NEW FILE COVER

622 VII

TOP SECRET

Confidential File

Visits to the UK by Mr. Begin the Israeli PM and his successor.

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ISRAEL

PART ONE

May 1979

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
~~25.5.83~~							
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PREM 19/3055

HMSO Dd8953031 6/88 C60 GP2265 CCN13412 (3932)

PART 1 ends:-

SHAMIR TO PM 12.6.90

PART 2 begins:-

CDP TO AP. 25.10.90

PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. 111a/89

(2)

SUBJECT
cc MASTER
OPS.

ראש הממשלה
THE PRIME MINISTER

Jerusalem, June 12, 1989.
442-7

CSM 22/6

Dear Prime Minister,

It is with much pleasure that I write to thank you for the warm reception you extended to my wife and me on our recent visit to London. We hope that you will afford us the opportunity in the not-too-distant future to reciprocate your kind hospitality.

I found our wide-ranging discussions illuminating and encouraging, and I hope that we have laid the basis for future cooperation.

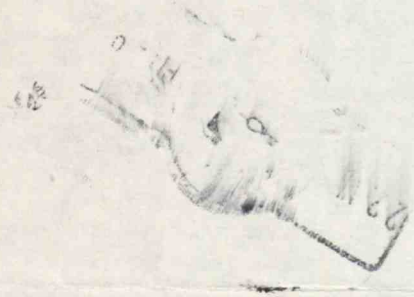
From London I proceeded to Spain where, likewise, we were warmly received and our talks were friendly and constructive. Our Peace Initiative is continuing. The endorsement of 94 Members of the American Senate is a very supportive action, for which we are most grateful.

Please convey my wife's and my best wishes to your husband.

Yours sincerely,

Yitzhak Shamir

The Right Honorable
Mrs. Margaret Thatcher
Prime Minister
10 Downing Street
London



EMBASSY OF ISRAEL
2 PALACE GREEN
LONDON, W8 4QB
Telephone: 01-937 8050

שגרירות ישראל
לונדון

22nd June 1989

Dear Prime Minister,

I have been requested to transmit to you the enclosed letter from Mr. Yitzhak Shamir, Prime Minister of Israel.

Sincerely,
Y. Biran

Yoav Biran
Ambassador of Israel

The Rt. Hon. Mrs. Margaret Thatcher, PC, FRS, MP,
Prime Minister,
10 Downing Street,
London, SW1

ISRAEL ישראל

cc Subject
Master.
OPS.

PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL NO. 102A/89

The President

بسم الله الرحمن الرحيم

الرئيس

PM Thatcher
You may wish
to read this in
full.
CDS
6/6

(2)

MAY 29, 1989

DEAR PRIME MINISTER THATCHER

I AM MOST GRATEFUL TO YOU FOR YOUR DETAILED ACCOUNT OF YOUR TALKS WITH PRIME MINISTER SHAMIR. I FULLY SUPPORT THE VIEWS YOU EXPRESSED TO HIM , BOTH ON ISRAEL'S HANDLING OF THE UPRISING AND ON THE REQUIREMENTS FOR PEACE IN THE MIDDLE EAST . ONE IS STRUCK BY THE FACT THAT THE PRIME MINISTER REPEATS HIS WILLINGNESS TO NEGOTIATE WITHOUT PRECONDITIONS AT THE SAME TIME HE STATES THAT HE WOULD NOT TALK TO THE PLO, WOULD NOT DISCUSS THE RETURN OF OCCUPIED TERRITORIES TO THE ARABS CONCERNED AND WOULD NOT TOLERATE THE ESTABLISHMENT OF ANY PALESTINIAN ENTITY, EVEN IF IT ENTERS INTO A CONFEDERATION WITH JORDAN. HIS REJECTION OF THE PRINCIPAL OF TERRITORY FOR PEACE IS ANOTHER INDICATION OF THE LACK OF FLEXIBILITY IN HIS ATTITUDE.

WITH REGARD TO MR. SHAMIR'S ELECTIONS PROPOSAL, I QUITE AGREE WITH YOU THAT A NUMBER OF POINTS WOULD HAVE TO BE ELABORATED BEFORE THE PALESTINIANS CAN CONCLUDE THAT THE PROPOSAL IS WORTH TRYING . IN SPECIFIC, THREE POINTS DESERVE SPECIAL ATTENTION . FIRST , THE IDEA OF ELECTIONS SHOULD BE PUT IN THE RIGHT CONTEXT, NAMELY IN THE FRAMEWORK OF A PACKAGE DEAL FOR A COMPREHENSIVE SETTLEMENT. LINKING IT TO NEGOTIATIONS ON THE ESTABLISHMENT OF A TRANSITIONAL REGIME IN THE OCCUPIED TERRITORIES IS NOT ENOUGH. SECOND , IT IS AN ABSOLUTE MUST TO ACCORD THE INHABITANTS OF EAST JERUSALEM THE RIGHT TO VOTE IN THESE ELECTIONS .TO RULE OTHERWISE WOULD ESTABLISH A SERIOUS PRECEDENT ON AN ISSUE THAT IS EXTREMELY SENSITIVE, NOT ONLY TO ARABS AND MUSLIMS, BUT ALSO TO MANY CHRISTIANS AROUND THE

WORLD. THIRD, WE MUST WORK OUT A SYSTEM THAT WOULD PROVIDE FOR ADEQUATE GUARANTEES FOR THE FREEDOM OF THE ELECTIONS.

AS THE ARAB HEADS OF STATE AND HIGH RANKING OFFICIALS MEETING IN CASABLANCA LAST WEEK DISCUSSED THE PALESTINIAN QUESTION , IT WAS FIRST PROPOSED THAT THE SUMMIT CONFERENCE SHOULD REJECT THE ISRAELI PLAN ON THE GROUND THAT IT AIMED SOLELY AT BYPASSING THE PLO AND ABORTING THE UPRISING WITHOUT HOLDING ANY PROMISE SO FAR AS THE PALESTINIAN QUESTION WAS CONCERNED. HOWEVER , WE SUCCEEDED TO CONVINCE THE PARTICIPANTS THAT IT WAS MUCH BETTER FOR THE ARAB CAUSE AND THE PEACE PROCESS TO ADOPT A POSITIVE ATTITUDE AND KEEP THE DOOR OPEN FOR ACCEPTING THE IDEA IF AND WHEN IT IS PUT IN THE PROPER CONTEXT. THAT WAS REFLECTED IN THE LANGUAGE USED IN THE RESOLUTION ON THE PALESTINIAN QUESTION AND THE ARAB ISRAELI CONFLICT. FURTHERMORE, THE SUMMIT ENDORSED THE MODERATE STAND TAKEN BY THE PNC IN ITS MEETING IN ALGIERS IN NOVEMBER 1988 AND THE PALESTINIAN PEACE PLAN . THIS ENDORSEMENT , WHICH CAME UNANIMOUSLY , WAS VITAL FOR PLO CHAIRMAN YASSER ARAFAT IN HIS STRUGGLE TO KEEP THE PALESTINIAN MOVEMENT COMMITTED TO THE GOAL OF PEACE. ON THE OTHER HAND , THE CONFERENCE REITERATED OUR CALL FOR CONVENING THE INTERNATIONAL CONFERENCE FOR PEACE IN THE MIDDLE EAST FOR THE PURPOSE OF ENABLING THE PARTIES TO AGREE ON A COMPREHENSIVE PEACE SETTLEMENT ON THE BASIS OF UNSC RESOLUTIONS 242 AND 338 AND OTHER RELEVANT RESOLUTIONS . IT WAS AGREED ALSO THAT THE PARTIES WOULD AGREE ON GUARANTEES FOR THE SECURITY OF ALL STATES IN THE REGION. IN GENERAL, WE BELIEVE THAT THE SUMMIT CONFERENCE HAS STRENGHTENED THE HAND OF THE MODERATE WING WITHIN THE PALESTINIAN MOVEMENT LEAD BY CHAIRMAN ARAFAT. IT DID NOT RESTRICT THE PLO'S FREEDOM OF CHOICE.

AND DID NOT ELIMINATE ANY AVAILABLE OPTION . IN ORDER TO ENHANCE THE PROSPECTS FOR STARTING THE PEACE NEGOTIATIONS, THE SUMMIT SET UP A COMMITTEE HEADED BY KING HASSAN OF MORROCO WITH THE TASK OF FOLLOWING UP INTERNATIONAL DEVELOPMENTS RELATED TO THE MIDDLE EAST PROBLEM AND CONDUCTING CONTACTS WITH THE FIVE PERMANENT MEMBERS OF THE SECURITY COUNCIL AND THE UN SECRETARY GENERAL FOR THE PURPOSE OF ACTIVATION THE PEACE PROCESS AND FACILITATING THE CONVENING OF THE PEACE CONFERENCE.

THE ARAB SUMMIT DEVOTED MUCH ATTENTION TO THE LEBANESE CRISIS. THE PREVAILING VIEW WAS THAT SUCH TRAGIC SITUATION IN THAT WAR-TORN COUNTRY SHOULD BE CHANGED DRASTICALLY AND WITHOUT DELAY . THE CONTINUATION OF THE PRESENT SITUATION WAS VIEWED AS A THREAT TO ALL NEIGHBORING STATES . SOME HEADS OF STATE TOOK THE VIEW THAT THE SUMMIT MUST CALL FOR THE WITHDRAWAL OF ALL FOREIGN FORCES FORTHWITH AND THAT THESE FORCES SHOULD BE IDENTIFIED BY NAME : THE ISRAELI FORCES , THE SYRIAN FORCES AND THE IRANIAN UNITS WHICH ARE OPERATING UNDER COVER WITH THE HIZBULLAH IN SOUTHERN LEBANON . AT THE CONCLUSION OF THE DISCUSSION , IT WAS AGREED THAT A COMMITTEE COMPOSED OF KING HASSAN OF MOROCCO , KING FAHD OF SAUDI ARABIA AND ALGERIAN PRESIDENT BEN JADEED WOULD BE MANDATED TO SEEK A SETTLEMENT . THE COMMITTEE WOULD CONDUCT CONTACTS AND TALKS WITH ALL THE PARTIES CONCERNED WITH A VIEW TO CREATING THE PROPER ATMOSPHERE FOR CONVENING THE LEBANESE PARLIEMENT , EVEN OUTSIDE LEBANON IF NEEDED , IN ORDER TO PREPARE AND DISCUSS A PLAN FOR CONSTITUTIONAL AND POLITICAL REFORM . SUBSEQUENTLY , THE PARLIEMENT WOULD BE CONVENED IN BEIRUT TO ADOPT THE PLAN AND ELECT THE PRESIDENT WHO UNDERTAKES TO FORM A GOVERNMENT THAT ABIDES BY THE REFORM PLAN. IT WAS AGREED THAT SUCH MEASURES SHOULD BE COMPLETED NOT LATER THAN SIX MONTHS.

THE ARAB HEADS OF STATES REGISTERED THEIR WILLINGNESS TO RECONVENE IN ORDER TO FOLLOW UP THE IMPLEMENTATION OF THAT PLAN . IT MUST BE NOTED THAT THE PARTICIPANTS IN THE SUMMIT EMPHASIZED THEIR COMMITMENT TO THE UNITY AND TERRITORIAL INTEGRITY OF LEBANON. IN ADDITION , THEY ESTABLISHED THE PRINCIPLE THAT SOLVING THE LEBANESE PROBLEM WAS A JOINT ARAB RESPONSIBILITY AND NOT THAT OF A SINGLE ARAB STATE. I VIEW THAT FORMULA AS A POSITIVE ONE THAT HAS THE INGREDIENTS OF A WORKABLE SOLUTION . IF THE VARIOUS PARTIES ACT IN GOOD FAITH , THIS PLAN COULD PROVIDE A WAY OUT OF THE PRESENT PREDICAMENT.

THE GULF WAR DID NOT CONSTITUTE A CONTROVERSIAL ITEM. THE SUMMIT CONFERENCE REITERATED THE DESIRE OF ALL ARAB STATES TO SEE THE CEASE FIRE TURN INTO A LASTING PEACE THAT WOULD BENEFIT ALL THE STATES OF THE REGION. IT CALLED FOR ACCELERATING INTERNATIONAL AND REGIONAL EFFORTS EXERTED FOR ACTIVATING THE DIRECT PEACE NEGOTIATIONS UNDER THE AUSPICES OF THE UN SECRETARY GENERAL IN ACCORDANCE TO THE AGREEMENT REACHED ON AUGUST 8 , 1988 . OTHER RESOLUTIONS WERE PASSED ON GUARANTEEING THE FREEDOM OF NAVIGATION IN THE STRAIT OF HORMUZ AND CLEARING SHAT-EL-ARAB .

AS YOU KNOW , ONE OF THE MOST IMPORTANT ACHIVEMENTS OF THE ARAB SUMMIT WAS THE RECTIFICATION OF EGYPT'S POSITION IN THE ARAB LEAGUE AND ITS VARIOUS INSTITUTIONS. THE ARAB HEADS OF STATE DECIDED UNANIMOUSLY TO INVITE EGYPT TO RESUME ITS FULL MEMBERSHIP IN THE ARAB LEAGUE. NO CONDITIONS WERE SET AND THE RESTORATION OF EGYPT'S POSITION IN THE ARAB RANKS WAS DONE WITH DIGNITY AND GRACE. IT WAS EVIDENT THROUGHT THE CONFERENCE THAT FELLOW

بسم الله الرحمن الرحيم

الرئيس

The President

ARABS COUNT ON EGYPT TO PLAY ITS PIVOTAL ROLE AS THE ARBITER AND STABLIZER IN THE ARAB WORLD . IN MY SPEECH IN THE OPENING SESSION OF THE SUMMIT, I MADE IT A POINT TO CALL FOR THE ADOPTION OF AN ARAB STRATEGY FOR PEACE. I ALSO ASKED MY COLLEAGUES TO JOIN OTHER WORLD LEADER IN THEIR PURSUIT FOR WORLD PEACE AND PROSPERITY. THEY SHOULD ASSUME THEIR RESPONSIBILITY IN CREATING A MORE SECURE AND STABLE WORLD AND ELIMINATING THE DANGER OF THE ERUPTION OF A GLOBAL WAR.ISSUES RELATED TO DETENTE, ECONOMIC COOPERATION AND THE PROTECTION OF ENVIRONMENT SHOULD BE GIVEN ENOUGH ATTENTION BY ALL OF US .

WITH BEST WISHES AND REGARDS ,

Hosny Mubarak

MOHAMMED HOSNY MUBARAK

THE HONORABLE MARGARET THATCHER
PRIME MINISTER OF THE UNITED KINGDOM.

Subject
cc MASTER
OPS.

(13)

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COMMENT

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PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. 100B/89

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CONFIDENTIAL
FM FCO
TO DESKBY 260600Z CAIRO
TELNO 173
OF 251930Z MAY 89
AND TO DESKBY 260800Z RABAT

YOUR TELNO 279: SHAMIR'S VISIT: MESSAGE TO PRESIDENT MUBARAK

1. PLEASE DELIVER AS SOON AS POSSIBLE THE FOLLOWING MESSAGE FROM THE PRIME MINISTER TO PRESIDENT MUBARAK. RABAT SHOULD DELIVER A COPY TO PRESIDENT MUBARAK IF HE IS STILL IN CASABLANCA.

2. BEGINS

I TAKE THIS OPPORTUNITY TO SEND YOU MY WARM CONGRATULATIONS ON EGYPT'S RESUMPTION OF ITS SEAT IN THE ARAB LEAGUE. THIS IS A VINDICATION OF THE GOALS OF PEACE AND STABILITY IN THE MIDDLE EAST AND THE LEADING ROLE WHICH YOU PERSONALLY HAVE PLAYED IN PROMOTING THEM.

I AM MOST GRATEFUL FOR THE FULL ACCOUNT OF YOUR VIEWS WHICH YOU GAVE MR ADAMS BEFORE MY MEETING WITH MR SHAMIR ON 22 MAY. I SHOULD LIKE TO RESPOND BY GIVING YOU AN ACCOUNT OF MY TALKS WITH HIM.

MR SHAMIR GAVE ME A DETAILED ACCOUNT OF HIS THINKING AND HIS PEACE PROPOSALS. WITHOUT BREAKING ANY NEW GROUND. ISRAEL WAS DETERMINED TO WORK FOR PEACE. ITS PRIORITY WAS PEACE WITH JORDAN. THE FUTURE OF THE OCCUPIED TERRITORIES SHOULD BE SETTLED BY NEGOTIATIONS WITHOUT PRE-CONDITIONS. MR SHAMIR AFFIRMED ISRAEL'S COMMITMENT TO THE TIMETABLE FOR NEGOTIATIONS HE HAD PROPOSED. HE EMPHASISED THAT ISRAEL WOULD FIND A WAY TO END THE UPRISING: THEIR PREFERRED WAY WAS THROUGH NEGOTIATION. BUT HE MADE CLEAR THAT ISRAEL WOULD NOT TALK TO THE PLO AND WOULD NOT DISCUSS AN INDEPENDENT PALESTINIAN STATE.

I TOLD HIM THAT ISRAEL'S HANDLING OF THE UPRISING WAS ERODING SUPPORT EVEN AMONG ISRAEL'S NATURAL FRIENDS. THE PLO'S ACCEPTANCE OF RESOLUTIONS 242 AND 338 HAD BEEN AN IMPORTANT STEP FORWARD. I THOUGHT IT ESSENTIAL THAT ANY NEGOTATIONS SHOULD BE BASED ON THE PRINCIPLE OF TERRITORY FOR PEACE. ON ELECTIONS. I MADE CLEAR TO MR SHAMIR OUR VIEW THAT HIS PROPOSAL WAS A USEFUL STEP FORWARD BUT THAT A NUMBER OF POINTS IN HIS PLAN WOULD HAVE TO BE ELABORATED: THE NEED FOR NEUTRAL ELECTION OBSERVERS, THE QUESTION OF VOTING BY RESIDENTS OF EAST JERUSALEM. AND A MEASURE TO INVOLVE PALESTINIANS OUTSIDE THE OCCUPIED TERRITORIES. I EMPHASISED THAT THE LINK BETWEEN THE PROPOSED ELECTIONS AND A COMPREHENSIVE SETTLEMENT HAD TO BE MORE FIRMLY AND EXPLICITLY ESTABLISHED.

WE SHALL CONTINUE TO URGE THE ISRAELIS TO DEVELOP THEIR ELECTION PROPOSALS AND TO ACCEPT THAT NEGOTIATIONS MUST BE BASED ON THE PRINCIPLE OF TERRITORY FOR PEACE. I SHALL BE DISCUSSING THIS WITH PRESIDENT BUSH IN THE NEXT FEW DAYS.

BUT IF THE ISRAELIS ARE TO BE MOVED IT WILL BE IMPORTANT FOR THE PALESTINIANS TO PRODUCE POSITIVE IDEAS OF THEIR OWN. I HOPE THAT THE ARAB SUMMIT WILL GIVE FRESH ENCOURAGEMENT TO THEM. I SHOULD BE MOST INTERESTED TO HEAR YOUR THOUGHTS ON THE WAY AHEAD IN THE LIGHT OF THE MEETING IN CASABLANCA. ENDS.

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MR TOMKYS 1
MR GOORE-BOOTH 1
[MC MURRIE]

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10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

25 May 1989

Dear Bob,

MR. SHAMIR'S VISIT

Thank you for your letter of 25 May proposing messages from the Prime Minister to various Arab Heads of Government about her talks with Mr. Shamir. I am sure the Prime Minister would want to send messages. I have made some minor amendments. I should be grateful if the enclosed texts could be despatched as soon as possible.

