. THE BAGHDAD RESOLUTIONS HAD ALSO POINTED THE WAY TO AN EVENTUAL SOLUTION BY REFERRING TO THE NEED FOR ISRAEL TO WITHDRAW BEHIND THE 1967 FRONTIERS AND TO THE RIGHT OF THE PALESTINIANS TO SELF-DETERMINATION AND BY THE EMPHASIS THEY HAD PLACED ON A PEACEFUL SETTLEMENT.

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5. SHARAF SAID HE HAD EMPHASISED TO THE AMERICANS THE NEED TO REVIEW THEIR POLICIES AND TO REFOCUS THEIR EFFORTS ON THE SEARCH FOR A COMPREHENSIVE SETTLEMENT, IN A FORM WHICH RESPECTED THE ARAB POSITION CONCERNING THE ESSENTIALS ON WHICH SUCH A SETTLEMENT MUST BE BASED. HE HAD ASSURED THE AMERICANS THAT ON THE SPECIFIC ISSUE OF AUTONOMY AND SELF-RULE FOR THE WEST BANK, WHILE JORDAN COULD NOT PARTICIPATE IN A PROCESS WHICH COULD INVOLVE GRANTING LEGITIMACY TO THE ISRAELI OCCUPATION, SHE WOULD NOT INTERFERE WITH THE RIGHT OF THE PEOPLE OF THE WEST BANK TO IMPROVE THEIR CONDITIONS UNDER ISRAELI OCCUPATION IF THE COULD. THE AMERICANS HAD PARTICULARLY SOUGHT JORDAN'S HELP OVER SEVERING PALESTINIAN PARTICIPATION IN THE NEGOTIATING PROCESS. HE HAD REPLIED THAT THE JORDANIANS WOULD HELP IN ANY WAY THEY COULD, WHILE MAINTAINING THEIR ESSENTIAL POSITION ON SELF-RULE.

6. SHARAF SAID HE FELT THE AMERICANS NOW UNDERSTOOD THE EXTENT TO WHICH SADAT HAS MISHANDLED HIS RELATIONS WITH OTHER ARAB COUNTRIES AND THAT, EVEN THOUGH THEY DID NOT SAY TO HIM IN TERMS, THEY WERE ALSO DISTURBED AND IRRITATED BY THE EQUIVOCATIONS IN SAUDI POLICY AND THE INABILITY OF THE SAUDIS TO PURSUE A DIFFERENT COURSE FROM THE ONE THEY HAD CHOSEN. BRZEZINSKI HAD PARTICULARLY ASKED SHARAF IF THE JORDANIANS WERE NOT AFRAID THAT, IF THEY STUCK TO THEIR PRESENT POSITION, THEY MIGHT EVENTUALLY BE SWALLOWED UP BY THE RADICAL ARABS. SHARAF IN REPLYING HAD EXPLAINED JORDANIAN POLICY AT THE BAGHDAD SUMMIT AND SUBSEQUENTLY. SHARAF SAID HE HAD ALSO HAD SOME DISCUSSION OF US RELATIONS WITH THE PLO AND HAD REFERRED TO REPORTS THAT THE AMERICANS WERE DISCUSSING WAYS OF CONTACTING THE PLO. WHILE OFFICIALS HAD TOLD HIM THAT THE US POSITION HAD NOT CHANGED, THEY HAD ALSO ASKED IF JORDAN WOULD HAVE ANY OBJECTION TO SUCH CONTACTS. SHARAF HAD SAID THAT THE REAL QUESTION WAS NOT SO MUCH WHETHER OR NOT THE AMERICANS TALKED TO THE PLO BUT WHAT THEIR UNDERLYING POSITION WOULD BE ON THE PALESTINIAN QUESTION IN DOING SO. THE JORDANIANS SAW NO OBJECTION TO THE AMERICANS CONDUCTING A DIALOGUE WITH THE PLO, BUT DID NOT REGARD THIS AS AN END IN ITSELF. WHAT WAS NEEDED WAS PRIOR COMMITMENT BY THE AMERICANS ON THE SHAPE OF A PALESTINIAN SETTLEMENT, SO THAT SUCH A DIALOGUE COULD ASSUME ITS PROPER FORM.

# CONFIDENTIAL

7. SHARAF SAID HE HAD ALSO HAD SOME DISCUSSION IN THE US ON THE POSSIBLE FUTURE ROLE OF THE SECURITY COUNCIL IN THE SEARCH FOR A MIDDLE EAST SETTLEMENT AND ONEVOLVING A NEW RESOLUTION EMBRACING RESOLUTIONS 242 AND 338 TO WHICH THE PLO MIGHT BE ASKED TO SUBSCRIBE. WHILE HE HAD NOT HEARD THIS DIRECTLY FROM BRZEZINSKI OR VANCE, SHARAF SAID HE WAS SURE FROM OTHER CONTACTS HE HAD HAD THAT THE ARERICANS WERE GIVING THIS POSSIBILITY SOME THOUGHT. HOWEVER THE TIMING AND THE METHOD BY WHICH IT MIGHT BE FLOATED WERE CRUCIAL. SHARAF THOUGHT THAT, IF PRESIDENT CARTER COULD SEE HIS WAY TO SOMETHING OF THIS KIND, IT MIGHT CHANGE THE WHOLE POSITION AND THATH THAT MIGHT BE THE RIGHT MOMENT FOR THE EUROPEANS TO WEIGH IN.

8. I ASKED SHARAF WHAT HIS MAIN IMPRESSIONS HAD BEEN OF THE JORDANIAN MINISTER OF STATE'S RECENT VISIT TO MOSCOW ( MY TELNO 183 OF 17 MAY REFERS). HE SAID THAT , IN HIS VIEW, THE PRESENT SOVIET STRATEGY WAS AIMED AT DEMOLISHING THE EGYPT/ISRAEL PEACE TREATY AND SADAT WITH IT. BUT SHARAG WAS BY NO MEANS SURE THAT THIS AIM WAS WHOLEHEARTEDLY SHARED BY EVEN THE MOST RADICAL ARAB STATES, WHO REMAINED SUSPICIOUS OF SOVIET INTENTIONS. HOWEVER IN LOOKING TO THE FUTURE SHARAF SAID HE COULD SEE NO WAY IN WHICH THE ARAB STATES, AT LEAST IN THE COMING MONTHS, COULD PROCEED IN COMPANY WITH EGYPT IN THE SEARCH FOR A WEST BANK SOLUTION. THEIR RELATIONS WITH EGYPT HAD DETERIORATED TOO MUCH FOR THAT AND SOME OTHER WAY WOULD HAVE TO BE FOUND.

9. SHARAF ALSO SPOKE TO ME ABOUT KING HUSSEIN'S PLANS TO VISIT EUROPE FOR THE PARIS AIR SHOW IN MID-JUNE AND OF HIS HOPE THAT, IN THE COURSE OF THIS VISIT, IT MIGHT BE POSSIBLE FOR HIM TO SEE MRS THATCHER. I UNDERSTAND KING HUSSEIN IS LIKELY TO SPEAK FURTHER WITH ME ABOUT THIS WHEN I SEE HIM THIS EVENING.

| 10.

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CONFIDENTIAL

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10. I HOPE IT WILL BE POSSIBLE TO ENSURE THAT, IN ANY USE MADE OF THIS TELEGRAM WITH THE AMERICANS, ITS CONTENTS ARE NOT QUOTED BACK TO THE JORDANIANS AND PARTICULARLY NOT TO SHARAF HIMSELF. (WASHINGTON TELEGRAM NO-1020 OF 8 MAY REFERS).

URWICK

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10 DOWNING STREET

From the Private Secretary

21 May 1979

Dear Paul,

Call on the Prime Minister by Prince Salman Bin Abdul Aziz of Saudi Arabia at 10 Downing Street on 21 May 1979

As you know, the Prime Minister agreed to see Prince Salman of Saudi Arabia at 1430 this afternoon, in response to the Prince's request for a call in order to convey to the Prime Minister personal messages from King Khaled and Crown Prince Fahd. Prince Salman was accompanied by the Saudi Charge d'Affaires and by an interpreter. Mr. Galloway interpreted for the Prime Minister.