Yours sincerely

Charles Powell

(C. D. POWELL)

R. N. Peirce, Esq.,
Foreign and Commonwealth Office.

CONFIDENTIAL

OUT TELEGRAM

(MRM) SP2ACT

Classification	Caveat	Precedence
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TO 5 TO DESKBY RABAT

TELNO 6 TELNO

OF 7 OF MAY 89

AND TO 8

9 YOUR TELNO 139: SHAMIR'S VISIT: MESSAGE TO KING HASSAN

10 1. Please deliver as soon as possible the following message from
11 the Prime Minister to King Hassan.

12 2. Begins

13 I wanted to let Your Majesty have straight away my
14 impressions of my discussions with Prime Minister Shamir on 22
15 May.

16 Mr Shamir gave me a detailed account of his thinking and his
17 peace proposals, without breaking any new ground. Israel was
18 determined to work for peace. Its priority was peace with
19 Jordan. The future of the Occupied Territories should be settled
20 by negotiations without pre-conditions. Mr Shamir affirmed
21 Israel's commitment to the timetable for negotiations he had
22 proposed. He emphasised that Israel would find a way to end the
23 uprising: their preferred way was through negotiation. But he
24 made clear that Israel would not talk to the PLO and would not
25 discuss an independent Palestinian state.

/// 26 I told him that Israel's handling of the uprising was eroding
// 27 support even among Israel's natural friends. The PLO's
/ 28 acceptance of Resolutions 242 and 338 had been an important step
29 forward. I thought it essential that any negotiations should be

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For COD use only	Comcen reference	Telegram number	Processed by

XY 48 (REV)

based on the principle of territory for peace. On elections, I made clear to Mr Shamir our view that his proposal was a useful step forward but that a number of points in his plan would have to be elaborated: the need for neutral election observers, the question of voting by residents of East Jerusalem, and a measure to involve Palestinians outside the Occupied Territories. I emphasised that the link between the proposed elections and a comprehensive settlement had to be more firmly and explicitly established.

We shall continue to urge the Israelis to develop their election proposals and to accept that negotiations must be based on the principle of territory for peace. I shall be discussing this with President Bush in the next few days.

But if the Israelis are to be moved it will be important for the Palestinians to produce positive ideas of their own. I hope that the Arab Summit in Casablanca under Your Majesty's chairmanship will give fresh encouragement to them. I am much encouraged by Your Majesty's success in securing agreement to the restoration of Egypt's membership of the Arab League. I should be very interested to hear your thoughts on the way ahead in the light of the outcome of the Summit meeting. Ends.

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MR GORE-BOOTH

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TELNO
OF MAY 89
AND TO DESKBY RABAT

YOUR TELNO 279: SHAMIR'S VISIT: MESSAGE TO PRESIDENT MUBARAK

1. Please deliver as soon as possible the following message from the Prime Minister to President Mubarak. Rabat should deliver a copy to President Mubarak if he is still in Casablanca.

2. Begins

I take this opportunity to send you my warm congratulations on Egypt's resumption of its seat in the Arab League. This is a vindiction of the goals of peace and stability in the Middle East and the leading role which you personally have played in promoting them.

I am most grateful for the full account of your views which you gave Mr Adams before my meeting with Mr Shamir on 22 May. I should like to respond by giving you an account of my talks with him.

Mr Shamir gave me a detailed account of his thinking and his peace proposals, without breaking any new ground. Israel was determined to work for peace. Its priority was peace with Jordan. The future of the Occupied Territories should be settled by negotiations without pre-conditions. Mr Shamir affirmed Israel's commitment to the timetable for negotiations he had

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proposed. He emphasised that Israel would find a way to end the uprising: their preferred way was through negotiation. But he made clear that Israel would not talk to the PLO and would not discuss an independent Palestinian state.

I told him that Israel's handling of the uprising was eroding support even among Israel's natural friends. The PLO's acceptance of Resolutions 242 and 338 had been an important step forward. I thought it essential that any negotations should be based on the principle of territory for peace. On elections, I made clear to Mr Shamir our view that his proposal was a useful step forward but that a number of points in his plan would have to be elaborated: the need for neutral election observers, the question of voting by residents of East Jerusalem, and a measure to involve Palestinians outside the Occupied Territories. I emphasised that the link between the proposed elections and a comprehensive settlement had to be more firmly and explicitly established.

We shall continue to urge the Israelis to develop their election proposals and to accept that negotiations must be based on the principle of territory for peace. I shall be discussing this with President Bush in the next few days.

But if the Israelis are to be moved it will be important for the Palestinians to produce positive ideas of their own. I hope that the Arab Summit will give fresh encouragement to them. I should be most interested to hear your thoughts on the way ahead in the light of the meeting in Casablanca. Ends.

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AND TO DESKBY RABAT

YOUR TELNO 270: SHAMIR'S VISIT: MESSAGE TO KING HUSSEIN

1. Please deliver as soon as possible the following message from the Prime Minister to King Hussein. Rabat should deliver a copy to King Hussein if he is still in Casablanca.

2. Begins.

I was most grateful for the full account of your views which you gave Mr Reeve before my meeting with Prime Minister Shamir on 22 May. May I respond by giving you this acccount of my talks with him.

Mr Shamir gave me a detailed account of his thinking and his peace proposals, without breaking any new ground. Israel was determined to work for peace. Its priority was peace with Jordan. The future of the Occupied Territories should be settled by negotiations without pre-conditions. Mr Shamir affirmed Israel's commitment to the timetable for negotiations he had proposed. He emphasised that Israel would find a way to end the uprising: their preferred way was through negotiation. But he made clear that Israel would not talk to the PLO and would not discuss an independent Palestinian state.

Mr Shamir considers it necessary to have a separate

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understanding with Your Majesty since he believes that a Palestinian state would constitute a threat to Jordan no less than to Israel. He sees Jordan as an element of stability in the region and hopes to work with Your Majesty either openly or covertly to reach an understanding. I gave him my personal view that the outcome should be a confederation between the West Bank and Jordan. But I made clear that I saw no prospect of Your Majesty's rejoining the peace process until it was clear that the negotiations would be on the basis of territory for peace.

I told Mr Shamir that Israel's handling of the uprising was eroding support even among Israel's natural friends. The PLO's acceptance of Resolutions 242 and 338 had been an important step forward. I thought it essential that any negotiations should be based on the principle of territory for peace. On elections, I made clear to Mr Shamir our view that his proposal was a useful step forward but that a number of points in his plan would have to be elaborated: the need for neutral election observers, the question of voting by residents of East Jerusalem, and a measure to involve Palestinians outside the Occupied Territories. I emphasised that the link between the proposed elections and a comprehensive settlement had to be more firmly and explicitly established.

We shall continue to urge the Israelis to develop their election proposals and to accept that negotiations must be based on the principle of territory for peace. I shall be discussing this with President Bush in the next few days.

But if the Israelis are to be moved, it will be important for the Palestinians to produce positive ideas of their own. I hope that the Arab Summmit will give fresh encouragement to them. I should be most interested to know how you see the way ahead in the light of your deliberations in Casablanca. Ends.

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OF MAY 89
AND TO DESKBY RABAT
AND TO DESKBY WASHINGTON

WASHINGTON TELNO 1358: SHAMIR'S VISIT: MESSAGE TO KING FAHD

1. Please deliver as soon as possible the following message from the Prime Minister to King Fahd. Rabat should deliver a copy to King Fahd's delegation if he is still in Casablanca. Sir A Acland should brief Prince Bandar Bin Sultan.

2. Begins

I was most grateful to receive your advice, conveyed by His Highness Prince Bandar, before my meeting with Prime Minister Shamir on 22 May. I should like to respond by giving you this account of my talks with him.

Mr Shamir gave me a detailed account of his thinking and his peace proposals, without breaking any new ground. Israel was determined to work for peace. Its priority was peace with Jordan. The future of the Occupied Terriroties should be settled by negotiations without pre-conditions. Mr Shamir affirmed Israel's commitment to the timetable for negotiations he had proposed. He emphasised that Israel would find a way to end the uprising: their preferred way was through negotiation. But he made clear that Israel would not talk to the PLO and would not

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discuss an independent Palestinian state.

I told him that Israel's handling of the uprising was eroding support even among Israel's natural friends. The PLO's acceptance of Resolutions 242 and 338 had been an important step forward. I thought it essential that any negotiations should be based on the principle of territory for peace. On elections, I made clear to Mr Shamir our view that his proposal was a useful step forward but that a number of points in his plan would have to be elaborated: the need for neutral election observers, the question of voting by residents of East Jerusalem, and a measure to involve Palestinians outside the Occupied Territories. I emphasised that the link between the proposed elections and a comprehensive settlement had to be more firmly and explicitly established.

We shall continue to urge the Israelis to develop their election proposals and to accept that negotiations must be based on the principle of territory for peace. I shall be discussing this with President Bush in the next few days. But if the Israelis are to be moved, it will be important for the Palestinians to produce positive ideas of their own. I hope that the Arab Summit will give fresh encouragement to them.

I should be most interested to know how you see the way ahead in the light of the meeting in Casablanca. Ends.

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CONFIDENTIAL

Foreign and Commonwealth Office

London SW1A 2AH

25 May 1989

Dear Charles

Mr Shamir's visit

You will recall that we sought advice from Kings Fahd, Hussein and Hassan from President Mubarak in advance of the Prime Minister's talks with Mr Shamir (copies of the relevant telegrams are enclosed for ease of reference).

The Foreign Secretary thinks it would be right for the Prime Minister to follow up with personal messages to each of them. I enclose drafts. They naturally focus on Arab/Israel but the Foreign Secretary recommends including a brief reference to Lebanon in response to Arab concern and to underline our continuing support for the Arab League's mediation efforts. Mr Shamir told the press that it was discussed with the Prime Minister.

Yours ever

(R N Peirce)
Private Secretary

C D Powell Esq
PS/No 10 Downing Street

CONFIDENTIAL

OUT TELEGRAM

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YOUR TELNO 139: SHAMIR'S VISIT: MESSAGE TO KING HASSAN

1. Please deliver as soon as possible the following message from the Prime Minister to King Hassan.

2. Begins

I wanted to let Your Majesty have straight away my impressions of my discussions with Prime Minister Shamir on 22 May.

Our talks ~~with Mr Shamir~~ were friendly and very frank. I took the opportunity to tell him of our full support for the Arab League's efforts to promote reconciliation in Lebanon. But most of our discussion concerned the Arab/Israeli dispute.

Mr. Shamir gave me a detailed account of his thinking and his peace proposals, without breaking any new ground. Israel was determined to work for peace. Its priority was peace with Jordan. The future of the Occupied Territories should be settled by negotiations without pre-conditions. Mr Shamir affirmed Israel's commitment to the timetable for negotiations he had proposed. He emphasised that Israel would find a way to end the uprising: their preferred way was through negotiation. But he made clear that Israel would not talk to the PLO and would not discuss an independent Palestinian state.

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I told him that Israel's handling of the uprising was eroding support even among Israel's natural friends. The PLO's acceptance of Resolutions 242 and 338 had been an important step forward. I thought it essential that any negotiations should be based on the principle of territory for peace. On elections, I made clear to Mr Shamir our view that his proposal was a useful step forward but that a number of points in his plan would have to be elaborated: the need for neutral election observers, the question of voting by residents of East Jerusalem, and a measure to involve Palestinians outside the Occupied Territories. I emphasised that the link between the proposed elections and a comprehensive settlement had to be more firmly and explicitly established.

~~[I detected no shift in Mr Shamir's position. Indeed he claimed that his proposals were not a bargaining position but marked the limit of the concessions Israel could make.]~~ We shall ~~[nevertheless]~~ urge continue to press the Israelis to develop their election proposals and to accept that negotiations must be based on the principle of territory for peace. I ~~look forward to~~ shall be discussing this with President Bush in the next few days.

But if the Israelis are to be moved it will be important for the Palestinians to produce positive ideas of their own. I hope that the Arab Summit in Casablanca under Your Majesty's chairmanship will ~~give new impetus and support to Mr Arafat's efforts for peace~~. I am much encouraged by the Your Majesty's success ~~of your diplomacy~~ in securing agreement to the restoration of Egypt's membership of the Arab League. I should ~~greatly value Your Majesty's thoughts~~ be very interested to hear your thoughts on the way ahead in the light of the outcome of the Summit meeting. Ends

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AND TO DESKBY RABAT

YOUR TELNO 279: SHAMIR'S VISIT: MESSAGE TO PRESIDENT MUBARAK

1. Please deliver as soon as possible the following message from the Prime Minister to President Mubarak. Rabat should ~~if possible~~ deliver a copy to President Mubarak if he is still in Casablanca.

2. Begins

I take this opportunity to send ~~Your Excellency~~ you my warmest congratulations on Egypt's resumption of its seat in the Arab League. ~~I am confident that Egypt will now be better able to play her full part in contributing towards peace and stability in the region.~~

I am most grateful for the full account of your views which you gave Mr Adams before my meeting with Mr Shamir on 22 May. ~~I wanted to let you have my impressions straight away.~~

My talks with Mr Shamir were friendly and very frank. ~~I took the opportunity to tell him of our full support for the Arab League's efforts to promote reconciliation in Lebanon. But most of our discussion concerned the Arab/Israeli dispute.~~

He gave me a detailed account of his thinking and his peace proposals, without breaking any new ground. Israel was determined to work for peace. Its priority was peace with

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Jordan. The future of the Occupied Territories should be settled by negotiations without pre-conditions. Mr Shamir affirmed Israel's commitment to the timetable for negotiations he had proposed. He emphasised that Israel would find a way to end the uprising: their preferred way was through negotiation. But he made clear that Israel would not talk to the PLO and would not discuss an independent Palestinian state.

I told him that Israel's handling of the uprising was eroding support even among Israel's natural friends. The PLO's acceptance of Resolutions 242 and 338 had been an important step forward. I thought it essential that any negotiations should be based on the principle of territory for peace. On elections, I made clear to Mr Shamir our view that his proposal was a useful step forward but that a number of points in his plan would have to be elaborated: the need for neutral election observers, the question of voting by residents of East Jerusalem, and a measure to involve Palestinians outside the Occupied Territories. I emphasised that the link between the proposed elections and a comprehensive settlement had to be more firmly and explicitly established.

~~[I detected no shift in Mr Shamir's position. Indeed he claimed that his proposals were not a bargaining position but marked the limit of the concessions Israel could make.]~~ We shall ~~[nevertheless]~~ urge continue to ~~press~~ the Israelis to develop their election proposals and to accept that negotiations must be based on the principle of territory for peace. I ~~look forward to~~ shall be discussing this with President Bush in the next few days.

But if the Israelis are to be moved it will be important for the Palestinians to produce positive ideas of their own. I hope that the Arab Summit will ~~give new impetus and support to Mr Arafat's efforts for peace. I should very much welcome~~ great encouragement to their be most interested to hear your Excellency's thoughts on the way ahead in the light of ~~your~~ yours deliberations in Casablanca. Ends

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AND TO DESKBY RABAT

YOUR TELNO 270: SHAMIR'S VISIT: MESSAGE TO KING HUSSEIN

1. Please deliver as soon as possible the following message from the Prime Minister to King Hussein. Rabat should ~~if possible~~ deliver a copy to King Hussein IF HE IS STILL in Casablanca.

2. Begins

I was most grateful for the full account of your views which you gave Mr Reeve before my meeting with Prime Minister Shamir on 22 May. ~~I wanted to let Your Majesty have my impressions straight away.~~ May I record by giving you my brief account of my talks with him.

My talks with Mr Shamir were friendly and very frank. I took the opportunity to tell him of our full support for the Arab League's efforts to promote reconciliation in Lebanon. But most of our discussion concerned the Arab/Israeli dispute.

Mr Shamir ~~He~~ gave me a detailed account of his thinking and his peace proposals, without breaking any new ground. Israel was determined to work for peace. Its priority was peace with Jordan. The future of the Occupied Territories should be settled by negotiations without pre-conditions. Mr Shamir affirmed Israel's commitment to the timetable for negotiations he had proposed. He emphasised that Israel would find a way to end the

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uprising: their preferred way was through negotiation. But he made clear that Israel would not talk to the PLO and would not discuss ~~a~~ an independent Palestinian state.

Mr Shamir considers it necessary to have a separate understanding with Your Majesty since he believes that a Palestinian state would constitute a threat to Jordan no less than to Israel. He sees Jordan as an element of stability in the region and hopes to work with Your Majesty either openly or covertly to reach an understanding. I ~~told~~ gave him ~~of~~ my ~~present~~ PERSONAL view that the outcome should be a confederation between the West Bank and Jordan. But I made clear that I saw no prospect of Your Majesty's rejoining the peace process until it was clear that the negotiations ~~were~~ would be on the basis of territory for peace.

I told Mr Shamir that Israel's handling of the uprising was eroding support even among Israel's natural friends. The PLO's acceptance of Resolutions 242 and 338 had been an important step forward. I thought it essential that any negotiations should be based on the principle of territory for peace. On elections, I made clear to Mr Shamir our view that his proposal was a useful step forward but that a number of points in his plan would have to be elaborated: the need for neutral election observers, the question of voting by residents of East Jerusalem, and a measure to involve Palestinians outside the Occupied Territories. I emphasised that the link between the proposed elections and a comprehensive settlement had to be more firmly and explicitly established.

~~I detected no shift in Mr Shamir's position. Indeed he claimed that his proposals were not a bargaining position but marked the limit of the concessions Israel could make.~~ We shall ~~nevertheless~~ continue to ~~press~~ urge the Israelis to develop their election proposals and to accept that negotiations must be based on the principle of territory for peace. I ~~look forward to~~ shall be discussing this with President Bush in the next few days.

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But if the Israelis are to be moved, it will be important for the Palestinians to produce positive ideas of their own. I hope that the Arab Summit will give ~~new impetus and support to Mr Arafat's efforts for peace~~ fresh encouragement to him to be more interesting. I should very much welcome ~~Your Majesty's~~ to know how you see thoughts on the way ahead in the light of your deliberations in Casablanca. Ends

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WASHINGTON TELNO 1358: SHAMIR'S VISIT: MESSAGE TO KING FAHD

1. Please deliver as soon as possible the following message from the Prime Minister to King Fahd. Rabat should ~~if possible~~ deliver a copy to King Fahd's delegation (IF HE IS STILL) in Casablanca. Sir A Acland should brief Prince Bandar Bin Sultan.

2. Begins

I was most grateful to receive your advice, conveyed by His ~~Royal~~ Highness Prince Bandar, before my meeting with Prime Minister Shamir on 22 May. ~~I wanted to let you have my impressions straight away.~~ I should like to respond by giving you this account of my talks with him.

~~My talks with Mr Shamir were friendly and very frank. I took the opportunity to tell him of our full support for the Arab League's efforts to promote reconciliation in Lebanon. But most of our discussion concerned the Arab/Israeli dispute.~~

Mr Shamir ~~He~~ gave me a detailed account of his thinking and his peace proposals, without breaking any new ground. Israel was determined to work for peace. Its priority was peace with Jordan. The future of the Occupied Territories should be settled by negotiations without pre-conditions. Mr Shamir affirmed Israel's

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commitment to the timetable for negotiations he had proposed. He emphasised that Israel would find a way to end the uprising: their preferred way was through negotiation. But he made clear that Israel would not talk to the PLO and would not discuss an independent Palestinian state.