Prince Salman told the Prime Minister that he had been asked to convey to her congratulations on her appointment and warm best wishes both from King Khaled and from Prince Fahd. Prince Fahd recalled with pleasure his earlier meetings with the Prime Minister and hoped to renew his acquaintance with her. The Prime Minister thanked Prince Salman for sparing the time to call on her and convey these messages personally; she much appreciated his gesture in doing so.

Prince Salman went on to say that he had also been asked by his brothers to convey to the Prime Minister the opinion of the Saudi Kingdom concerning the present situation in the Middle East. Despite the well known friendship of the Saudi Kingdom for President Sadat, the President had at no time discussed with the Saudis the steps which he proposed to take in his negotiations with the Israelis and the Americans. The Saudis, who had been blamed by their fellow Arabs for adopting such a moderate stance on the question of a settlement in the Middle East, were by no means opposed in principle to peace between Egypt and Israel: but the Saudis were also convinced that peace could not come about unless the roots of the problem were tackled in a sensible manner. President Sadat's visit to Jerusalem should have been properly prepared. Prince Fahd had urged Sadat not to make a unilateral peace with Israel and Sadat had responded, prior to Camp David, by promising to put a stop to all unilateral meetings until the bases for a peaceful settlement had been agreed on a wider basis. The Saudi Kingdom had hoped that the Camp David negotiations would succeed although they were convinced that a lasting peace could not be found through these means but only when all the problems of the region, including those of the West Bank, Jerusalem and Gaza, had been resolved. The Saudis were asking only that the United Nations and EEC resolutions should be put into effect.

/ Prince Salman went

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Prince Salman went on to say that the Saudi rulers could not believe that all Arab and Islamic countries were in the wrong and that only President Sadat was in the right. They hoped that the United Kingdom and others would exert pressure on Israel and persuade the Israelis to grant the Palestinians their legitimate rights: if that were to happen, the Saudis could once again support President Sadat. The Saudi Kingdom had no wish to allow current problems to interfere with their traditional good relations with the United States and with other Western nations. In the present situation, however, only the Soviet Union and the Communists were the gainers. Referring to earlier rumours that the United States was prepared to re-occupy, in a military sense, the oil bearing regions in order to protect her interests, Prince Salman commented that if this policy were adopted US interests would have disappeared even before the arrival of the first troops. Prince Salman said that he understood that the Prime Minister was shortly to have a meeting with Mr. Begin; this might give her the opportunity to urge the Israeli Prime Minister to give the Palestinians their rights - this would be the right moment for the Israeli Government to take this action. If it were done, the Saudi Kingdom was very ready to live in peace with Israel. In response to a question from the Prime Minister, Prince Salman said that the Saudis had no fixed views about the best arrangement for the administration of the West Bank and would not object to any structure on which all others could agree.

The Prime Minister told Prince Salman that both King Khaled and Crown Prince Fahd had been good friends of the United Kingdom and of the West, especially during the oil crisis; she asked Prince Salman how he saw the future development of the oil price issue, following the drastic reduction of supplies from Iran. Prince Salman replied that he hoped that the traditional friendship between the United Kingdom and the Saudis would continue for ever. The Saudi Kingdom remained opposed to an increase in the price of oil and would do all it could, within the technical possibilities, to maintain supplies to the West. He suggested, however, that the EEC should urge OPEC to freeze oil prices and put pressure on the OPEC countries to this end. This would be helpful to the Saudis at the next OPEC meeting. It would also be helpful if the West could reduce its consumption of oil. The Saudis knew very well that oil price rises damaged the Western economies and had no wish to see that happen. If the West were to adopt a sensible and moderate position, it would be easier for the Saudis to argue for moderation in OPEC.