I told him that Israel's handling of the uprising was eroding support even among Israel's natural friends. The PLO's acceptance of Resolutions 242 and 338 had been an important step forward. I thought it essential that any negotiations should be based on the principle of territory for peace. On elections, I made clear to Mr Shamir our view that his proposal was a useful step forward but that a number of points in his plan would have to be elaborated: the need for neutral election observers, the question of voting by residents of East Jerusalem, and a measure to involve Palestinians outside the Occupied Territories. I emphasised that the link between the proposed elections and a comprehensive settlement had to be more firmly and explicitly established.

~~I detected no shift in Mr Shamir's position. Indeed he claimed that his proposals were not a bargaining position but marked the limit of the concessions Israel could make.~~ We shall ~~nevertheless~~ continue to ~~press~~ urge the Israelis to develop their election proposals and to accept that negotiations must be based on the principle of territory for peace. I ~~look forward to~~ shall be discussing this with President Bush in the next few days.

But if the Israelis are to be moved, it will be important for the Palestinians to produce positive ideas of their own. I hope that the Arab Summit will give ~~new impetus and support to Mr Arafat's efforts for peace.~~ fresh encouragement to him // I should ~~very much welcome, Sir,~~ be more interested ~~your thoughts on~~ to know how you see the way ahead in the light of ~~your deliberations~~ at meeting in Casablanca. Ends

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FCO TELNO 151 : ARAB/ISRAEL : MR SHAMIR'S VISIT : MESSAGE FROM KING FAHD

SUMMARY

1. PRINCE BANDAR CONVEYS THE RESPONSE FROM KING FAHD TO THE PRIME MINISTER'S REQUEST FOR HIS VIEWS BEFORE SHAMIR'S VISIT CONSTRUCTIVE SAUDI VIEWS.

DETAIL

2. PRINCE BANDAR ASKED ME TO SEE HIM AT HIS HOME ON 15 MAY. HE EXPLAINED THAT KING FAHD HAD TELEPHONED TO HIM AT SHANNON AIRPORT OVER THE WEEKEND WHILE HE WAS ON HIS WAY BACK TO WASHINGTON ASKING HIM TO RETURN TO LONDON IMMEDIATELY TO BRIEF THE PRIME MINISTER IN RESPONSE TO HER REQUEST (AS IN TUR: SEE ALSO RIYADH TELNO 246). KING FAHD HAD BEEN UNDER THE IMPRESSION THAT SHAMIR'S VISIT WAS ON 15 MAY. BANDAR HAD SPOKEN TO NO.10 AND IT HAD BEEN AGREED THAT IT WOULD BE MOST CONVENIENT FOR ALL CONCERNED IF HE GAVE ME THE MESSAGE IN WASHINGTON.

3. ON SUBSTANCE, BANDAR SAID THAT KING FAHD HAD INSTRUCTED HIM TO DELIVER THE SAME MESSAGE AS HE WAS TO GIVE TO PRESIDENT BUSH (PRESUMABLY BEFORE ARENS' VISIT TO WASHINGTON LATER THIS WEEK, THOUGH BANDAR DID NOT SAY SO). BANDAR PREFACED THE MESSAGE BY SAYING THAT KING FAHD CONTINUED TO HAVE GREAT RESPECT FOR THE PRIME MINISTER AND HER UNDERSTANDING OF THE REALITIES IN THE REGION. IT WAS AN IMPORTANT FACTOR ALSO THAT THE BRITISH GOVERNMENT WAS NOW FULLY AWARE OF THE PLO'S VIEWS THROUGH MR WALDEGRAVE'S DIALOGUE.

4. BANDAR SPOKE WITHOUT NOTES BUT CONVEYED THE MESSAGE IN A SERIES OF CONCISE POINTS :-

I) SHAMIR SHOULD BE BROUGHT TO SEE THAT THIS WAS AN HISTORIC OPPORTUNITY TO BREAK THE CYCLE OF VIOLENCE AND WARS IN THE MIDDLE EAST. SHAMIR AND ISRAEL MUST RISE TO THE OCCASION.

II) THE SEA CHANGE IN THE ARAB WORLD WAS BEST SYMBOLISED BY EGYPT'S RETURN TO THE ARAB LEAGUE. PRESIDENT MUBARAK WOULD ATTEND THE EXTRAORDINARY ARAB SUMMIT FROM THE FIRST DAY. (KING FAHD HAD INSISTED ON

THIS AND WOULD HIMSELF BE ATTENDING). TEN YEARS AFTER CAMP DAVID, THE MAIN CONDITION FOR EGYPT'S RETURN TO THE ARAB LEAGUE - RENUNCIATION OF THE CAMP DAVID FORMULAE - HAD BEEN DROPPED - THIS WAS NO ACCIDENT.

III) THE ARAB WORLD HAD TURNED AWAY MORE GENERALLY FROM HOSTILITY TOWARDS ISRAEL. THIS WAS EVIDENT IN THE FOUNDING PRINCIPLES OF THE ARAB CO-OPERATION COUNCIL AND THE GREATER MAGHREB UNION. PREVIOUS ARAB UNIONS HAD BEEN FOUNDED ON OPPOSITION TO ZIONISM. THE GCC HAD BEEN THE FIRST TO CONCENTRATE ON REGIONAL INTERESTS AND DEVELOPMENT. NOW, IRAQ, WHICH HAD LED THE CAMPAIGN TO EXPEL EGYPT OVER CAMP DAVID, WAS INFORMALLY CO-OPERATING WITH HER. PUBLIC OPINION IN THE ARAB WORLD NOW TOLERATED PRIORITY BEING GIVEN TO INTERNAL ARAB DEVELOPMENT. ARAB PRIORITIES HAD BECOME QUOTE CO-EXISTENCE, SURVIVAL, PEACE AND ECONOMIC DEVELOPMENT UNQUOTE.

IV) IN VIEW OF THESE SIGNIFICANT CHANGES, SHAMIR SHOULD BE URGED TO TAKE THE LONG VIEW. IT WAS BETTER FOR ISRAEL TO BE A PARTY TO THE CREATION OF NEW REALITIES THAN HAVE THEM IMPOSED THROUGH NATURE, HISTORY AND THE MOMENTUM OF EVENTS.

V) ISRAELI FEAR OF DIALOGUE WITH THE PALESTINIANS WAS UNWARRANTED. THE PLO'S GOOD INTENTIONS COULD BEST BE TESTED THROUGH DIRECT NEGOTIATIONS. EVERY LEGITIMATE CONCERN OF THE ISRAELIS COULD BE SATISFIED IN NEGOTIATIONS.

VI) THE PLO HAD FULFILLED ALL THAT HAD BEEN DEMANDED OF THEM. ARAFAT COULD NOT BE ASKED TO GIVE MORE GROUND WITHOUT DISCREDITING HIMSELF WITHIN HIS OWN COMMUNITY. ONCE DISCREDITED HE WOULD BE NO USE TO ANYONE.

VII) SHAMIR HAD TO DECIDE WHAT HE WANTED. ISRAEL COULD MOVE FROM THE PRESENT STATE OF NO-WAR TO DIPLOMATIC PEACE TO RESTORATION OF COMMERCIAL LINKS TO FULL NORMALISATION. THE ARAB WORLD WERE READY FOR ALL THESE POSSIBLE OUTCOMES. NOW WAS THE OPPORTUNITY FOR SHAMIR TO BEGIN THE JOURNEY.

4. I ASKED WHAT LINE KING FAHD WOULD HOPE THE PRIME MINISTER WOULD TAKE ON THE ISRAELI GOVERNMENT'S PROPOSAL FOR ELECTIONS IN THE TERRITORIES. BANDAR SAID THAT KING FAHD SUPPORTED THE PLO POSITION, WHICH SAUDI ADVICE HAD PLAYED SOME ROLE IN SHAPING. THEY HAD ADVISED THE PLO AGAINST REJECTING ELECTIONS OUT OF HAND. IT WAS NOT THE CONCEPT THAT WAS OBJECTIONABLE BUT WHAT WAS

IN IT. REFERRING TO PANAMA, BANDAR SAID THAT THE WORLD COULD NOT HAVE TWO STANDARDS ON WHAT CONSTITUTED FREE AND FAIR ELECTIONS. HE DID NOT HAVE KING FAHD'S DETAILED VIEWS ON THE ISRAELI ELECTION PROPOSALS ANNOUNCED ON 14 MAY BUT HE WAS CONFIDENT THAT THE KING'S LIKELY VIEWS WOULD BE:-

- THERE HAD TO BE NEUTRAL OBSERVERS TO ENSURE ELECTIONS WERE FAIR AND FREE. THESE, AS THE PLO HAD SAID, COULD BE OF ISRAEL'S CHOOSING.
- THE PROCESS COULD NOT BE LIMITED TO THE RESIDENTS OF THE OCCUPIED TERRITORIES. THE INTERESTS OF DIASPORA PALESTINIANS HAD TO BE TAKEN INTO ACCOUNT.
- THERE WOULD HAVE TO BE FULL FREEDOM TO CAMPAIGN
- RESIDENTS OF EAST JERUSALEM SHOULD TAKE PART.

5. BANDAR REGRETTED THAT THE US ADMINISTRATION HAD MISSED A TRICK IN NOT INCLUDING CONTACTS WITH THE PLO LEADERSHIP IN TUNIS IN DENNIS ROSS' PRESENT ITINERARY IN THE REGION. THIS WOULD BE PERCEIVED AS A FURTHER SLIGHT TO THE PLO AND RISKED ENCOURAGING THE EXTREMISTS AT ARAFAT'S EXPENSE. IT WAS PRECISELY THESE SMALL SIGNALS OF INTEREST WHICH ARAFAT NEEDED, TO DEMONSTRATE THAT HE WAS MAKING HEADWAY IN RETURN FOR HIS CONCESSIONS. IF ARAFAT COULD POINT TO SOME PROGRESS ON THAT FRONT, THERE WOULD BE LESS PRESSURE FOR THE PLO TO MAKE DISRUPTIVE MOVES SUCH AS, FOR EXAMPLE, THEIR CAMPAIGN FOR MEMBERSHIP OF THE WHO.

6. IN THAT CONTEXT, BANDAR SIGNALED THAT THE PROJECTED ARAB LEAGUE DELEGATION VISIT TO WASHINGTON WOULD BE ANOTHER OPPORTUNITY FOR THE AMERICANS TO SEND THE RIGHT SIGNAL (QADDOUMI WAS A MEMBER OF THE PROPOSED DELEGATION). IT WOULD BE ANOMALOUS AND UNREASONABLE TO EXPECT ARAFAT TO BE FORTHCOMING ON THE ELECTION PROPOSAL IN THE US/PLO DIALOGUE AND THEN TO SLAP THE PLO IN THE FACE BY REFUSING TO DEAL WITH QADDOUMI. PERCEPTIONS WERE AS IMPORTANT AS SUBSTANCE IN THE MIDDLE EAST.

7. I THANKED BANDAR FOR THIS MESSAGE AND FOR THE KING'S SPEEDY RESPONSE. IT WOULD BE MOST HELPFUL TO THE PRIME MINISTER IN PREPARING FOR HER TALKS WITH MR SHAMIR. BANDAR SAID THAT KING FAHD WOULD BE INTERESTED IN DUE COURSE TO HEAR AN ACCOUNT OF SHAMIR'S REACTION AND THE PRIME MINISTER'S OWN ASSESSMENT, AS WOULD HE. THIS COULD BE CONVEYED EITHER HERE OR DIRECTLY IN RIYADH. I SAID I WAS CONFIDENT THAT THE PRIME MINISTER WOULD WANT TO KEEP KING FAHD FULLY IN TOUCH WITH HER THINKING.

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copy to you

YOUR TELNO 151 TO AMMAN

ARAB/ISRAEL

SUMMARY

1. KING HASSAN HAS NOTHING TO ADD TO HIS MESSAGE SENT VIA GENERAL KADIRI. OFFERS TO SEND ANOTHER MESSENGER TO BRIEF THE PRIME MINISTER, FOLLOWING THE CASABLANCA SUMMIT (23-4 MAY).

DETAIL

2. BECAUSE OF MFA PRE-OCCUPATION AT A SENIOR LEVEL WITH THE CASABLANCA SUMMIT, AND BECAUSE THE SUBJECT MATTER HAD BEEN DEALT WITH BY HIM BEFORE, I REQUESTED A CALL ON GENERAL KADIRI, TO WHOM I WAS ABLE TO PUT NO 10'S REQUEST ON 16 MAY. I WAS CALLED TO SEE KADIRI AGAIN TODAY, 17 MAY.

3. KADIRI TOLD ME HE HAD SEEN THE KING STRAIGHT AWAY. HE ASKED ME TO PASS ON THE KING'S GREETINGS TO MRS THATCHER, AND HIS THANKS FOR THE OPPORTUNITY TO COMMENT BEFORE HER MEETING WITH MR SHAMIR. HOWEVER, AS THE KING HAD NOT MET WITH THE PLO LEADERSHIP SINCE GENERAL KADIRI'S CALL AT NO 10, THERE WAS NOTHING OF SUFFICIENT SUBSTANCE TO ADD TO THE VIEWS THAT HE HAD SENT TO MRS THATCHER THEN. BUT HE DID WANT TO REAFFIRM THE IMPRESSION OF MR SHAMIR WHICH HE HAD ALREADY GIVEN TO MRS THATCHER, NAMELY THAT SHAMIR WAS NOW TOO SET IN HIS VIEWS TO CHANGE, AND THAT NOTHING SHOULD BE EXPECTED OF HIM. HIS PARTY MIGHT HAVE A ROLE TO PLAY, BUT IT WOULD BE THROUGH A NEW GENERATION OF LEADERS. AS FOR SHAMIR'S PROPOSAL FOR ELECTIONS, THE PLO HAD NOW MADE THEIR REJECTION PUBLIC. KADIRI BRUSHED ASIDE ANY SUGGESTION THAT THE PLO REJECTION SHOULD NOT BE TAKEN AT FACE VALUE.

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4. KADIRI —/

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4. KADIRI THEN SAID THAT IF IT WOULD INTEREST THE PRIME MINISTER, THE KING WOULD BE WILLING TO SEND HER A MESSENGER AFTER THE CASABLANCA SUMMIT TO GIVE HER HIS MOST UP TO DATE READING OF THE SITUATION, AND TO INFORM HER OF THE OUTCOME OF THE SUMMIT. I SAID I WOULD PASS THIS MESSAGE ON, AND THAT I WAS SURE THE PRIME MINISTER WOULD BE INTERESTED TO HAVE THE KING'S VIEWS AFTER THE CASABLANCA SUMMIT.

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YOUR TELNO 151 TO AMMAN: SHAMIR'S VISIT: PRESIDENT MUBARAK'S VIEWS

SUMMARY

1. MUBARAK ANXIOUS THAT SHAMIR ACCEPTS LAND FOR PEACE IN ADVANCE OF NEGOTIATIONS. ELECTIONS IN OCCUPIED TERRITORIES ACCEPTABLE IF PART OF A COMPREHENSIVE SETTLEMENT AND NOT MERELY A PLOY TO PLAY FOR TIME. SHAMIR SHOULD NOT PLACE UNACCEPTABLE CONDITIONS ON POLITICAL AFFILIATIONS OF CANDIDATES. MUBARAK SCEPTICAL ABOUT ROLE OF OVERSEAS PALESTINIANS EXCEPT PERHAPS THAT OF ARAFAT.

DETAIL

INTRODUCTION

2. I SAW PRESIDENT MUBARAK FOR 20 MINUTES THIS MORNING, 18 MAY, AT CAIRO AIRPORT DURING THE HALF-HOUR GAP BETWEEN THE DEPARTURE OF THE RULER OF BAHRAIN AND THE ARRIVAL OF THE SULTAN OF OMAN. (THE ONLY OTHER PERSON PRESENT, UNTIL THE FOREIGN MINISTER JOINED US TOWARDS THE END, WAS DR MUSTAPHA FIKKI WHO TOOK A RECORD.) I SAID THE PRIME MINISTER WOULD BE GRATEFUL TO THE PRESIDENT FOR SEEING ME IN SUCH A BUSY WEEK OF IMPORTANT VISITS AND PREPARATION FOR A HISTORIC SUMMIT. MRS THATCHER WOULD HOWEVER FIND IT HELPFUL TO HAVE HIS LATEST VIEWS ON THE PEACE PROCESS AND PARTICULARLY HIS ADVICE ON HOW SHE SHOULD APPROACH SHAMIR, AS WELL AS MUBARAK'S REACTIONS TO THE RECENTLY ELABORATED ISRAELI PEACE PLAN/PROPOSALS FOR OCCUPIED TERRITORY ELECTIONS. I ADDED THAT UNLIKE SEVERAL OTHER ISRAELI LEADERS, SHAMIR WAS SOMETHING OF AN UNTESTED QUANTITY IN LONDON, BUT HE WAS THE LEADER WE ALL HAD TO DEAL WITH AT PRESENT.

SHAMIR

3. MUBARAK SAID HE FEARED THAT SHAMIR WAS INCAPABLE OF TAKING A POSITIVE DECISION. HE HOPED HE WAS WRONG BUT HE WAS PESSIMISTIC ABOUT THE POSSIBILITY OF DOING BUSINESS WITH HIM.

ON THE OTHER HAND HE HAD FORMED A RELATIVELY FAVOURABLE IMPRESSION OF ARENS.

ELECTIONS IN THE OCCUPIED TERRITORIES

4. THE PRESIDENT THEN MENTIONED ELECTIONS. IT WOULD BE HELPFUL IF THE PRIME MINISTER COULD TAKE A VIEW ON WHETHER SHAMIR REGARDED SUCH ELECTIONS SIMPLY AS A SELF-CONTAINED END, AS AN EXCUSE FOR NOT TAKING FUNDAMENTAL DECISIONS AND AS A MEANS OF PLAYING FOR TIME. IN MUBARAK'S VIEW ELECTIONS COULD BE USEFUL BUT ONLY IF THEY WERE AN INTEGRAL PART OF A COMPREHENSIVE SETTLEMENT. SHAMIR SHOULD BE PRESSED TO ACCEPT THAT.

ISRAELI PEACE PLAN

5. MOVING TO THE ISRAELI PEACE PLAN AS A WHOLE, MUBARAK SAID THAT EGYPT WAS IN QUOTES A WAITING POSITION END QUOTES. IT WOULD BE HELPFUL IF THE PRIME MINISTER COULD PRESS SHAMIR TO MAKE THE PLAN LESS VAGUE. FOR EXAMPLE IT DID NOT MENTION THE RIGHT OF PALESTINIAN SELF-DETERMINATION NOR (A VITAL POINT) THE PRINCIPLE OF LAND FOR PEACE. IF SOME ELEMENTS FROM THE PLO WERE ELECTED, WOULD SHAMIR TRY TO EXCLUDE THEM? SUCH POINTS NEEDED CLEARING UP NOW. IN SOME WAYS THE PLAN WAS LESS SATISFACTORY THAN THE CAMP DAVID DOCUMENTS. MUBARAK FEARED THAT THE PLAN MIGHT ONLY BE SOMETHING DRAWN UP TO GLOSS OVER POLITICAL DIFFERENCES WITHIN ISRAEL THOUGH HE ALSO AGREED WITH MY DESCRIPTION OF IT (BORROWED FROM SECRETARY BAKER: WASHINGTON TELNO 1367) AS A FIRST NEGOTIATING POSITION. I SAID THAT HMG AGREED STRONGLY THAT ISRAELI ACCEPTANCE OF THE PRINCIPLE OF LAND FOR PEACE WAS A PRE-CONDITION FOR NEGOTIATIONS.

OBSTACLES TO MUBARAK/SHAMIR MEETING

6. AT THIS POINT MUBARAK RECALLED THA AS EARLY AS JANUARY HE HAD INDICATED THAT HE WOULD GO HIMSELF TO ISRAEL IF IT MADE A CONTRIBUTION TO A PEACE SETTLEMENT. HE SEEMED TO THINK THAT THIS WAS ALSO THE POSITION OF PRESIDENT BUSH. UNFORTUNATELY SHAMIR HAD INDICATED WITHIN A FEW DAYS OF MUBARAK'S ANNOUNCEMENT THAT HE WAS FUNDAMENTALLY OPPOSED TO AN INTERNATIONAL CONFERENCE AND INDEED NOT PREPARED TO MAKE ANY PRIOR CONCESSIONS. WHEN HE WAS IN WASHINGTON IN MARCH HE HAD AGAIN BEEN PRESSED TO MEET SHAMIR BUT CONTACTS IN THE AMERICAN JEWISH COMMUNITY HAD ADMITTED TO HIM THAT THE ISRAELI PRIME MINISTER WAS NOT PREPARED TO MAKE ANY CONCESSION WHICH COULD FACILITATE SUCH A MEETING.

THE PALESTINIANS AND THE NEGOTIATIONS

7. I TRIED TO GET PRESIDENT MUBARAK TO REACT TO HMG'S VIEW THAT IT MIGHT BE UNREALISTIC AT THIS STAGE TO GET THE ISRAELIS TO NEGOTIATE DIRECT WITH THE PLO. AS, THE PRIME MINISTER HAD SAID IN HER LATEST MESSAGE TO HIM, THEY WERE NEVERTHELESS BEGINNING TO REALISE THAT THEY WOULD HAVE TO NEGOTIATE WITH PALESTINIANS WHO HAD THE PLO'S APPROVAL. I ADDED THE THOUGHT THAT THE PALESTINIAN NEGOTIATORS SHOULD BE DRAWN FROM ELEMENTS OUTSIDE AS WELL AS INSIDE THE OCCUPIED TERRITORIES. MUBARAK AVOIDED GIVING AN ANSWER ON THE POINT OF NEGOTIATING DIRECT WITH THE PLO. HE PERSONALLY FELT, HOWEVER, THAT WE SHOULD ALL DO OUR BEST NOT TO INSIST TOO MUCH ON THE INCLUSION OF ELEMENTS FROM OUTSIDE THE OCCUPIED TERRITORIES. THIS WAS A MATTER FOR THE PALESTINIANS TO SORT OUT FOR THEMSELVES. HE ALSO RECALLED ISRAELI FEARS ABOUT QUOTE THE RIGHT OF RETURN END QUOTE. HIS OWN VIEW WAS THAT THE LEADERS OF THE UPRISING WERE UNLIKELY TO ACCEPT ANY OF THE PLO EXECUTIVE COMMITTEE AS THEIR SPOKESMEN WITH THE EXCEPTION OF ARAFAT, WHOM HE WISHED TO COMMEND TO THE PRIME MINISTER AS FAR AND AWAY THE MOST MODERATE PLO LEADER. HE SPOKE AT LENGTH AND WITH CONTEMPT ABOUT WEALTHY PLO EXILES WHO HAD NO FUTURE IN A PALESTINIAN ENTITY. AS USUAL HE MADE NEGATIVE REFERENCES TO KADDOUMI. KADDOMI AND OTHER EXECUTIVE COMMITTEE MEMBERS WERE RESPONSIBLE FOR THE TROUBLE IN THE W.H.O. AT THIS POINT THE PRESIDENT SUMMONED INTO THE ROOM HIS FOREIGN MINISTER (ABDUL MAGID) TO JOIN THE DISCUSSION.

PALESTINIAN STATE/CONFEDERATION

8. I SAID THAT HMG DID NOT REGARD IT AS HELPFUL TO SPEAK OF A PALESTINIAN STATE AND WE WERE GRATEFUL TO PRESIDENT MUBARAK FOR HIS ADVOCACY OF A CONFEDERATION WITH JORDAN. PRESIDENT MUBARAK SAID HE TRIED HARD NOT TO SPEAK ABOUT AN QUOTE INDEPENDENT UNQUOTE PALESTINIAN STATE BECAUSE HE DID NOT BELIEVE IN IT. THERE WOULD HAVE TO BE A CONFEDERATION WITH JORDAN AND KING HUSSEIN AGREED WITH THIS, THOUGH HE WOULD NOT SAY SO NOW. OF COURSE THE PALESTINIANS NOW STRESSED THE SEPARATE STATUS OF THEIR QUOTE STATE UNQUOTE, BUT THEY WOULD ACCEPT A CONFEDERATION IN THE COURSE OF NEGOTIATIONS IF THESE WERE GOING WELL ON OTHER FRONTS.

ISRAELI'S FUTURE IN THE REGION

9. MUBARAK THOUGHT THE PRIME MINISTER SHOULD STRONGLY URGE SHAMIR NOT TO FEAR PEACE SINCE (ALTHGH MUBARAK WOULD NOT WISH TO BE QUOTED ON THIS) ISRAEL WOULD GAIN ENORMOUSLY. EGYPT BADLY NEEDED MORE ISRAELI TECHNICIANS FOR HER AGRICULTURE AND THE NEED FOR ISRAELI EXPERTISE EXISTED THROUGHOUT THE

MIDDLE EAST.

ARAB SUMMIT

10. AS THE CONVERSATION WAS DRAWING TO ITS END I CONGRATULATED MUBARAK ON THE SCENARIO FOR THE CASABLANCA SUMMIT. EGYPT HAD NOT CHANGED HER POLICY BUT ALL THE ARABS HAD COME BACK TO HER. MUBARAK SAID THAT ASAD OF SYRIA HAD MADE STATEMENTS THAT IT WAS EGYPT WHICH HAD CHANGED HER POLICY BUT OF COURSE THIS WAS ONLY FOR SYRIAN INTERNAL CONSUMPTION.

EGYPTIAN FOREIGN MINISTER'S VISIT TO LONDON

11. IN CONCLUSION I SAID THAT YOU AND THE PRIME MINISTER WOULD LOOK FORWARD TO CONTINUING THIS DISCUSSION WHEN DR ABDUL MAGID VISITED LONDON FROM 4-7 JUNE. MUBARAK NODDED BUT IN OBTAINING CONFIRMATION OF THESE DATES FROM ABDUL MAGID, ALSO LEARNT, APPARENTLY FOR THE FIRST TIME, THAT THE LATTER WAS THINKING OF VISITING 4 SCANDINAVIAN COUNTRIES AFTER LONDON. THIS APPEARED TO UPSET THE PRESIDENT AND THEY WERE STILL ARGUING ABOUT IT AS I LEFT THEM.

COMMENT

12. PRESIDENT MUBARAK WAS CLEARLY PLEASED TO HAVE BEEN ASKED TO ADVISE THE PRIME MINISTER. AS USUAL MOST OF HIS COMMENTS WERE SHREWD AND PRAGMATIC, IF LACKING IN NUANCE. IF THE PRIME MINISTER DECIDES TO SEND A MESSAGE TO THOSE HEADS OF STATE WE HAVE CONSULTED AFTER HER TALKS WITH MR SHAMIR, I AM SURE MUBARAK WILL BE GRATIFIED. IT WOULD BE HELPFUL IF THERE COULD BE A REFERENCE TO HIS TALK WITH ME AS HE RARELY SEES NON-ARAB AMBASSADORS ALONE, AND THIS WAS AN EXCEPTIONALLY BUSY WEEK FOR HIM.

13. ON LEAVING THE BUILDING I WAS ASKED BY EGYPTIAN JOURNALISTS FOR A PRESS STATEMENT. I SIMPLY SAID THAT I HAD BEEN GRATEFUL FOR PRESIDENT MUBARAK'S LATEST VIEWS ON THE PEACE PROCESS. I HAVE SINCE REPEATED THE SAME LINE TO REUTERS.

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YOUR TELNO 151: MR SHAMIR'S VISIT: ARAB/ISRAEL

SUMMARY

1. KING SEES SHAMIR'S OPPOSITION TO LAND FOR PEACE AS CENTRAL OBSTACLE TO PROGRESS. SCEPTICAL ABOUT POSSIBILITY OF BUILDING ON ELECTION PROPOSAL UNLESS THIS CAN BE OVERCOME. AGREES WITH PLO THAT ELECTIONS MUST BE LINKED TO FINAL SETTLEMENT. REMAINS COMMITTED TO ROLE FOR FIVE PERMANENT MEMBERS IN PEACE PROCESS BUT SEES SCOPE FOR PREPARATORY WORK BY SUPERPOWERS. HOPES ARAB SUMMIT WILL SUPPORT ARAFAT.

DETAIL

2. I HAD AN AUDIENCE WITH KING HUSSEIN ON 15 MAY. HIS VIEWS ON THE VARIOUS ASPECTS OF THE PEACE PROCESS CAN BE SUMMARISED AS FOLLOWS.

ELECTIONS IN THE OCCUPIED TERRITORIES

3. THE KING SAID THAT HIS LAST READ-OUT ON SHAMIR'S THINKING HAD BEEN FROM PRESIDENT MITTERRAND AND CONVEYED THE IMPRESSION THAT SHAMIR REMAINED IMMOVABLE ON THE CENTRAL ISSUE OF TERRITORY FOR PEACE. AGAINST THIS BACKGROUND HE (THE KING) REMAINED DEEPLY SCEPTICAL ABOUT SHAMIR'S ELECTION PROPOSAL. WHAT PURPOSE WERE THESE ELECTIONS MEANT TO SERVE? COULD THERE BE ANY GUARANTEE THAT THEY WOULD BE FAIRLY CONDUCTED? MIGHT THEY NOT IN ANY CASE PRODUCE REPRESENTATIVES MORE RADICAL IN THEIR APPROACH THAN ARAFAT? ABOVE ALL, WHERE WERE THEY INTENDED TO LEAD? THUS, ALTHOUGH HE WAS STILL ENCOURAGED BY PRESIDENT BUSH'S APPROACH, AS DESCRIBED TO HIM IN WASHINGTON AND SUBSEQUENTLY (WHAT HE HAD HEARD ABOUT THE BAKER LETTER TO ARENS WAS ALSO VERY ENCOURAGING), THE PROSPECTS OF REAL MOVEMENT WERE EXTREMELY DIM UNLESS SHAMIR COULD BE PERSUADED TO CHANGE HIS ATTITUDE ON THE FUNDAMENTAL ISSUE. MRS THATCHER, THE KING FELT SURE, WAS WELL AWARE OF THE

IMPORTANCE OF SECURING A SHIFT IN SHAMIR'S POSITION. WITHOUT THAT, HE SAW NO PROSPECT THAT THE ELECTION PROPOSAL COULD BE EXPLOITED.

RELATIONS WITH THE PLO

4. THE KING SAID THAT HE REMAINED IN CLOSE TOUCH WITH ARAFAT (ABU MA'ZEN HAS BEEN HERE FOR DISCUSSIONS OVER THE PAST TWO WEEKS) AND CONTINUED TO URGE HIM TO BE AS FLEXIBLE AS POSSIBLE, PARTICULARLY IN AVOIDING AN OUTRIGHT REJECTION OF ELECTIONS AS SUCH. BUT, AS WOULD BE CLEAR FROM HIS EARLIER REMARKS, HE ENTIRELY AGREED WITH THE PLO POSITION THAT THE ELECTION PROPOSAL WAS OF NO VALUE UNLESS IT WAS CLEARLY SEEN TO BE PART OF A PROCESS LEADING TO A FINAL SETTLEMENT.

5. I ASKED THE KING WHETHER HE HAD DISCUSSED WITH THE PLO THE AMERICAN SUGGESTION THAT THEY SHOULD NOMINATE SOME INDIVIDUALS IN THE WEST BANK WHO MIGHT ENTER INTO DISCUSSIONS WITH THE ISRAELIS (MY TELNO 236, NOT TO ALL, AND PLEASE PROTECT). THE KING SAID HE HAD RELAYED THIS SUGGESTION TO THE HEAD OF THE PLO OFFICE IN AMMAN. THERE HAD BEEN NO COME-BACK BUT HE HAD NOT REALLY EXPECTED ONE. HE HAD SUGGESTED THAT ARAFAT SHOULD DISCUSS THE MATTER DIRECT WITH THE AMERICANS, AND INDEED HE ASSUMED THAT THE AMERICANS WOULD THEMSELVES HAVE PUT THE POINT DIRECT TO THE PLO. THE KING ALSO MENTIONED, IN THE SAME CONTEXT, THAT FEISAL HUSSEINI HAD ASKED TO VISIT JORDAN FOR TALKS ON HIS WAY BACK FROM THE UNITED STATES SINCE THE ISRAELIS HAD REFUSED TO ALLOW HIM TO CROSS DIRECT FROM THE WEST BANK TO JORDAN.

SOVIET ATTITUDE

6. THE KING SAID THAT HE REMAINED VERY SATISFIED WITH THE SOVIET APPROACH AS DESCRIBED TO HIM BY TARASOV DURING HIS RECENT VISIT TO AMMAN. I ASKED FOR HIS REACTION TO GERASIMOV'S SUGGESTION OF DIRECT ISRAELI-PLO DISCUSSIONS UNDER SUPERPOWER AUSPICES. HE REPLIED THAT HE HAD CONTINUED TO ARGUE STRONGLY FOR A FIVE POWER APPROACH. THERE MIGHT NEVERTHELESS BE SOME SCOPE FOR PREPARATORY DISCUSSIONS BETWEEN THE TWO SUPERPOWERS ALONG THE LINES OF THE NAMIBIA PRECEDENT, WHICH WOULD PAVE THE WAY FOR THE FIVE POWER CONFERENCE.

ARAB SUMMIT

7. THE KING SAID THAT HE WOULD BE WORKING HARD AT THE SUMMIT

TO SUPPORT ARAFAT AND TO TRY TO ENSURE THAT THE SUMMIT DID NOT TIE ARAFAT'S HANDS. IN REPLY TO MY QUESTION, HE MADE CLEAR THAT HE WAS PARTICULARLY CONCERNED ABOUT THE SYRIANS, ABETTED BY THE OTHER RADICALS. IT WOULD BE A GREAT SETBACK IF THEY SUCCEEDED IN IMPOSING NEW LIMITS ON ARAFAT'S FREEDOM OF MANOEUVRE.

COMMENT

8. THE KING SAID HOW MUCH HE VALUED THE CHANCE TO FEED IN HIS VIEWS TO MRS THATCHER IN ADVANCE OF HER MEETING WITH SHAMIR. IT IS CLEAR FROM HIS COMMENTS THAT, ALTHOUGH HE REMAINS ENCOURAGED BY THE APPROACH OF THE NEW ADMINISTRATION (WHICH HE SEES AS A GREAT IMPROVEMENT ON THAT OF THE REAGAN AND SHULTZ), HE IS NEVERTHELESS VERY CONCERNED THAT SHAMIR WILL SUCCEED IN HIS TACTICS OF USING THE ELECTION PROPOSAL TO BUY TIME, OR EVEN WORSE, TO STAGE ELECTIONS WHICH LEAD NOWHERE, AND AT THE SAME SPLIT THE PALESTINIANS WITHIN THE TERRITORIES FROM THOSE OUTSIDE. HE TAKES HEART FROM THE EVIDENCE HE HAS SEEN OF AMERICAN DETERMINATION NOT TO BE BAMBOOZLED BY SHAMIR BUT HE IS WORRIED THAT THE US CONGRESS WOULD BE MORE EASILY TAKEN IN BY A PROPOSAL WHICH ARENS AND RABIN WILL NO DOUBT PORTRAY AS ENSHRINING SACRED DEMOCRATIC PRINCIPLES. HE IS ALSO CONSCIOUS OF THE FRAGILITY OF ARAFAT'S POSITION. IN THIS CONTEXT, HE REMARKED MORE THAN ONCE THAT TIME WAS SHORT. HE IS WELL AWARE THAT THERE ARE MANY POSSIBILITIES FOR SABOTAGING THE PLO'S MODERATE STANCE AND THAT THE RISKS INCREASE AS TIME PASSES WITHOUT ANY TANGIBLE GAINS WHICH MIGHT BOLSTER ARAFAT'S POSITION. HE IS HOPING THAT MRS THATCHER WILL USE THE OPPORTUNITY OF HER MEETING TO PUT THE CENTRAL ISSUES (PARA 3 ABOVE) SQUARELY TO SHAMIR AND BELIVES THAT HER PLAIN SPEAKING COULD HAVE CONSIDERABLE IMPACT.

9. MY MIFT (NOT TO ALL) REPORTS THE KING'S COMMENTS ON SYRIA, LEBANON AND THE ARAB SUMMIT.

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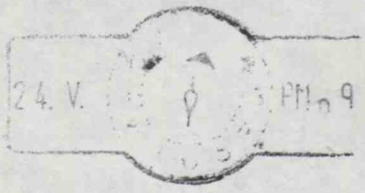
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Comments made by the PM and Mr Shamir following their talks at 10 Downing Street, Monday, May 22 1989

PM- Gentlemen, Mr Shamir and I have had very full and friendly discussions about the vital problems of Arab-Israel, Iran-Iraq other regional problems of the middle east, the Lebanon. Also a number of East West problems As you know this country is a firm believer in the security of Israel and remains a firm believer in and is a friend of Israel. And it is in that spirit that we have conducted our discussions. The foreign secretary has been with us, and the Ambassador and they have been good discussions.

Shamir Mrs Pm I am very grateful to Mrs PM for giving me the opportunity to have a very good discussion about all the problems mentioned by Mrs PM. Especially in our area, the problems of the Lebanon and all the security problems. And I think there was a great wealth of understanding between us and I think there are opportuniites for us to work together for the security and the stability of our region?

Q. Mrs T are you supporting Mr Shamir's proposal to hold an election in the occupied territories?

PM - We have discussed these matters. We have not come to any magic conclusion. I don't think there is one, there is just a steady way through and it has to be discussed further. I have made our position clear to Mr Shamir and I have a very great understanding of the things which he has talked about.

Q. Did you call on Mr Shamir to talk to the PLO?

PM -I do not in fact go into the details. You know our view on the PLO. The Minister of State from the FO has seen the PLO. Neither the Foreign Secretary nor I have, but we did welcome the PLO's acceptance of resolution 242. It seems to us a considerable step forward.

Q. PM will you be seeing any Arab leaders in the near future to discuss this particular proposal?

PM - I think we have the Nato Summit next - that is the next thing on our agenda. I don't think we have any Arab leaders coming in the near future - not that I can think of immediately. Our eyes are fixed next on the NATO Summit.

Q. PM did you have any suggestions for Mr Shamir for his plan for further refinements or points you wished to clarify?

PM - No we both had a very thorough discussion and I think there was very great understanding there.

sarah

MEETING WITH MR. SHAMIR

Line for Press

The Prime Minister met Mr. Shamir for 3½ hours this evening, including a working supper. Their talks took place in a very friendly atmosphere and covered general Arab/Israel matters, other regional problems and bilateral questions. They confirmed the good relations between Britain and Israel.

Mr. Shamir described the Israeli government's proposals for elections in the Occupied Territories. The Prime Minister welcomed them as a useful step forward, but stressed the importance of a clear promise of progress towards negotiations and a solution based on territory for peace.