The Prime Minister, concluding the discussion, asked Prince Salman whether Prince Fahd would not oppose the forthcoming negotiations on the West Bank, but judge them on their merits and by their results. Prince Salman replied that, in the Saudi view, the talks on the West Bank could not produce any results since Mr. Begin seemed prepared to give the Palestinians only autonomy for their people but not their territorial rights.

I am sending copies of this letter to Bill Burroughs (Department of Energy) and Martin Vile (Cabinet Office).

*Yours ever,  
Byron Lee*

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Prime Minister

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TELEGRAM NR 407 OF 17 MAY 79

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EGYPT AND THE OTHER ARABS

1. THE DETERMINATION WITH WHICH THE ARABS HAVE IMPLEMENTED THE BAGHDAD RESOLUTIONS WAS NOT EXPECTED HERE AND HAS COME AS A SEVERE SHOCK. FEW EGYPTIANS THOUGHT THE SAUDIS, IN PARTICULAR, WOULD SIDE SO OPENLY AND ACTIVELY WITH THE BAGHDAD CAMP. ALL THE ARAB STATES EXCEPT SUDAN AND OMAN HAVE BROKEN OFF RELATIONS AND THERE ARE SIGNS OF WAVERING ON THE PART OF SUDAN, WHOSE DEFECTION WOULD BE A BITTER BLOW. THE ARAB LEAGUE IS IN RUINS. DESPITE VICE-PRESIDENT MUBARAK'S ATTEMPT TO RALLY SUPPORTERS IN ASIA, EGYPT WAS EXPELLED FROM THE ISLAMIC CONFERENCE WITH HARDLY A FIGHT. EGYPTIAN OFFICIALS NO LONGER EXCLUDE THE POSSIBILITY OF SIMILAR DECISIONS BY THE NON-ALIGNED MOVEMENT AND THE ORGANISATION OF AFRICAN UNITY, ALTHOUGH MUBARAK IS CONFIDENT THAT INDIA AND YUGOSLAVIA WILL SEE OFF THE OPPOSITION IN THE FORMER.

2. ON THE ECONOMIC FRONT TOO INITIAL CONFIDENCE IS GIVING PLACE TO ANXIETY. THE SAUDI MOVE TO LIQUIDATE THE AOI HAS MAJOR POLITICAL AS WELL AS ECONOMIC IMPLICATIONS. THE ARAB CIVIL AIR ORGANISATION IS SEEKING TO BAN FLIGHTS TO AND FROM EGYPT, AND OVERFLIGHTS BY EGYPT'S NATIONAL AIRLINE. IF THIS RECOMMENDATION IS CARRIED OUT (SO FAR IT APPEARS TO BE CONTINGENT UPON THE ESTABLISHMENT OF AIR LINKS BETWEEN EGYPT AND ISRAEL) CAIRO'S POSITION AS A BUSINESS CENTRE WILL BECOME IMPOSSIBLE. THERE HAVE BEEN STRONG RUMOURS THAT KUWAIT IS CONSIDERING WITHDRAWING DEPOSITS FROM EGYPTIAN BANKS AND THOUGH THE REPORTS HAVE BEEN DENIED, THEY CAUSE CONCERN HERE. THE DECLINE IN THE NUMBER OF RICH ARAB VISITORS TO CAIRO THIS YEAR IS ALREADY EVIDENT AND MANY TRADERS, LANDLORDS AND OTHERS WILL SUFFER. THERE ARE STORIES OF A BOYCOTT OF EGYPTIAN FILMS AND TELEVISION PROGRAMMES, WHICH WOULD HIT EGYPT'S LARGE FILM INDUSTRY HARD. THE SUGGESTIONS OF A DROP IN PRIVATE ARAB INVESTMENT IN EGYPT AND OF WESTERN

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THE ARABS PERSISTS, WILL INEVITABLY REDUCE BUSINESS CONFIDENCE. ONE POSSIBLE EFFECT MIGHT BE A RELUCTANCE ON THE PART OF EGYPTIANS WORKING ABROAD TO REMIT THEIR EARNINGS HERE - EARNINGS WHICH LAST YEAR WERE EGYPT'S BIGGEST SOURCE OF FOREIGN EXCHANGE. ALL THIS DOES NOT YET ADD UP TO SERIOUS TROUBLE ON THE ECONOMIC FRONT, BUT IS CERTAINLY COMPOUNDS PRESIDENT SADAT'S PROBLEM OF SATISFYING POPULAR EXPECTATIONS OF MATERIAL DIVIDENDS FROM THE PEACE TREATY.