The Prime Minister also underlined the importance we attach to early political progress in order to improve the situation in the Occupied Territories, which continues to cause concern.

The Prime Minister and Mr. Shamir agreed to remain in close contact on these matters.

22 May 1989

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From the Private Secretary

22 May 1989

PRIME MINISTER'S MEETING WITH THE ISRAELI PRIME MINISTER

The Prime Minister had a meeting this evening with the Israeli Prime Minister. It started as a tea party, with Mrs. Shamir and Mr. Thatcher also present. The Prime Minister and Mr. Shamir then talked for close to one and a half hours, with Mr. Yosef Ben-Aharon, Director General of the Prime Minister's office, also present on the Israeli side. This was followed by a working supper attended in addition by the Foreign Secretary, the Israeli Ambassador, Mr. Pazner (adviser to Mr. Shamir) and HM Ambassador, Tel Aviv.

The atmosphere of the meeting was friendly and Mr. Shamir grew visibly more relaxed as the evening went on. The formal talks were concerned almost entirely with Arab/Israel. The Prime Minister treated the meeting mainly as an occasion to win Mr. Shamir's confidence and I do not think any substantive progress was made. There was no attempt on Mr. Shamir's part to raise any bilateral questions. Discussion over dinner was sociable and rather general.

The Prime Minister opened by saying that the basis for her talks with Mr. Shamir was the warm and friendly relations between Britain and Israel and our commitment to Israel's right to a secure existence. We had sent in our Ambassadors in the main Arab countries in the week preceding Mr. Shamir's visit, so that we would be up to date on their views. She would like to hear Mr. Shamir's appreciation of the situation in the Middle East and his ideas for a settlement. She would make only one comment about the situation in the Occupied Territories: the scenes which were regularly shown on television were not doing Israel any good, indeed they were eroding support even among Israel's natural friends. People expected higher standards of Israel.

Mr. Shamir then embarked on a statement which lasted 52 minutes, reading rather laboriously from notes in his own hand. He thanked the Prime Minister for the invitation to

visit Britain and the opportunity to talk. He attached great importance to her views. Her standing in Israel was extraordinarily high and there was admiration for her policy of peace through strength and her patriotism.

Mr. Shamir continued that it was Israel's destiny to live as an independent Jewish nation in a sea of Muslim states who regarded Israel as an interloper. Israel would stay whether her neighbours wanted her or not. She had the strength and stamina to resist any pressure. The fact that Israel was a small people inhabiting a small territory invited aggression. But Israel was nonetheless determined to work for peace despite the difficulties and the objective barriers. Camp David had been a success and had stabilised relations with Egypt. Israel's priority now was to try to make similar progress with Jordan.

Mr. Shamir went on that relations between Israel and Jordan were an unsuccessful love story. King Hussein was different from the other Arab leaders and Israel wanted to get some understanding with him. An independent Palestine/PLO state would be a mortal danger for King Hussein. Israel would be content to have a silent understanding with him to work together to prevent the emergence of such a threat. Jordan was an element of permanent stability in the Middle East and Israel wanted that to continue. He would be very grateful if the Prime Minister could help further this aim through her exceptionally close relations with King Hussein. Israel was prepared to work either openly or covertly with King Hussein. The King knew from past experience that he could trust Israel.

Mr. Shamir continued that the Arab/Israel dispute was a conflict about the existence of Israel. It could either continue as a permanent confrontation. Or there could be negotiations. Israel's preference was for negotiations, with Jordan, with the Palestinian Arabs and with Egypt. There should be a formal peace with Jordan, with which Israel had no significant security problems. Mr. Shamir said that his party did not want to give up the Occupied Territories: equally he recognised that the Arabs regarded these territories as theirs. The only way to resolve the problem was through a process of negotiation. The Prime Minister would be familiar with the initiative launched by the Israeli government and he would not go into the details (in fact he did so, repeating the main points with which you will be familiar). Negotiations would be without pre-conditions, with the purpose of achieving a solution acceptable to both parties. Some people alleged that Israel would stop the process once autonomy had been achieved. But Israel kept its word and in the third year of autonomy, negotiations would start for a permanent solution. The initiative had the support of the whole coalition government, the first time that had happened since the coalition had been in existence. Their target now was to win the Arab side's acceptance in principle of the plan.

Mr. Shamir said that Israel would not negotiate about a Palestinian State. Nor did they believe that the PLO could be

a partner in negotiations. Israel knew the PLO better than anyone else in the world. They knew what the PLO said among themselves. They knew their real thoughts and plans and they would never trust them. But Israel was prepared to negotiate with the elected representatives of the Palestinians in the Occupied Territories. Unfortunately the Palestinians thought they had found Israel's vulnerable spot with the uprising. It was certainly true that the need to deal with the uprising did not win Israel any friends abroad. But Israel would find one way or another to end it. The preferred way was through negotiation. It was up to the Palestinians themselves to determine whether they wanted to continue the uprising or to negotiate.

Mr. Shamir reiterated that Israel could not live with an independent Palestinian state. Such a state would become a basis for aggression against Israel. The West Bank could not be demilitarised. It would become a new Lebanon, with bases for Libyan, Syrian and other groups and for the Soviet Union too. The Soviet Union enjoyed much closer relations with the PLO than most people realised. Israel would have no alternative but to defend itself, and the result would be permanent clashes and confrontation. Moreover, Israel's Arab population would want to be integrated into the new state, and Israel's very existence would be threatened.

Mr. Shamir concluded that his plan offered the prospect of solving the problems of the area by negotiation. He believed there were genuine prospects for success. Egypt's return to the Arab League was a positive development, and showed that the idea of peace with Israel was beginning to be accepted by the Arabs. But at the same time his proposals marked the real limit of the concessions Israel could make. Israel did not practise the methods of the oriental bazaar. Their opening position was also the most they could offer. Their proposals had already caused him difficulties within his own party, and many of his political friends said that the government was giving up too much. He hoped very much that Britain and the Prime Minister personally would feel able to support the process envisaged in his proposals. Israel needed the help of Britain and others in the Western World. They did not want their future to be discussed between the United States and the Soviet Union alone.

The Prime Minister said that it had been useful to hear Mr. Shamir's views set out so fully, and to experience the depth of feeling with which he expressed them. She thought there was a genuine opportunity to make progress towards peace. The majority of Arab states accepted Israel's existence, and accepted that Israel had to enjoy security, even though it was hard to find secure borders in the face of modern military technology. Another positive feature had been the PLO's acceptance of UN Security Council Resolutions 242 and 338. This was a definite step forward. She had listened carefully to Mr. Shamir's comments about Jordan. She saw no prospect of persuading King Hussein to rejoin the peace process until he could show that he was negotiating on the basis of territory for peace. Without that, he would lose all standing.

The Prime Minister continued that she agreed that people should not be allowed to get by terrorism what they failed to achieve through negotiation. But the PLO had taken an important step forward in accepting Resolutions 242 and 338, and we had raised the level of our contacts with them, although there had been no meeting between the Foreign Secretary and Mr. Arafat, and she herself would certainly not see him. But by accepting Resolutions 242 and 338, the PLO had underlined the Palestinian right to be involed in negotiations. That was the great difference between their position and that of the IRA. The latter's supporters could express their wishes through free elections: the Palestinians in the occupied territories did not have this option.

The Prime Minister continued that she understood Mr. Shamir's misgivings about an independent Palestinian state. Her personal view had always been that the outcome should be a confederation between the West Bank and Jordan, and she believed King Hussein was still ready for such a solution. But all this was academic until it could be clearly established that negotiation would take place on the basis of territory for peace. That was the real stumbling block. There were a number of other points about the Israeli Government's plan which would have to be elaborated: the need for neutral election observers, the question of voting by residents of East Jerusalem, and a measure to involve Palestinians outside the occupied territories. In addition, the link between the elections and a comprehensive settlement had to be more firmly and explicitly established.

The Prime Minister said that she shared Mr. Shamir's view that it would be a mistake to look to the United States and the Soviet Union alone to provide international backing for negotiations. We should not elevate the Soviet Union's role in the area too much, nor put it in the position as acting as an advocate for the Arab Governments against Israel backed by the United States. Britain and France both had a role to play. She believed Mr. Shamir was sincere when he said he wanted a peace settlement, but in all frankness and friendship, she had to say that it would only be achieved by accepting the principle of territory for peace. That was the real problem which had to be addressed.

Mr. Shamir said that he wanted to add just one point, and that was to thank the Prime Minister on behalf of the people of Israel for all she had done for Jews in the Soviet Union, both to make it easier for them to emigrate, and to practise their religion within the Soviet Union.

The Prime Minister commented to me after the meeting that, although Mr. Shamir had convinced himself that he was searching for a peaceful solution, she detected no prospect at all that he would move sufficiently on the crucial issues to make such a solution possible.

I enclose a copy of the line used by the No.10 spokesman in briefing the Press after the meeting.

I am sending copies of this letter and its enclosure to Brian Hawtin (Ministry of Defence) and Trevor Woolley (Cabinet Office).

C.D. Powell

Stephen Wall, Esq.,
Foreign and Commonwealth Office.

COPY

Foreign and Commonwealth Office

London SW1A 2AH

22 May 1989

Dear Charles,

Jewish Emigration from the Soviet Union

The Foreign Secretary thought that the Prime Minister might be interested in an up-date on Jewish emigration from the USSR.

The latest figures provided by the Israelis give a generally encouraging picture. After a slow-down in January and February the numbers leaving in March and April were all-time highs. On present trends the number leaving this year could exceed the peak year of 1979 (when over 50,000 left) and more than double the 1988 figure (22,500). About 11% of the Jews leaving are currently going to Israel - in line with the average for 1988.

The figures continue to contain a number of non-Jews (roughly 16% of those leaving so far this year on the Jewish list). Most of these are Christian religious activists who are as happy to leave as the Soviet authorities are to see them go.

In general, new applicants seem to face few problems in getting permission to leave (the Jewish lobby here accepts that up to 98% may now be getting an exit visa at their first attempt). The blockage remains over long-term refuseniks. There remain at least hundreds who have been waiting for five years or more. The Ambassador in Moscow is taking this up with the Russians at a senior level before the forthcoming Paris Human Rights Conference. He will make it clear that we shall not hesitate to use the newly agreed CSCE mechanism to raise these cases one by one if necessary. We have already done so successfully over George Samoilovich who had been denied an exit visa for 17 years. He will make the point that we regret that this issue is preventing us and British human rights groups from giving due welcome to the very real achievements already made in Soviet human rights.

Yours ever

Richard Gozney

(R H T Gozney)
Private Secretary

C D Powell Esq
PS/10 Downing Street



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PRIME MINISTER

MEETING WITH THE ISRAELI PRIME MINISTER

You are to see Mr. Shamir on Monday. The programme is as follows:

1730 Mr. and Mrs. Shamir arrive for tea in the White Room, with the Israeli Ambassador.

1750/ Mrs. Shamir and the Ambassador depart. You and
1800 Mr. Shamir move to the Study for talks with note-takers present.

1900 Break for working supper, to be attended by the Foreign Secretary and our Ambassador in Tel Aviv as well as two other Israeli guests.

You know Shamir. He is a difficult man and very sensitive. His poor English makes it virtually impossible to have the sort of relationship you are able to enjoy with Mr. Peres. But he is very anxious that he should be treated - and be seen to be treated - exactly in the way that Peres was. We need to win his confidence if we are to have any influence with him and you are probably the only person who can do that, even though it will certainly try your patience.

There will be a difficult balance to be struck. To win Shamir's confidence, you will need to demonstrate understanding for his concerns. But we must not allow him to interpret friendship as full endorsement of his policies, particularly in the Occupied Territories. So you will want to underline your great friendship and admiration for Israel and your commitment to Israel's security. You will also want to recognise that his recent peace proposals represent a genuine and sincere effort on his part to come forward with ideas, at some political cost to himself (the far right, led by Sharon, are after him). But you will also need to underline that his ideas do not go far enough and must be further developed and elucidated; and also that we really do have serious misgivings about Israel's policy in the Occupied Territories which is

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costing Israel much of its natural support in this country and more widely. Equally you will want to make these points without giving the impression that we are attacking him or want to pillory Israel.

A particular point on which he will be sensitive is the PLO. He remains adamant in his refusal to talk to them and frankly there is nopoint in telling him that he ought to. It will lose you credibility and make no impression on him. It is better to discuss ways in which his proposal for elections in the Occupied Territories could be developed so as to produce an elected Palestinian leadership with whom Israel could negotiate. He will be gruff about our talks with the PLO. You will want to make clear that we believe the moderates in the PLO must be encouraged. But I suggest that you also emphasise that you have no plans to meet Arafat, indeed that a meeting is most unlikely.

I suggest that you approach the meeting by talking first about developments in the Soviet Union and Eastern Europe and over Soviet Jews. You might also tell him of your exchanges with Gorbachev on the Middle East. These are subjects on which there is quite a lot of common ground and where he has every reason to be grateful to you. It could help get the discussions off to a good start.

Thereafter you will want to invite him to explain his recent proposals for elections in the Occupied Territories to you. In commenting you will want to say that they are an important step forward but not in themselves enough. They must clearly be part of a process which leads on to negotiations, with an explicit link to a final peace settlement based on territory for peace. They also need to be made more specific, particularly on issues such as international supervision, whether residents of East Jerusalem can vote, and on participation by Palestinians outside the Occupied Territories. You will want to have in mind particularly the suggestions made by Secretary Baker which you will find in the folder, namely that Shamir be told that neither the UK nor the

US would participate in anything based on Shamir's proposals unless it offers the promise of forward progress towards a final settlement. There is no prospect of bringing King Hussein back into negotiations until the principle of territory for peace is accepted. And we continue to believe that an international conference under the auspices of the Five Permanent Members of the UN Security Council offers the best framework for eventual negotiations (Shamir tends to favour a bilateral US/Soviet umbrella).

On the Occupied Territories, you will want to say that while we do not support Palestinian violence, we cannot but disapprove of Israeli policies and practices, in particular the disgraceful action at Nahaleen. The best way to prepare for successful elections in the Occupied Territories is to pursue more enlightened policies.

There are a number of other issues wich you will want to cover in less detail:

- the situation in Lebanon
- Iran/Iraq
- the proliferation of missiles in the Middle East.

There are also several bilateral matters to which he may refer. He may complain about the arms embargo - but should be aware that we have lifted our restrictions on British purcahse of Israeli defence equipment. He may also complain about our refusal to sell gas masks to Israel on grounds that it would have implications for chemical and biological weapons proliferation. (This seems pretty stupid to me, and I suggest you say that you would not rule out sales in future for civil defence purposes.) He may allege we have a embargo on North Sea oil; we maintain - without much credibility - this is not true. He may raise the Arab boycott. Quite a number of these issues could be discussed over dinner.

He will be accompanied during the talks by the Director General of his office. I am told he frequently intervenes and

tends to take an even harder line than Mr. Shamir.

There is very extensive briefing in the folder. It includes telegrams reporting the up to date views of King Hussein, King Fahd, President Mubarak and Secretary Baker. You may like to say to Shamir that we made a special effort to obtain these in advance of his visit so that the discussions can take place on the basis of the most up to date information.

(Fahd's views are particularly worth reading)

C.D.?

(C. D. POWELL)
19 May 1989

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MHSER « Subject: Israel, Prime Minister's Visit, March 1986

FOLLOWING FOR PRIVATE SECRETARY FROM CHARLES POWELL, PRIVATE SECRETARY TO THE PRIME MINISTER

PRIME MINISTER'S VISIT TO ISRAEL: MEETING WITH MR SHAMIR

THE PRIME MINISTER SAW MR SHAMIR THIS EVENING, IN A MEETING LASTING SOME 40 MINUTES. SHAMIR WAS ACCOMPANIED BY KIMCHE, AVNER AND BEN AHARON. THE TONE OF THE MEETING WAS EQUABLE WITH THE PRIME MINISTER MAKING CLEAR THAT SHE WAS INTERESTED IN LISTENING TO MR SHAMIR'S IDEAS ABOUT THE PEACE PROCESS, IN THE EXPECTATION THAT HE WOULD AGAIN BE IN THE LEAD WITHIN THE COALITION IN THE AUTUMN. MR SHAMIR THANKED THE PRIME MINISTER FOR STRESSING IN HER PUBLIC REMARKS THE NEED FOR PEACE WITH SECURITY. THE ISRAELI GOVERNMENT RECOGNISED THE RISKS OF A HIATUS IN DISCUSSIONS ABOUT A SOLUTION TO THE ARAB/ISRAEL PROBLEM AND WAS MAKING EFFORTS TO IMPROVE RELATIONSHIPS WITH ISRAEL'S NEIGHBOURS AND OVERCOME THE DIFFICULTIES. IN PARTICULAR THEY HAD MADE CLEAR THAT THEY WERE READY TO NEGOTIATE WITH KING HUSSEIN WITHOUT ANY PRECONDITION. KING HUSSEIN HIMSELF APPEARED READY FOR THIS, AND THERE WERE PALESTINIAN ARABS WHO WOULD PROBABLY ALSO BE WILLING TO TALK WERE THEY NOT AFRAID OF RETALIATION. BUT THE MAIN OBSTACLE TO PROGRESS WAS THE PLO AND THEIR CONTINUING COMMITMENT TO TERRORISM AND VIOLENCE. THIS LED HIM TO THE CONCLUSION THAT THE ONLY WAY TO MAKE PROGRESS WAS FIRST TO DEAL WITH TERRORISM. ONLY THEN WOULD MODERATE ARABS FEEL FREE TO NEGOTIATE.

SHAMIR CONTINUED THAT THE ISRAELI GOVERNMENT HAD BEEN SHOCKED BY THE DECISION OF THE NETHERLANDS FOREIGN MINISTER TO MEET ARAFAT. IT WAS HARD TO UNDERSTAND THIS MEETING, COMING JUST AT THE TIME WHEN KING HUSSEIN WAS TURNING HIS BACK ON ARAFAT. HE THOUGHT THAT THE EFFECT WOULD BE TO DAMAGE PEACE PROSPECTS AND WEAKEN THE MODERATES. THE PLO WOULD CLAIM THAT THE EUROPEAN COMMUNITY HAD TO COME TO THEM IN ORDER TO CONTRIBUTE TO PEACE.

THE PRIME MINISTER AGREED THAT TERRORISM HAD TO BE DEALT WITH. BUT THIS ALONE WAS NOT ENOUGH. A SERIOUS EFFORT HAD TO BE MADE TO REDRESS JUSTIFIED GREIVANCES. THIS WAS WHY ANY SORT OF VACUUM OR HIATUS IN DISCUSSIONS ABOUT PEACE WERE DANGEROUS. AS REGARDS THE MEETING WITH ARAFAT, THE UNITED KINGDOM HAD MADE CLEAR THAT IT WAS OPPOSED TO SUCH A MEETING. BUT HAD BEEN IN A MINORITY OF ONE. SINCE THERE WERE PRECEDENTS, WE HAD DECIDED NOT TO BLOCK THE MEETING BUT RATHER HAD ATTACHED CONDITIONS TO IT WHICH WE THOUGHT WOULD BE POSITIVELY USEFUL. OUR OWN POSITION ON DEALING WITH THE PLO HAD NOT CHANGED.

THE PRIME MINISTER ASKED HOW TERRORISM COULD MOST EFFECTIVELY BE WEAKENED. MR. SHAMIR SAID THAT BETTER CO-OPERATION BETWEEN ISRAEL AND EUROPEAN SECURITY SERVICES WOULD BE A GREAT HELP. THE UNITED STATE'S ACTION AGAINST LIBYA HAD SHOWN THAT A SHARP BLOW COULD BE EFFECTIVE.

THE PRIME MINISTER ASKED WHAT MR. SHAMIR WOULD LIKE TO SEE FROM THE BRITISH PRESIDENCY OF THE EUROPEAN COMMUNITY. MR. SHAMIR SAID THAT THE BEST WAY FORWARD WOULD BE FOR THE EUROPEAN COMMUNITY TO IGNORE THE PLO AND SUPPORT KING HUSSEIN. HE WOULD ALSO LIKE TO SEE THE COMMUNITY LEND ITS FULL SUPPORT TO IMPLEMENTATION OF HE CAMP DAVID AGREEMENTS. NO BETTER WAY OF MAKING PROGRESS HAD EEN DEVISED. IN SUM WHAT HE WOULD LIKE TO SEE WAS FIRM DIPLOMATIC ND ECONOMIC MEASURES AGAINST STATE-SPONSORED TERRORISM, WITH USE F FORCE IF NECESSARY, COMBINED WITH A RENEWAL OF THE CAMP DAVID ROCESS. THE PRIME MINISTER ASKED HOW PALESTINIAN VIEWS WOULD REPRESENTED IF NOT BY THE PLO. MR. SHAMIR SAID THAT ONCE TERRORISM S DEALT WITH EFFECTIVELY PALESTINIAN POLITICAL PARTIES WOULD -EMERGE.

SHAMIR SAID THAT SYRIA WAS INCREASINGLY CLOSE TO THE SOVIET ON AND SPOKE OPENLY OF MILITARY CONFRONTATION WITH ISRAEL. IA SOUGHT STRATEGIC PARITY IN ORDER TO ACHIEVE THAT. ISRAEL NOT WANT WAR WITH SYRIA THOUGH WAS SURE TO WIN A WAR IF IT URRED.

THE PRIME MINISTER ASKED WHAT SHE SHOULD SAY TO THE PALESTINIANS WHOM SHE WOULD BE MEETING THE FOLLOWING DAY. MR. SHAMIR SAID THAT SHE SHOULD URGE THEM PUBLICLY TO CONDEMN TERRORISM, LEND THEIR FULL SUPPORT TO KING HUSSEIN AND NEGOTIATE WITHIN THE CAMP DAVID FRAMEWORK.

PLEASE ADVANCE TO RESIDENT CLERK (FCO) AND PLEASE COPY AS YOU SEE FIT.

P G DE COURCY-IRELAND

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SHAMIR VISIT: PERES' VIEWS

DURING A CALL ON SHIMON PERES ON 18 MAY I ASKED IF HE HAD ANY THOUGHTS WHICH HE WOULD LIKE RELAYED TO LONDON IN ADVANCE OF THE SHAMIR VISIT.

2. PERES SAID THAT HE SUPPORTED THE ELECTIONS PROPOSAL. THERE WERE THREE IMMEDIATE HURDLES: THE NEED TO ESTABLISH A DIALOGUE WITH THE PALESTINIAN SIDE BEFORE THE ELECTION TO DISCUSS THE DETAILS: THE NEED TO AGREE WITH THEM ON THE PRINCIPLES UNDERPINNING THE ELECTION: AND THE NEED TO AGREE ON PRACTICAL DETAILS AND ARRANGEMENTS FOR THE ELECTION. THE PRESENT AMERICAN TEAM APPEARED TO BE OPTIMISTIC, BUT THEY WERE NEW TO THE GAME AND (BY IMPLICATION) MIGHT BE NAIVE. BUT IF THESE HURDLES WERE SURMOUNTED AND ELECTIONS WERE HELD, THEN THERE WOULD BE A PALESTINIAN ARAB ENTITY IN PLACE, ''AND THAT'S IT''.

3. I BELIEVE THAT THE IMPLICATION OF THIS LAST PHRASE IS THAT PERES, THOUGH SCEPTICAL ABOUT THE CHANCES OF SHAMIR'S PROPOSAL GETTING ANYWHERE, HOPE THAT IT WILL BE MADE ACCEPTABLE TO THE PALESTINIANS BECAUSE THEN THE MOMENTUM WILL BE UNSTOPPABLE.

4. PERES MADE A POINT OF SAYING THAT HE HOPED VERY MUCH TO HAVE AN OPPORTUNITY TO DISCUSS ALL THIS DIRECTLY WITH MRS THATCHER IN THE NEAR FUTURE.

ELLIOTT

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MR MOSS
MR FAIRWEATHER

ADDITIONAL 12

ARAB/ISRAEL

NNNN

Personality Notes to follow

Foreign and Commonwealth Office

CONFIDENTIAL London SW1A 2AH

attached and at brief.

19 May 1989

Dear Charles,

Call by Israeli Prime Minister

Mr Shamir arrives in Britain for his "official working visit" this Sunday, 21 May, and will call on the Prime Minister on 22 May, accompanied by Mr Yosef Ben-Aharon, Director General of the Prime Minister's office. The meeting will be followed by a working supper, to be attended also by the Foreign Secretary, Mr Mark Elliott (HM Ambassador in Tel Aviv), Ambassador Yoav Biran and Mr Avi Pazner, Mr Shamir's Adviser. During his visit Mr Shamir will have separate talks with the Foreign Secretary and a meeting with Mr Kinnock. He will meet leaders of the Jewish community, address a meeting at Guildhall, and meet editors of major British newspapers. Afterwards he leaves, on 24 May, for a visit to Spain.

As Mr Elliott says in his scene-setting telegram (copy enclosed), the visit is timely for Mr Shamir. Having secured a basically sympathetic response from the Americans to his approach to the peace process, he will be looking to enlist British support - valuable to him because of the influence that he hopes can be used primarily in Washington and Amman, but also with the Europeans and Russians. Domestically he is soundly placed, although he may decide not to stand for a further term in the next Parliament (1993).

The Prime Minister may recall that Mr Shamir has a slow style in discussion, which may on this visit be accentuated by his recent short stay in hospital following a fall in his home reportedly caused by strain and overwork. He requires time to formulate his thoughts.

In preparing for the visit it has become clear that Mr Shamir lays great stress on getting the atmosphere right. British friends of Israel have suggested that he has not felt personally welcome in the past. The Israelis have argued hard to ensure that in its externals Mr Shamir's visit resembles very closely that paid by Mr Peres as Prime Minister in January 1986, and have attached importance to the "official working visit" title (Mr Peres came as a Guest of Government). Exceptionally, for a working visit, he will be met at the airport by the Foreign Secretary; and there will be a Ceremonial Lining Party.

UK Objectives

Our aims in the visit will be:

- to stress our commitment to Israel's right to secure existence and to reiterate our friendship for Israel.

- to reassure Mr Shamir that we treat him on the same basis as we did his Labour predecessor.

- to explore Mr Shamir's thinking on the peace process, and to encourage the Israelis to develop their election proposals as part of a process leading to negotiations for a comprehensive settlement based on the principles of land for peace and self-determination for Palestinians.

- to register our strong disapproval of Israeli policy and practices in the Occupied Territories.

- to express disapproval of the continued Israeli presence in southern Lebanon and to remind Mr Shamir of the need to work for withdrawal of the IDF in accordance with SCR 425.

Israeli Objectives

Mr Shamir is likely to aim:

- to be seen as an acceptable interlocutor of British government at the top level and to secure public evidence that our relations are in good repair.

- to gain our understanding of and support for his approach to the Palestinian problem.

- to defend publicly Israeli policy in the Occupied Territories and to discourage British criticism of it.

- to discourage our contacts with the PLO.

- to press for concessions over long running bilateral issues (arms embargo, North Sea Oil, Arab boycott).

Arab/Israel

We expect the major part, if not all, of the meeting with the Prime Minister to be devoted to the peace process. As Mr Elliott's telegram argues, the case for Israeli movement towards accepting the principles of "land for peace" and self-determination for the Palestinians will have to be placed carefully in the context of the future security of the Jewish state. The Prime Minister could introduce this theme by noting that:

- there is urgent need for progress towards a settlement in the face of the regional proliferation of weaponry, including missiles, CW and BW.

- under these circumstances and precisely because of the Arab threat against Israel emphasised by Professor Arens when he called on the Prime Minister on 15 February, the security to which Israel aspires can only be achieved by means of a negotiated settlement.

- Israel has an opportunity now not only to map out a path towards her own development in peace and security, but also to contribute to an overall reduction of tension in the area.

Discussion of the peace process itself should naturally focus on Mr Shamir's proposals for elections in the Occupied Territories, unveiled in outline form during his visit to Washington last month. Fleshed out slightly, those proposals have been approved by the Cabinet, and Professor Arens is now in Washington to present them to the Americans. But they remain barely adequate to maintain forward movement in the peace process, giving concern to the Palestinians particularly over:

- the weak link to final status negotiations,

- the absence of provision for voting by residents of East Jerusalem.

- international supervision

- Israeli withdrawal.

Above all, as Mr Baker has noted, they lack any means to involve Palestinians outside the territories.

The PLO have made clear their opposition to the Israeli plan, but (in style with their new more sophisticated approach) have kept their options open by stopping short of outright rejection. The Prime Minister might urge that, for elections to be made more palatable to the Palestinians, they need to be (and be seen to be) the beginning of a genuine and integral negotiating process. The Palestinians are entitled to know what the elections are for and where they will lead - while accepting that there can be no question of a Palestinian state being guaranteed as the outcome from the start. The Israelis should be able to concede now that the final status negotiations to be held in the interim period should take place on the basis of Security Council Resolution 242 and 338 and Palestinian self- determination. The elections themselves, in other words, cannot be the main issue, but should lead the way towards negotiations. Their

purpose must be to help produce an authoritative Palestinian negotiating team representing Palestinians from both outside and within the Occupied Territories.

On final status, the Prime Minister might note Shamir's claim in Washington that all proposed options could be considered at the negotiations following the transitional period. His remarks since, however, indicate that he is not prepared to contemplate any option which entails ceding territory for peace. The Prime Minister might ask for clarification. It is not for us to advocate any particular result from these negotiations, though we have said that a confederation between a Palestinian state and Jordan is an objective we could support. But, once again, acceptance of SCRs 242 and 338 seems to us to be a sine qua non if the Palestinians are to be convinced that the Israelis are sincere about wanting to reach a durable settlement (and acceptance of SCR 242 means withdrawal from territories occupied in 1967 as part of a peace settlement).

Mr Shamir has insisted that there can be no question of international supervision of the elections, as the Palestinians have requested. This too merits challenging. Could not the well-tried system of monitoring elections by international observers be applied in the Occupied Territories? (The Labour Party thinks it could.) The presence of observers would help to ensure that elections passed off smoothly, and to protect the Israelis from any Palestinian accusations of foul play.

Mr Shamir's proposals naturally make no reference to an International Conference, though he has elsewhere conceded that a final settlement might be brokered by the two super-powers. We wish to avoid this outcome, both because it cuts us out and because it would effectively deliver the Arab side to the Russians. The Prime Minister could recall our view that a conference under the auspices of the Five offers a better prospect of a durable outcome. The Five include some of Israel's best friends; and even the Soviet Union is now playing a more balanced hand than hitherto, slowly upgrading its relations with Israel and helping to restrain the Syrians and Palestinian radicals. There would be no question of a Conference seeking to impose solutions which would be reached in direct negotiations between the various parties. But a conference could serve as an umbrella for these various sets of bilateral negotiations and as a guarantor of the results.

Like Professor Arens in February, Mr Shamir will probably seek our help in re-engaging the Jordanians, perhaps even over broking a meeting between himself and King Hussein. The Israeli initiative as approved by the Cabinet opens with an article on "peace with Jordan". The Prime Minister might reply that the King will certainly be fully involved in a later stage of the peace process, ideally under the umbrella

of a Conference, since there will have to be discussion of Jordanian-Israeli issues in the final status talks, not least on their common border. But we see no prospect at this juncture of persuading the King to step back into the peace process and speak for the Palestinians, or of his being prepared to risk re-incurring the PLO's suspicion by meeting Mr Shamir, let alone making a separate peace.

Mr Shamir may also recall that the Israeli proposals include a multinational effort to solve the refugee problem, and seek our assistance. At this stage there is no call to say anything other than that we expect to play our part, but that it is far too soon to start making specific commitments. As we said at the time when Mr Peres was talking of a Marshall Plan for the Middle East, financial aid on the sort of scale required will have to form part of, not precede, an overall settlement.

Finally, on the peace process, Mr Shamir may seek some assurance (following M Mitterand's meeting with Arafat) that we will not upgrade our relations with the PLO. The Prime Minister could make clear that we believe a continued UK dialogue with the moderate PLO leadership contributes to the peace process, while recalling our position as set out in the House of Commons on 10 May, namely that we are ready to promote further meetings when they can serve a useful purpose, but that meetings should not take place just for the sake of meetings. But we can assure Mr Shamir that we shall continue to oppose attempts by the PLO to gain full membership of 'Palestine' in the UN agencies (as we have done recently in the case of the WHO).

Occupied Territories

The Prime Minister will wish to register our grave disapproval of Israeli policies and practices in the Territories. It will be important for reasons of public and parliamentary presentation to be able to say afterwards that we did so. The Prime Minister might make the following points:

- the recent escalation in violence (not only Arab against Arab, as Mr Shamir may suggest) is deeply disturbing, and underlines the urgent need for progress towards political negotiations.

- the incident at Nahaleen on 13 April (5 Palestinians dead, dozens injured) was especially shocking, in no way justified by Israel's legitimate security concern. We had no choice but to support the General Assembly resolution on 20 April condemning it.

- these decisions are not taken lightly, but we will continue to take them as and when we have to.

- if Mr Shamir wants his elections proposal to prosper, he must encourage confidence-building by more enlightened policies in the Occupied Territories.

Other Regional Issues

On southern Lebanon the Prime Minister might like to remind Mr Shamir that Israeli presence is provocative and destabilising. We have always said that the Israelis should withdraw fully from Lebanon and allow UNIFIL to deploy to the international border in accordance with UNSCR 425.

[Is this really so? Surely it's the Syrian position that is destabilising]

The Israeli nuclear programme is a subject of considerable concern. The Government have pressed Israel on many occasions to accede to the Non-Proliferation Treaty (NPT). The Foreign Secretary has corresponded on the subject with Mr Peres (then Israeli Foreign Minister) in 1988, and raised it at a meeting with Professor Arens in February of this year. The Israelis continue to reject the NPT, but as a depository power we should use the opportunity to mention the question at the highest level.

The Prime Minister might ask Mr Shamir for his views on the latest round of Iran/Iraq settlement talks - we see few signs of progress although both sides still appear to want peace.

In the context of discussion of Soviet/Israeli relations, the Prime Minister might give Mr Shamir her impressions of Mr Gorbachev's visit to the UK and in particular of the line he took on Israel and the Middle East. Mr Gorbachev commented that it was no longer a question whether the Russians would restore relations with Israel, only when they would do so. He acknowledged Israel's right to feel sure of its security and the need to persuade Arab states to take a constructive approach. The Russians, however, still seem to see restoration of relations as part of an overall process including an International Conference - an approach which Israel might well reject as imposing unacceptable conditions. The Prime Minister may wish to underline our continuing concern at the problems facing Soviet Jewry particularly those wishing to leave the USSR. We raise these with the Russians at every suitable opportunity and have seen some encouraging signs recently on emigration (old cases such as Samoilovich resolved; new applications generally getting exit visas with few difficulties). But hundreds of long-standing refuseniks remain: we will not let up until this problem has been resolved once and for all.

Bilateral Questions

The Israelis are likely to raise a number of specific bilateral issues, in response to which the Prime Minister may

like to make the following points:

- Arms Embargo. This was imposed in direct response to the 1982 invasion of Lebanon. It is still linked to Israeli presence and actions in Lebanon, for which there continues to be damaging media publicity. But Mr Shamir will be aware that we have lifted our restrictions on British purchases of Israeli defence equipment.

- Gas Masks. 'The Mail on Sunday' of 7 May criticised the Government's refusal to sell gas masks to Israel. There have, however, been no approaches since 1987, when we turned down an informal request after very careful consideration because of its possible implications for chemical and biological weapons proliferation. The Prime Minister might like to tell Mr Shamir that we would consider any further application on its merits and would not necessarily rule out future sales for civil defence purposes, particularly for children.

- North Sea Oil. There is no such thing as an embargo on the sale of North Sea oil. Since 1979 we have sold oil only to EC and IEA partners and certain other existing traditional markets. It is not a policy directed at anyone, but merely prudent energy cooperation.

- Arab Boycott. We deplore the Arab Boycott, which lacks both international support and authority. It is essentially a political problem to be resolved in the context of an overall comprehensive Middle East peace settlement. But UK firms must use their judgement in determining their own approach to the boycott. Anti-boycott legislation on the US model would not be in the British interest. The boycott will evaporate if peace negotiations make progress.

Tactics

The Prime Minister may find Mr Shamir a bit on edge, at least at the start of the conversation. Given that some frank speaking will have to be done, it may help to draw him out on easy ground, for example on Eastern Europe (he has recently visited Hungary) or Soviet Jewry. You should also be aware that Ben Aharon wishes to take an active part in such talks; he sometimes takes an even harder line than his master.

The above takes account of Saudi, Jordanian and US views, which we sought as requested in your letter of 12 May. We do not yet have a read-out from Rabat or Cairo, but Mr Adams was to see President Mubarak on 18 May. Copies of the relevant telegrams are also attached. [no reading Rabat and Cairo just received]

Press handling of the Prime Minister's talks with Mr Shamir will require careful thought. It should seek to deal with, in advance, the common Israeli tactic of wedge-driving between the Prime Minister and the Foreign

Office. The statement following the talks should be robust. It should indicate (we hope) agreement on the need for progress towards a comprehensive peace settlement whilst underlining our concern that much yet remains - on the Israeli side - to be done. It should cover discussions on the Shamir election proposals which we see as a useful, though limited, step forward, our concern over Israeli policies and actions in the Occupied Territories and bilateral issues.

I am copying this letter to Trevor Woolley (Cabinet Office).

Yours,
Stephen Wall

(J S Wall)
Private Secretary

C D Powell Esq
10 Downing Street

SHAMIR, YITZHAK

Prime Minister since October 1986. Leader of the Likud political block.

Born Eastern Poland 1915. Education: Hebrew Gymnasia, Bialystok, Poland; at an early age joined Betar (Revisionist Youth Movement). Began to study law at Warsaw University. Immigrated to Israel 1935. Studied briefly at Hebrew University of Jerusalem until he moved to Tel Aviv. Joined Irgun Zvai Leumi 1937. In 1940–41 after the split in the Irgun he joined Lehi (the Stern Gang), where he was active until the establishment of the State. After Stern's death, became one of the leaders (possible Chief Operations Officer) of Lehi. Arrested twice – 1941 and 1946, and escaped twice. After the second escape through Eritrea fled through Ethiopia to Djibouti, where he was granted political asylum by the French. Arrived in Israel May 1948. Until 1955 said he was not active in public life, but was probably working for Mossad. Served in Mossad from 1955–65: then he went into private business. Joined Herut in 1970. Elected to Knesset for Herut in 1973. Speaker of the Knesset from 1977–80. Prime Minister 1983–84. Foreign Minister and Deputy Prime Minister in the Government of National Unity 1984–86.