3. PRESIDENT SADAT'S REACTION TO THESE CHALLENGES HAS BEEN CHARACTERISTICALLY DEFIANT, AND ASSERTS EGYPT'S DETERMINATION AND ABILITY TO GO IT ALONE UNTIL THE OTHERS COME ROUND. IN TWO RECENT SPEECHES HE HAS BITTERLY ATTACKED THE MODERATE ARABS, IN PARTICULAR SAUDI ARABIA, PARTLY BECAUSE HE BELIEVES THE SAUDIS HAVE BROKEN AN ASSURANCE THAT THEY WOULD NOT GO SO FAR: PARTLY FROM THE CONVICTION THAT THE SAUDIS WILL GIVE WAY IN THE FACE OF ATTACK: AND PARTLY BECAUSE A CHAUVINIST LINE APPEALS TO THE MASS OF THE EGYPTIAN PEOPLE. MANY EDUCATED EGYPTIANS, INCLUDING SENIOR OFFICIALS, FIND THIS LINE RIDICULOUS AND DISTASTEFUL. THEY ALSO RECOGNISE THAT IT IS DANGEROUSLY PROVOCATIVE. IN THE PAST TWO DAYS THEY SEEM TO HAVE HAD SOME SUCCESS IN GETTING THIS ACROSS TO SADAT. IN HIS LAST SPEECH ON HIS PROLONGED TOUR OF THE PROVINCES (WHICH FORTUNATELY ENDED YESTERDAY) HE AVOIDED ATTACKING THE SAUDIS BY NAME, AND BOUTROS GHALI TOLD ME LAST NIGHT THAT THE PRESS HAVE BEEN TOLD TO LAY OFF.

4. ALTHOUGH THE GREAT MAJORITY OF EGYPTIANS UNDOUBTEDLY STILL SUPPORT THE PEACE PROCESS, THE UNEASE WE NOTED WHEN THE TREATY WITH ISRAEL WAS SIGNED HAS GROWN. THE MIDDLE CLASS IN PARTICULAR ARE AWARE OF EGYPT'S VULNERABILITY TO ARAB ACTION AND ARE BEGINNING TO FEEL THE PSYCHOLOGICAL IMPACT OF ISOLATION. AS ARAB PRESSURE BUILDS UP SADAT'S STANDING IS BOUND TO BE INCREASINGLY AFFECTED AT HOME AS WELL AS ABROAD. IN THE VIEW OF MOST OBSERVERS HERE, INCLUDING THE US AMBASSADOR, HE CAN ONLY HOPE TO RESTORE IT IF HE CAN PRODUCE IN THE FAIRLY NEAR FUTURE IMPROVEMENT IN EGYPT'S ECONOMIC PROSPECTS OR PROGRESS IN THE AUTONOMY NEGOTIATIONS - PREFERABLY BOTH. EVEN IF THINGS CONTINUE TO GO BADLY FOR SADAT I SEE LITTLE RISK PACE THE IRANIAN EXPERIANCE OF HIS BEING OVERTHROWN SO LONG AS HE HAS THE SUPPORT OF THE ARMY AND THE GRADED RECOVERY OF SINAI WILL PROBABLY KEEP THEM HAPPY FOR A WHILE. IT IS PERHAPS LESS

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IMPROBABLE THAT SADAT MIGHT DECIDE TO STEP DOWN IN FAVOUR OF MUBARAK, WHOM I CANNOT SEE AS A CREDIBLE OR DURABLE SUCCESSOR.