He is said to have been one of the signatories of the "death warrants" for the political murders of both Lord Moyne and Count Bernadotte, as well as for the revenge killing of the 2 British sergeants hanged in the orange groves of Netanya. He will not discuss the subject.

Though less strident and less polished than Begin in presenting his views, Shamir is no less a hawk. He abstained in the Camp David vote in 1978 and is committed to Begin's settlement policies. He was something of a compromise candidate for Prime Minister in the turmoil surrounding Begin's resignation in 1983 and was widely considered a stop-gap. But he soon got his feet firmly under the table and, though he faces challenges from party rivals following his deal with Labour in forming the national unity government, he will prove difficult to budge as Herut party leader. His strength lies in his ability to run a team, and to take and stick to coolly-thought-out decisions. Said to have iron nerves, but not a man to take unnecessary risks. Is likely to lead Likud at the next election, despite his age.

Good (and improving) English. His wife comes from Bulgaria. She was twice imprisoned by the British in the Mandate period. Two children.

SHULAMIT SHAMIR

Shulamit Shamir, wife of Prime Minister Yitzhak Shamir, was born in Sofia, Bulgaria, where she received her formal education. She was a member, as well as a leader, in the Beitar youth movement.

In 1941, Shulamit embarked for Palestine, as an "illegal" immigrant, aboard the last ship to leave Europe, on the same day that the German army invaded Bulgaria. After a month on the high seas, the vessel was seized by British forces, who transferred its immigrant-passengers to a camp at Atlit, near Haifa. Shulamit remained in this camp for over a year.

Upon her departure from Atlit, Shulamit joined the Jewish underground, where she met and, later, married Yitzhak Shamir. When their son was a year-and-a-half old, Mr Shamir was arrested by the British and sent to a detention camp in Britrea (Ethiopia), from which he subsequently escaped to France.

In 1947 Mrs Shamir was arrested, in the streets of Jerusalem, by a British secret service agent, and held in prison until 1 May 1948. During this time, the Shamirs' baby son was cared for by friends. While in prison, Mrs Shamir went on an 11-day hunger-strike in an attempt to obtain her release - or at least the privilege of having her baby with her; however, these requests were not granted. When she was reunited with her son after her release, the child did not recognise his mother.

It was only when her husband returned to Israel at the end of May 1948 that the family was reunited and began living a normal life in the newly-dependent State. In 1949 Mrs Shamir gave birth to a daughter. The son and daughter are both married and the Shamirs have five grandchildren.

Mrs Shamir has devoted herself, through the years, to social and humanitarian activities of various kinds, but has not been active in politics.

Mrs Shamir is Chairperson of the Israel Council of the Aged and Chairperson of the Board of Trustees of Assaf-Harofeh Hospital.

She helped bereaved families and served as family counsellor in her neighbourhood "Open Door" programme. On innumberable occasions she gave help and encouragement to people with problems who came to her for advice.

YOSEF H BEN-AHARON

Yosef Ben-Aharon was born in Jerusalem in 1932. Soon after his birth, his family moved to Port Said, Egypt, where he went to school until 1947. In that year, his family returned to Jerusalem, where he joined the Haganah and served as a Signals Corps operator. After completing his military service, he resumed his studies at the Hebrew University of Jerusalem and majored in Arabic and Middle East History.

In 1956, Mr Ben-Aharon joined the Foreign Service. He served in Ranyoon, Burma in 1961 and subsequently was appointed to Washington as Counsellor for Political Affairs. He returned to Jerusalem in 1973 and was transferred to the Prime Minister's Office, where he became Assistant for Political Affairs under Golda Meir and Yitzhak Rabin.

In the summer of 1976, Mr Ben-Aharon was reassigned to the Foreign Ministry and appointed Deputy Consul-General in New York. In this position, he was responsible for relations with the American Jewish organisations. He toured the US a number of times and lectured extensively on Israel and the Middle East.

Upon termination of his tour of duty in New York, Mr Ben-Aharon was appointed Director of Arab Affairs at the Foreign Ministry.

In January 1981, Mr Ben-Aharon was appointed Director of the Foreign Minister's Bureau. When Mr Shamir became Prime Minister in September 1983, Mr Ben-Aharon was appointed Adviser on Policy Affairs to the Prime Minister. He continued to hold this position after the establishment of the Government of National Unity in September 1984, and simultaneously became Deputy Director General of the Ministry of Foreign Affairs. When Mr Shamir became Prime Minister in 1986, he appointed Mr Ben-Aharon Director General of his office.

Mr Ben-Aharon is married and has five daughters.

AVI PAZNER

He spent his childhood in Geneva, Switzerland during World War II, and came with his parents to Israel in 1953.

In Jerusalem he studied at Gymnasia Rechavia, and after finishing his high school studies he served in the tank corps of the Iraeli Army from 1956-1959.

In 1960 he started his studies in Economics, Political Science, and International Relations at the Hebrew University of Jerusalem, and graduated in 1964.

In 1965 he joined the Foreign Service and served as Second Secretary in the Central African Republic from 1967-1969, and as First Secretary in Kenya from 1969-1971.

In 1971 he was attached to the press department of the Foreign Ministry in Jerusalem, and was named Deputy Foreign Ministry Spokesman in 1973, and served as the spokesman for the Israeli Delegation at the peace talks in Geneva.

In 1974 he was named Counsellor for Press at the Israeli Embassy in Washington, where he served until his return to Israel in 1981, when he was named Spokesman for the Foreign Minister in Jerusalem. He served in this capacity until 1986, when he was asked by Prime Minister Shamir to join him as his Media and Communications Adviser at the Prime Minister's Office.

In his different capacities as Spokesman and Media Adviser, Mr Pazner participated in all of Israel's major events of the 1970's and 1980's, starting from Yom Kippur War in 1973, the peace conference in Geneva in 1974, the peace process with Egypt, including Camp David, from 1977-79, the negotiations following the war in Lebanon in 1982-1983, and up to the present.

Mr Pazner is married since 1962 to his wife Marty (nee Kemper) and has three children, Irit, Sharon and Itai.

YOSEF ACHIMEIR

Born in Jerusalem, 1943.

Graduate of the Tel Aviv University in Political Science and History of the Middle East.

1966-1969: Member of the editorial staff of "Hayon", the Likud newspaper.

1969-1984: Member of the editorial staff of the "Ma'ariv" newspaper Columnist, news editor and editor of books.

Member of the Central Council of the Likud Party.

From 1984 Assistant to the Prime Minister, Yitzhak Shamir. Deputy media adviser to the Prime Minister; political spokesman.

Married and father of two daughters.

ZVI HARRY HURWITZ

Zvi Harry Hurwitz is the Adviser to the Prime Minister of Israel, Mr Yitzhak Shamir, on World Jewry. He served in the same capacity in the Adminstration of Prime Minister Begin.

Prior to that he was Adviser on External Information to Prime Minister Menachem Begin and in the years 1980 to 1983 he represented Israel abroad as Minister of Information at the Embassy of Israel in Washington DC.

Zvi Harry Hurwitz was born in Libau, Latvia, from where the family moved to Johannesburg, South Africa. He grew up and was educated in South Africa, eventually becoming one of the leaders of the South African community.

For many years he was the Editor of the Jewish Herald, a leading weekly newspaper. He was General Secretary and later Chairman of the South African Zionist Federation. From 1956 to 1978 he served as a Member of the Actions Committee of the World Zionist Organisation.

He is well known in the English-speaking world as a journalist, author, broadcaster and speaker.

JAKOBOVITS, Rabbi Sir Immanuel, Kt 1981; Chief Rabbi of the United Hebrew Congregations of the British Commonwealth of Nations, since 1967; *b* 8 Feb. 1921; *s* of Rabbi Dr Julius Jakobovits and Paula (*née* Wreschner); *m* 1949, Amelie Munk; two *s* four *d*. *Educ:* London Univ. (BA; PhD 1955; Fellow, UCL, 1984–; Hon. Fellow, QMC, 1987); Jews' Coll. and Yeshivah Etz Chaim, London. Diploma, 1944; Associate of Jews' Coll. Minister: Brondesbury Synagogue, 1941–44; SE London Synagogue, 1944–47; Great Synagogue, London, 1947–49; Chief Rabbi of Ireland, 1949–58; Rabbi of Fifth Avenue Synagogue, New York, 1958–67. Hon. DD Yeshiva Univ., NY, 1975; Hon. DLitt City, 1986; DD Lambeth, 1987. *Publications:* Jewish Medical Ethics, 1959 (NY; 4th edn 1975); Jewish Law Faces Modern Problems, 1965 (NY); Journal of a Rabbi, 1966 (NY), 1967 (GB); The Timely and the Timeless, 1977; If Only My People ... Zionism in My Life, 1984; contrib. learned and popular jls in America, England and Israel. *Address:* Adler House, Tavistock Square, WC1. *T:* 01–387 1066.

CHINN, Trevor Edwin; Chairman, since 1973 and Chief Executive, since 1987, Lex Service PLC (Managing Director, 1968–86); *b* 24 July 1935; *s* of Rosser and Susie Chinn; *m* 1965, Susan Speelman; two *s*. *Educ:* Clifton Coll.; King's Coll., Cambridge. Director: Lex Service, 1959–; Allied Insurance Brokers Gp, 1984–; Rock plc, 1986–. Member: Council, Centre for Business Strategy, London Business Sch., 1983–; Court of Govs, Royal Shakespeare Theatre, 1982–; Bd of Govs, Jewish Agency. Pres., Joint Israel Appeal. Trustee, Duke of Edinburgh's Award Scheme, 1979–. Chief Barker, Variety Club of GB, 1977, 1978. *Address:* Lex House, 17 Connaught Place, W2 2EL. *T:* 01–723 1212.

KOPELOWITZ, Dr (Jacob) Lionel (Garstein), JP; General Medical Practitioner, since 1953; *b* 9 Dec. 1926; *s* of Maurice and Mabel Kopelowitz; *m* 1980, Sylvia Waksman (*née* Geller). *Educ:* Clifton Coll., Bristol; Trinity Coll., Cambridge (MA 1947); University Coll. Hosp. London. MRCS, LRCP 1951; MRCGP 1964. Resident MO, London Jewish Hosp., 1951–52; Flying Officer, RAF Med. Branch, 1952–53. Member: General Medical Council, 1984–; General Optical Council, 1979–; Standing Med. Adv. Cttee, DHSS, 1974–78; British Medical Association: Fellow, 1980; Mem. Council, 1982–; Chm., Newcastle Div., 1968–69; Pres., Northern Regional Council, 1984–; Mem., Gen. Med. Services Cttee, 1971– (Past Chm., Maternity Services Sub-Cttee); Chm., Central Adv. Cttee, Deputising Services, 1980–; Dep. Chm., Private Practice Cttee, 1972–. President: Board of Deputies of British Jews, 1985–; European Jewish Congress, 1986–; Mem., then Pres., numerous med. bodies and Jewish organisations, UK and overseas. Liveryman, Apothecaries' Co., 1969. JP Northumberland, 1964. *Publications:* articles in med. jls; contrib. to Med. Annual. *Recreations:* foreign travel, contract bridge. *Address:* 41 Montagu Court, Montagu Avenue, Newcastle upon Tyne NE3 4JL. *T:* Tyneside 853230; (office) Woburn House, Upper Woburn Place, WC1H 0EP. *T:* 01–387 3952. *Club:* Athenæum.

MAXWELL, (Ian) Robert; MC 1945; Chairman, Mirror Group Newspapers Ltd (publisher of Daily Mirror, Daily Record, Sunday Mail, Sunday Mirror, The People, Sporting Life, Sporting Life Weekender, since 1984, and of the London Daily News, 1987); Founder and Publisher, Pergamon Press, Oxford, New York and Paris, since 1949; Publisher, China Daily in Europe, since 1986; Chairman: British Printing & Communication Corporation (formerly BPC) plc, since 1981; British Cable Services Ltd (Rediffusion Cablevision), since 1984; Chairman and Chief Executive, British Newspaper Printing Corporation plc, since 1983; Director: SelecTV, since 1982; Hollis plc, since 1982; Central Television plc, since 1983; The Solicitors' Law Stationery Society plc, since 1985; Mirrorvision, since 1985; Clyde Cablevision Ltd, since 1985; Premiere, since 1986; Philip Hill Investment Trust, since 1986; Reuters Holdings plc, since 1986; *b* 10 June 1923; *s* of Michael and Ann Hoch; *m* 1945, Elisabeth (*née* Meynard); three *s* four *d* (and one *s* one *d* decd). *Educ:* self-educated. Served War of 1939–45 (MC). In German Sect. of Foreign Office (Head of Press Sect., Berlin), 1945–47. Chairman: Robert Maxwell & Co. Ltd, 1948–86; Pergamon Media Trust plc, 1986–; MTV Europe, 1987–; Maxwell Communications Inc., NY, 1987–; Director: TF1, 1987–; Agence Centrale de Presse, 1987–; Maxwell Media, 1987–. Chm., Commonwealth Games (Scotland 1986) Ltd, 1986; Pres., European Satellite Television Broadcasting Consortium, 1986–. MP (Lab) Buckingham, 1964–70. Chm., Labour Nat. Fund Raising Foundn, 1960–69; Chm., Labour Working Party on Science, Govt and Industry, 1963–64; Mem., Council of Europe (Vice-Chm., Cttee on Science and Technology), 1968. Contested (Lab) Buckingham, Feb. and Oct. 1974. Treasurer, The Round House Trust Ltd (formerly Centre 42), 1965–83; Chairman: Media Cttee, NSPCC Centenary Appeal (1984), 1984; GB-Sasakawa Foundn, 1985–; Nat. Aids Trust fundraising gp, 1987–. Dir, Bishopsgate Trust, 1984–. Chairman: Oxford Utd FC, 1982–87; Derby County FC, 1987–. Kennedy Fellow, Harvard Univ., 1971. Hon. Mem., Acad. of Astronautics, 1974; Member: Club of Rome, 1979– (Exec. Dir, British Gp); Council, Newspaper Publishers' Assoc., 1984–; Senate, Leeds Univ., 1986–; Bd of Trustees, Polytech. Univ. of NY, 1987–. Co-produced films: Mozart's Don Giovanni, Salzburg Festival, 1954; Bolshoi Ballet, 1957; Swan Lake, 1968; Producer, DODO the Kid from Outer Space (children's TV series), 1968. Hon. DSc Moscow State Univ., 1983; Hon. Dr of Science, Polytech. Univ. of NY, 1985. Royal Swedish Order of Polar Star (Officer 1st class), 1983; Bulgarian People's Republic Order Stara Planina (1st class), 1983; Comdr, Order of Merit with Star, Polish People's Republic, 1986. Gen. Editor, Leaders of the World series, 1980–. *Publications:* The Economics of Nuclear Power, 1965; Public Sector Purchasing, 1968; (jt author) Man Alive, 1968. *Recreations:* chess, football. *Address:* Headington Hill Hall, Oxford OX3 0BB. *T:* Oxford 64881; 01-353 0246.

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YOUR TELNO 151 TO AMMAN: SHAMIR'S VISIT: PRESIDENT MUBARAK'S VIEWS

SUMMARY

1. MUBARAK ANXIOUS THAT SHAMIR ACCEPTS LAND FOR PEACE IN ADVANCE OF NEGOTIATIONS. ELECTIONS IN OCCUPIED TERRITORIES ACCEPTABLE IF PART OF A COMPREHENSIVE SETTLEMENT AND NOT MERELY A PLOY TO PLAY FOR TIME. SHAMIR SHOULD NOT PLACE UNACCEPTABLE CONDITIONS ON POLITICAL AFFILIATIONS OF CANDIDATES. MUBARAK SCEPTICAL ABOUT ROLE OF OVERSEAS PALESTINIANS EXCEPT PERHAPS THAT OF ARAFAT.

DETAIL

INTRODUCTION

2. I SAW PRESIDENT MUBARAK FOR 20 MINUTES THIS MORNING, 18 MAY, AT CAIRO AIRPORT DURING THE HALF-HOUR GAP BETWEEN THE DEPARTURE OF THE RULER OF BAHRAIN AND THE ARRIVAL OF THE SULTAN OF OMAN. (THE ONLY OTHER PERSON PRESENT, UNTIL THE FOREIGN MINISTER JOINED US TOWARDS THE END, WAS DR MUSTAPHA FIKKI WHO TOOK A RECORD.) I SAID THE PRIME MINISTER WOULD BE GRATEFUL TO THE PRESIDENT FOR SEEING ME IN SUCH A BUSY WEEK OF IMPORTANT VISITS AND PREPARATION FOR A HISTORIC SUMMIT. MRS THATCHER WOULD HOWEVER FIND IT HELPFUL TO HAVE HIS LATEST VIEWS ON THE PEACE PROCESS AND PARTICULARLY HIS ADVICE ON HOW SHE SHOULD APPROACH SHAMIR, AS WELL AS MUBARAK'S REACTIONS TO THE RECENTLY ELABORATED ISRAELI PEACE PLAN/PROPOSALS FOR OCCUPIED TERRITORY ELECTIONS. I ADDED THAT UNLIKE SEVERAL OTHER ISRAELI LEADERS, SHAMIR WAS SOMETHING OF AN UNTESTED QUANTITY IN LONDON, BUT HE WAS THE LEADER WE ALL HAD TO DEAL WITH AT PRESENT.

SHAMIR

3. MUBARAK SAID HE FEARED THAT SHAMIR WAS INCAPABLE OF TAKING A POSITIVE DECISION. HE HOPED HE WAS WRONG BUT HE WAS PESSIMISTIC ABOUT THE POSSIBILITY OF DOING BUSINESS WITH HIM.

ON THE OTHER HAND HE HAD FORMED A RELATIVELY FAVOURABLE IMPRESSION OF ARENS.

ELECTIONS IN THE OCCUPIED TERRITORIES

4. THE PRESIDENT THEN MENTIONED ELECTIONS. IT WOULD BE HELPFUL IF THE PRIME MINISTER COULD TAKE A VIEW ON WHETHER SHAMIR REGARDED SUCH ELECTIONS SIMPLY AS A SELF-CONTAINED END, AS AN EXCUSE FOR NOT TAKING FUNDAMENTAL DECISIONS AND AS A MEANS OF PLAYING FOR TIME. IN MUBARAK'S VIEW ELECTIONS COULD BE USEFUL BUT ONLY IF THEY WERE AN INTEGRAL PART OF A COMPREHENSIVE SETTLEMENT. SHAMIR SHOULD BE PRESSED TO ACCEPT THAT.

ISRAELI PEACE PLAN

5. MOVING TO THE ISRAELI PEACE PLAN AS A WHOLE, MUBARAK SAID THAT EGYPT WAS IN QUOTES A WAITING POSITION END QUOTES. IT WOULD BE HELPFUL IF THE PRIME MINISTER COULD PRESS SHAMIR TO MAKE THE PLAN LESS VAGUE. FOR EXAMPLE IT DID NOT MENTION THE RIGHT OF PALESTINIAN SELF-DETERMINATION NOR (A VITAL POINT) THE PRINCIPLE OF LAND FOR PEACE. IF SOME ELEMENTS FROM THE PLO WERE ELECTED, WOULD SHAMIR TRY TO EXCLUDE THEM? SUCH POINTS NEEDED CLEARING UP NOW. IN SOME WAYS THE PLAN WAS LESS SATISFACTORY THAN THE CAMP DAVID DOCUMENTS. MUBARAK FEARED THAT THE PLAN MIGHT ONLY BE SOMETHING DRAWN UP TO GLOSS OVER POLITICAL DIFFERENCES WITHIN ISRAEL THOUGH HE ALSO AGREED WITH MY DESCRIPTION OF IT (BORROWED FROM SECRETARY BAKER: WASHINGTON TELNO 1367) AS A FIRST NEGOTIATING POSITION. I SAID THAT HMG AGREED STRONGLY THAT ISRAELI ACCEPTANCE OF THE PRINCIPLE OF LAND FOR PEACE WAS A PRE-CONDITION FOR NEGOTIATIONS.