5. THE OMENS ARE NOT GOOD ON TEITHER THE ECONOMIC OR THE POLITICAL FRONT. THE US OFFER OF AN EXTRA DOLLARS 300 M AID OVER 3 YEARS IS SEEN HERE AS DERISORY. THE GERMANS HAVE JUST CONCLUDED THEIR ANNUAL JOINT COMMISSION MEETING WITH EGYPT WITH THE ANNOUNCEMENT THAT THEIR AID THIS YEAR WILL REMAIN AT LAST YEAR'S LEVEL. THE JAPANESE, FEARING THE HOSTILITY OF THE OTHER ARABS, SEEM RELUCTANT EVEN TO ASK SADAT TO VISIT JAPAN, LET ALONE TO COMMIT SUBSTANTIALLY INCREASED AMOUNTS OF AID. THE US ARGUMENT THAT EGYPT CANNOT ABSORB SUCH AMOUNTS HAS MUCH FORCE, BUT IT IS OF NO HELP TO SADAT. THE DEFLATIONARY MEDICINE THE IMF ARE PRESCRIBING IS ALSO UNEXCEPTIONABLE ECONOMICALLY, BUT POLITICALLY TOO PAINFUL TO SWALLOW.

6. AS FOR THE AUTONOMY NEGOTIATIONS, NO EGYPTIAN WHO HAS DONE BUSINESS WITH ISRAELIS FORESEES EARLY PROGRESS. THE AMERICANS SEEM LIKELY TO AVOID FORCING THE DIFFICULT ISSUES UNTIL STRAUSS IS IN THE SADDLE AFTER THE SUMMER, ALTHOUGH IT IS SOMETHING THAT THEIR WORKING PAPERS ON LAND, WATER ETC WILL (AS I UNDERSTAND IT) BE BROADLY FAVOURABLE TO THE ARAB POSITION. IT IS PERHAPS SIGNIFICANT THAT SADAT IS NOW TALKING TO THE AMERICAN AMBASSADOR OF THE POSSIBLE NEED FOR HIMSELF OR BEGIN TO KNOCK THEIR NEGOTIATORS HEADS TOGETHER AFTER 3 MONTHS, WHEREAS A FEW WEEKS AGO HE SEEMED PREPARED TO GIVE THEM SIX. AS SEEN FROM HERE THE MOST EFFECTIVE WAY BY FAR FOR SADAT TO DISARM HIS CRITICS WOULD BE TO SECURE A FREEZE ON ISRAELI SETTLEMENT ACTIVITY WHICH HAS A SYMBOLISM OUT OF ALL PROPORTION TO ITS INTRINSIC IMPORTANCE. UNFORTUNATELY THAT HAS BEEN MADE MUCH HARDER BY THE MISUNDERSTANDING AT CAMP DAVID. INSTEAD THE AMERICANS ARE HAVING TO DISSUADE THE EGYPTIANS FROM PUTTING EITHER THAT OR THE SUBJECT OF OTHER UNILATERAL ISRAELI GESTURES AT THE TOP OF THE AGENDA ON THE GROUNDS THAT THIS WOULD ENSURE AN IMMEDIATE BREAKDOWN OF THE TALKS CF TEL AVIV TEL NO 218

7. IF IT IS ACCEPTED THAT THE BRITISH GOVT HAS AN INTEREST IN SEEING THE SADAT REGIME SURVIVE AND PROSPER (THE ARGUMENTS FOR WHICH ARE I HOPE SELF EVIDENT) I SUGGEST THAT WE COULD CONTRIBUTE TO THAT GOAL IN SEVERAL WAYS:

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A) BY URGING THE AMERICANS, AND PERHAPS THE GERMANS, TO BE MORE GENEROUS WITH AID, AND THE IMF TO BE MORE FLEXIBLE OVER ITS FISCAL POLICY REQUIREMENTS. AN INCREASED AID CONTRIBUTION BY BRITAIN, IN PARTICULAR TO PROJECTS WHICH ARE QUICKLY AND VISIBLY REALISABLE WOULD HELP, THOUGH IT WOULD BE UNLIKELY TO MAKE A MAJOR IMPACT:

B) BY MAKING CLEAR OUR OWN SUPPORT FOR SADAT'S POLICIES AS THE FIRST STEP TOWARDS A COMPREHENSIVE PEACE AND THE ONLY COMBINATION ON THE BOARD WHICH OFFERS A WAY FORWARD:

C) BY URGING THE ARAB MODERATES TO MAKE ALLOWANCES FOR SADAT'S ATTACKS ON THEM AND NOT RISK BRINGING IN A SUCCESSOR REGIME WHICH MIGHT BE MUCH MORE SUSCEPTIBLE TO LEFTIST INFLUENCE (WE SHOULD ALSO OF COURSE URGE MODERATION UPON SADAT, BUT THE OPPORTUNITIES ARE REGRETTABLY RARE):

D) BY PRESSING THE AMERICANS TO TACKLE THE AUTONOMY NEGOTIATIONS EXPEDITIOUSLY, AND TO URGE THE ISRAELIS TO REFRAIN FROM NEW SETTLEMENT ACTIVITY:

E) BY TELLING THE ISRAELIS DIRECT THAT IF THEY DO NOT GIVE SADAT AN EASIER RIDE - OVER SETTLEMENTS, THE AUTONOMY NEGOTIATIONS (ON WHICH A BROAD INTERNATIONAL CONSENSUS ALREADY EXISTS), CONFIDENCE-BUILDING GESTURES, ATTACKS ON LEBANON ETC - THERE IS A SUBSTANTIAL RISK THAT HE WILL FALL, AND THE PEACE PROCESS WITH HIM. THEY WOULD BE UNLIKELY TO GET ANYTHING LIKE SUCH A FAVOURABLE DEAL FROM A SUCCESSOR REGIME. THEY THEREFORE RISK DAMAGING NOT ONLY THEIR OWN INTERESTS BUT OURS AND THOSE OF THE WEST AS A WHOLE.

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SPEAKING NOTE FOR VISIT OF PRINCE  
SALMAN BIN ABDUL AZIZ OF SAUDI ARABIA

Copies to:

*Copies on  
1 Saudi Arabia  
Visit of Prince Aziz  
2 MASTER*

SUBJECT:

Arab-Israel

The British Government is committed to a comprehensive settlement of the Middle East question on the basis of UN Security Council Resolutions 242 and 338, and to providing a homeland for the Palestinians. We have welcomed the Treaty between Israel and Egypt and the negotiations on the West Bank and Gaza, as a step towards this goal. We shall do all we can to ensure that Israel negotiates positively towards full, general autonomy for the West Bank, and ceases its policy of settlements.

We recognise that even if this is achieved it is only a transitional phase towards the full implementation of the UN Security Council Resolutions. If the present negotiations break down, there will be a need to find a new way forward - that might be the time for some European initiative. In the meantime the more radical Arab critics of President Sadat seem to have no positive ideas to offer - they call merely for the abrogation of the Egypt-Israel Treaty and seem to be attempting to bring President Sadat down. We think this would have dangerous consequences for the security of the area as a whole.

/Saudi-Egyptian

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Saudi-Egyptian Relations

We therefore very much hope that a dialogue can be re-established between Saudi Arabia and Egypt. We are ready to urge this on President Sadat also. The proposed dissolution of the Arab Organisation for Industries could harm our interests, as well as those of the Arab countries who were to receive its products. We hope that some way can be found of continuing our cooperation with the Arabs in this important field.

Saudi-US Relations

We have been concerned at the recent strains on Saudi-US relations. We well understand the irritation felt by the Saudis at certain press leaks in Washington. We hope that the relationship will soon return to normal.

Energy

We are preoccupied at the real risk of oil price rises which would have dangerous economic consequences in both the industrialised and developing countries. If we are to avoid this there will have to be efforts by all parties, both producers and consumers. The consuming countries must cut back demand, and we are doing all we can in consultation with our International Energy Agency and EEC partners to achieve this.

Recognition of the PLO (if raised by Prince Salman)

We already have official level contacts with the PLO, which give us a picture of their thinking. A dialogue would be easier if the PLO were to recognise Israel's right to exist.



END

Filmed at the National  
Archives (TNA) in London

February 2010