OBSTACLES TO MUBARAK/SHAMIR MEETING

6. AT THIS POINT MUBARAK RECALLED THA AS EARLY AS JANUARY HE HAD INDICATED THAT HE WOULD GO HIMSELF TO ISRAEL IF IT MADE A CONTRIBUTION TO A PEACE SETTLEMENT. HE SEEMED TO THINK THAT THIS WAS ALSO THE POSITION OF PRESIDENT BUSH. UNFORTUNATELY SHAMIR HAD INDICATED WITHIN A FEW DAYS OF MUBARAK'S ANNOUNCEMENT THAT HE WAS FUNDAMENTALLY OPPOSED TO AN INTERNATIONAL CONFERENCE AND INDEED NOT PREPARED TO MAKE ANY PRIOR CONCESSIONS. WHEN HE WAS IN WASHINGTON IN MARCH HE HAD AGAIN BEEN PRESSED TO MEET SHAMIR BUT CONTACTS IN THE AMERICAN JEWISH COMMUNITY HAD ADMITTED TO HIM THAT THE ISRAELI PRIME MINISTER WAS NOT PREPARED TO MAKE ANY CONCESSION WHICH COULD FACILITATE SUCH A MEETING.

THE PALESTINIANS AND THE NEGOTIATIONS

7. I TRIED TO GET PRESIDENT MUBARAK TO REACT TO HMG'S VIEW THAT IT MIGHT BE UNREALISTIC AT THIS STAGE TO GET THE ISRAELIS TO NEGOTIATE DIRECT WITH THE PLO. AS, THE PRIME MINISTER HAD SAID IN HER LATEST MESSAGE TO HIM, THEY WERE NEVERTHELESS BEGINNING TO REALISE THAT THEY WOULD HAVE TO NEGOTIATE WITH PALESTINIANS WHO HAD THE PLO'S APPROVAL. I ADDED THE THOUGHT THAT THE PALESTINIAN NEGOTIATORS SHOULD BE DRAWN FROM ELEMENTS OUTSIDE AS WELL AS INSIDE THE OCCUPIED TERRITORIES. MUBARAK AVOIDED GIVING AN ANSWER ON THE POINT OF NEGOTIATING DIRECT WITH THE PLO. HE PERSONALLY FELT, HOWEVER, THAT WE SHOULD ALL DO OUR BEST NOT TO INSIST TOO MUCH ON THE INCLUSION OF ELEMENTS FROM OUTSIDE THE OCCUPIED TERRITORIES. THIS WAS A MATTER FOR THE PALESTINIANS TO SORT OUT FOR THEMSELVES. HE ALSO RECALLED ISRAELI FEARS ABOUT QUOTE THE RIGHT OF RETURN END QUOTE. HIS OWN VIEW WAS THAT THE LEADERS OF THE UPRISING WERE UNLIKELY TO ACCEPT ANY OF THE PLO EXECUTIVE COMMITTEE AS THEIR SPOKESMEN WITH THE EXCEPTION OF ARAFAT, WHOM HE WISHED TO COMMEND TO THE PRIME MINISTER AS FAR AND AWAY THE MOST MODERATE PLO LEADER. HE SPOKE AT LENGTH AND WITH CONTEMPT ABOUT WEALTHY PLO EXILES WHO HAD NO FUTURE IN A PALESTINIAN ENTITY. AS USUAL HE MADE NEGATIVE REFERENCES TO KADDOUMI. KADDOMI AND OTHER EXECUTIVE COMMITTEE MEMBERS WERE RESPONSIBLE FOR THE TROUBLE IN THE W.H.O. AT THIS POINT THE PRESIDENT SUMMONED INTO THE ROOM HIS FOREIGN MINISTER (ABDUL MAGID) TO JOIN THE DISCUSSION.

PALESTINIAN STATE/CONFEDERATION

8. I SAID THAT HMG DID NOT REGARD IT AS HELPFUL TO SPEAK OF A PALESTINIAN STATE AND WE WERE GRATEFUL TO PRESIDENT MUBARAK FOR HIS ADVOCACY OF A CONFEDERATION WITH JORDAN. PRESIDENT MUBARAK SAID HE TRIED HARD NOT TO SPEAK ABOUT AN QUOTE INDEPENDENT UNQUOTE PALESTINIAN STATE BECAUSE HE DID NOT BELIEVE IN IT. THERE WOULD HAVE TO BE A CONFEDERATION WITH JORDAN AND KING HUSSEIN AGREED WITH THIS, THOUGH HE WOULD NOT SAY SO NOW. OF COURSE THE PALESTINIANS NOW STRESSED THE SEPARATE STATUS OF THEIR QUOTE STATE UNQUOTE, BUT THEY WOULD ACCEPT A CONFEDERATION IN THE COURSE OF NEGOTIATIONS IF THESE WERE GOING WELL ON OTHER FRONTS.

ISRAELI'S FUTURE IN THE REGION

9. MUBARAK THOUGHT THE PRIME MINISTER SHOULD STRONGLY URGE SHAMIR NOT TO FEAR PEACE SINCE (ALTHGH MUBARAK WOULD NOT WISH TO BE QUOTED ON THIS) ISRAEL WOULD GAIN ENORMOUSLY. EGYPT BADLY NEEDED MORE ISRAELI TECHNICIANS FOR HER AGRICULTURE AND THE NEED FOR ISRAELI EXPERTISE EXISTED THROUGHOUT THE

MIDDLE EAST.

ARAB SUMMIT

10. AS THE CONVERSATION WAS DRAWING TO ITS END I CONGRATULATED MUBARAK ON THE SCENARIO FOR THE CASABLANCA SUMMIT. EGYPT HAD NOT CHANGED HER POLICY BUT ALL THE ARABS HAD COME BACK TO HER. MUBARAK SAID THAT ASAD OF SYRIA HAD MADE STATEMENTS THAT IT WAS EGYPT WHICH HAD CHANGED HER POLICY BUT OF COURSE THIS WAS ONLY FOR SYRIAN INTERNAL CONSUMPTION.

EGYPTIAN FOREIGN MINISTER'S VISIT TO LONDON

11. IN CONCLUSION I SAID THAT YOU AND THE PRIME MINISTER WOULD LOOK FORWARD TO CONTINUING THIS DISCUSSION WHEN DR ABDUL MAGID VISITED LONDON FROM 4-7 JUNE. MUBARAK NODDED BUT IN OBTAINING CONFIRMATION OF THESE DATES FROM ABDUL MAGID, ALSO LEARNT, APPARENTLY FOR THE FIRST TIME, THAT THE LATTER WAS THINKING OF VISITING 4 SCANDINAVIAN COUNTRIES AFTER LONDON. THIS APPEARED TO UPSET THE PRESIDENT AND THEY WERE STILL ARGUING ABOUT IT AS I LEFT THEM.

COMMENT

12. PRESIDENT MUBARAK WAS CLEARLY PLEASED TO HAVE BEEN ASKED TO ADVISE THE PRIME MINISTER. AS USUAL MOST OF HIS COMMENTS WERE SHREWD AND PRAGMATIC, IF LACKING IN NUANCE. IF THE PRIME MINISTER DECIDES TO SEND A MESSAGE TO THOSE HEADS OF STATE WE HAVE CONSULTED AFTER HER TALKS WITH MR SHAMIR, I AM SURE MUBARAK WILL BE GRATIFIED. IT WOULD BE HELPFUL IF THERE COULD BE A REFERENCE TO HIS TALK WITH ME AS HE RARELY SEES NON-ARAB AMBASSADORS ALONE, AND THIS WAS AN EXCEPTIONALLY BUSY WEEK FOR HIM.

13. ON LEAVING THE BUILDING I WAS ASKED BY EGYPTIAN JOURNALISTS FOR A PRESS STATEMENT. I SIMPLY SAID THAT I HAD BEEN GRATEFUL FOR PRESIDENT MUBARAK'S LATEST VIEWS ON THE PEACE PROCESS. I HAVE SINCE REPEATED THE SAME LINE TO REUTERS.

ADAMS

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HD/NEWS
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INFO IMMEDIATE JERUSALEM, TUNIS

Bob

YOUR TELNO 151 TO AMMAN

ARAB/ISRAEL

SUMMARY

1. KING HASSAN HAS NOTHING TO ADD TO HIS MESSAGE SENT VIA GENERAL KADIRI. OFFERS TO SEND ANOTHER MESSENGER TO BRIEF THE PRIME MINISTER, FOLLOWING THE CASABLANCA SUMMIT (23-4 MAY).

DETAIL

2. BECAUSE OF MFA PRE-OCCUPATION AT A SENIOR LEVEL WITH THE CASABLANCA SUMMIT, AND BECAUSE THE SUBJECT MATTER HAD BEEN DEALT WITH BY HIM BEFORE, I REQUESTED A CALL ON GENERAL KADIRI, TO WHOM I WAS ABLE TO PUT NO 10'S REQUEST ON 16 MAY. I WAS CALLED TO SEE KADIRI AGAIN TODAY, 17 MAY.

3. KADIRI TOLD ME HE HAD SEEN THE KING STRAIGHT AWAY. HE ASKED ME TO PASS ON THE KING'S GREETINGS TO MRS THATCHER, AND HIS THANKS FOR THE OPPORTUNITY TO COMMENT BEFORE HER MEETING WITH MR SHAMIR. HOWEVER, AS THE KING HAD NOT MET WITH THE PLO LEADERSHIP SINCE GENERAL KADIRI'S CALL AT NO 10, THERE WAS NOTHING OF SUFFICIENT SUBSTANCE TO ADD TO THE VIEWS THAT HE HAD SENT TO MRS THATCHER THEN. BUT HE DID WANT TO REAFFIRM THE IMPRESSION OF MR SHAMIR WHICH HE HAD ALREADY GIVEN TO MRS THATCHER, NAMELY THAT SHAMIR WAS NOW TOO SET IN HIS VIEWS TO CHANGE, AND THAT NOTHING SHOULD BE EXPECTED OF HIM. HIS PARTY MIGHT HAVE A ROLE TO PLAY, BUT IT WOULD BE THROUGH A NEW GENERATION OF LEADERS. AS FOR SHAMIR'S PROPOSAL FOR ELECTIONS, THE PLO HAD NOW MADE THEIR REJECTION PUBLIC. KADIRI BRUSHED ASIDE ANY SUGGESTION THAT THE PLO REJECTION SHOULD NOT BE TAKEN AT FACE VALUE.

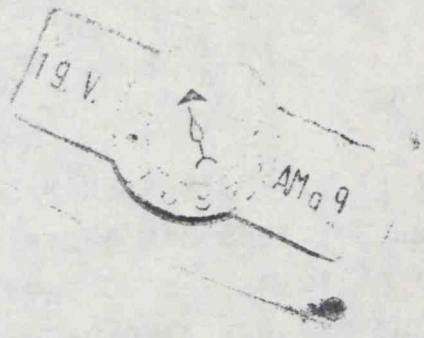
CONFIDENTIAL/DEDIP

4. KADIRI —/

4. KADIRI THEN SAID THAT IF IT WOULD INTEREST THE PRIME MINISTER, THE KING WOULD BE WILLING TO SEND HER A MESSENGER AFTER THE CASABLANCA SUMMIT TO GIVE HER HIS MOST UP TO DATE READING OF THE SITUATION, AND TO INFORM HER OF THE OUTCOME OF THE SUMMIT. I SAID I WOULD PASS THIS MESSAGE ON, AND THAT I WAS SURE THE PRIME MINISTER WOULD BE INTERESTED TO HAVE THE KING'S VIEWS AFTER THE CASABLANCA SUMMIT.

PEASE

LIMITED
HD/NENAD
HD/NAD
HD/MED
HD/NEWS D
PS
PS/MRS CHALKER
PS/MR WALDEGRAVE
PS/PUS
MR GORE-BOOTH
MR TOMKYS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FCO TELNO 151 : ARAB/ISRAEL : SECRETARY BAKER ON MR SHAMIR'S VISIT

SUMMARY

1. BAKER SUGGESTS THAT THE PRIME MINISTER PRESS SHAMIR TO MOVE BEYOND THE ISRAELI CABINET POSITION OF 14 MAY.

DETAIL

2. I SAW SECRETARY BAKER ON 16 MAY TO EXPLORE THE LATEST US POSITION BEFORE SHAMIR'S VISIT TO LONDON. I TOLD BAKER THAT THE PRIME MINISTER WOULD WELCOME HIS VIEWS ON HOW SHE SHOULD HANDLE SHAMIR. SHE WAS SEEKING SIMILAR ADVICE IN OTHER CAPITALS, INCLUDING AMMAN AND RIYADH. PRINCE BANDAR HAD JUST GIVEN ME KING FAHD'S RESPONSE. KING FAHD'S MAIN SUGGESTION HAD BEEN THAT THE PRIME MINISTER SHOULD IMPRESS ON SHAMIR THAT THERE HAD BEEN A THOROUGH SEA CHANGE IN THE REGION, IN PARTICULAR IN ARAB ATTITUDES TO ISRAEL, AND THAT ISRAEL HAD TO RESPOND.

3. BAKER SAID THAT THERE WERE INDEED OPPORTUNITIES TO BE GRASPED IN THE REGION. HE WAS GRATEFUL FOR THE CHANCE TO CONTRIBUTE SOME THOUGHTS. THE ESSENTIAL POINT WAS THAT WE SHOULD ALL CONTINUE TO PRESS THE ISRAELIS TO EXPAND THEIR ELECTIONS IDEA. THE ARGUMENT TO DEVELOP WITH SHAMIR WAS THAT THE US HAD MADE PROGRESS IN PERSUADING KING HUSSEIN, PRESIDENT MUBARAK, THE PLO (TO SOME EXTENT) AND MOST RECENTLY THE SOVIET UNION TO FOCUS ON SHAMIR'S ELECTION IDEA AS THE WAY FORWARD. ALL WERE WILLING TO TAKE ADVANTAGE OF THE OPPORTUNITY WHICH THE IDEA PRESENTED BUT MANY HAD SUSPICIONS THAT IT WAS DESIGNED ON THE ISRAELI SIDE ONLY TO BUY TIME AND TO STALL. SHAMIR SHOULD BE TOLD THAT NEITHER THE UK NOR THE US WOULD PARTICIPATE IN ANYTHING WHICH DID NOT OFFER CONTINUING PROMISE OF FORWARD PROGRESS.

4. BAKER SAID THAT THE PRIME MINISTER WOULD WISH TO TAKE INTO ACCOUNT THAT SHAMIR HAD PUSHED HIS PROPOSAL THROUGH THE ISRAELI CABINET AGAINST OPPOSITION FROM HIS RIGHT WING. NEVERTHELESS,

IT SHOULD BE IMPRESSED ON HIM THAT HE HAD TO HANDLE BOTH HIMSELF AND HIS PROPOSAL IN SUCH A WAY AS TO MOVE THE PROCESS FORWARD. TO DO THIS HE WOULD HAVE TO EXPAND ON THE ISRAELI CABINET POSITION OF 14 MAY. SPECIFICALLY, MOVEMENT WOULD BE NEEDED ON INTERNATIONAL SUPERVISION OF ELECTIONS AND SOME MEANS TO INVOLVE PALESTINIANS OUTSIDE THE TERRITORIES. ALSO, ELECTIONS COULD NOT BE MADE CONDITIONAL ON AN END TO THE INTIFADEH. (LATER IN THE CONVERSATION, BAKER AGREED THAT MUCH ELSE HAD TO BE ADDED, BOTH ON THE MECHANICS OF THE ELECTORAL PROCESS AND ON THE FUNCTION OF THOSE ELECTED).

5. I NOTED THAT THERE WERE TWO CONTRASTING VIEWS OF SHAMIR THE MAN, ONE THAT HE WAS CAPABLE OF PRAGMATISM, THE OTHER THAT HE WAS AN UNREGENERATE HARD-LINER. BAKER SAID THAT NEITHER DESCRIPTLON WHOLLY FITTED. CURRENTLY AT LEAST SHAMIR WAS SHOWING MORE FLEXIBILITY THAN ARENS. BUT BAKER AGREED THAT, WHICHEVER VIEW MIGHT BE CLOSER TO THE TRUTH, THE WAY TO TEST SHAMIR WAS TO TAKE HIS PROPOSAL AT FACE VALUE.

SOVIET UNION

6. I ASKED BAKER WHETHER HIS TALKS IN MOSCOW HAD THROWN ANY NEW LIGHT ON SOVIET ATTITUDES. BAKER SAID THAT THIS WAS AN AREA IN WHICH THERE MIGHT BE SOME DIFFERENCE OF OPINION WITH US. HE THOUGHT THAT THE PRIME MINISTER BELIEVED, AS HAD THE PREVIOUS US ADMINISTRATION, THAT OUR AIM SHOULD BE TO EXCLUDE THE SOVIET UNION FROM ANY ROLE IN THE MIDDLE EAST. THE PRESENT ADMINISTRATION'S LINE, HOWEVER, WAS THAT THE SOVIET UNION COULD PLAY A ROLE, PROVIDED THEY PROVED THEIR BONA FIDES. IN MOSCOW THE RUSSIANS HAD STARTED BY ADVANCING TWO IDEAS: FIRST, THAT DISCUSSIONS COULD BEGIN IN A QUADRIPARTITE FORUM OF THE SOVIET UNION, UNITED STATES, PLO AND ISRAEL: SECOND, THAT NEGOTIATIONS WOULD REQUIRE AN INTERNATIONAL CONFERENCE INVOLVING THE PERMANENT FIVE. BAKER HAD TOLD SHEVARDNADZE THAT THE FIRST WAS A NON-STARTER AND THE SECOND INAPPROPRIATE AT THIS STAGE SINCE IT COULD PRE-EMPT AND CONFUSE PRESENT OPPORTUNITIES. HOWEVER, AT THE END OF THEIR MEETINGS, THE RUSSIANS HAD SAID THAT THE IDEA OF ELECTIONS IN THE OCCUPIED TERRITORIES WAS WORTH SERIOUS CONSIDERATION.

7. I SAID THAT WE WERE NOT OPPOSED TO THE SOVIET UNION PLAYING A RESPONSIBLE PART IN THE PEACE PROCESS. ONE INITIAL WAY TO TEST SOVIET INTENTIONS AND TO GIVE THEM A SENSE OF INVOLVEMENT WHILE CLOSELY MONITORING THEIR ATTITUDES AND BEHAVIOUR, WAS TO ALLOW INFORMAL DISCUSSION OF THE MIDDLE EAST AMONG THE PERMANENT FIVE IN NEW YORK. THIS WAS AN INFORMAL AND CONFIDENTIAL FORUM WHICH THE US AND UK (AND FRANCE) COULD CAREFULLY REGULATE. BAKER MADE

NO COMMENT .

8. RETURNING TO THE HANDLING OF SHAMIR, BAKER SAID THAT THE SOVIET POSITION ILLUSTRATED THAT BASICALLY EVERYONE WAS WILLING TO WORK ON SHAMIR'S IDEA. SHAMIR SHOULD BE TOLD THIS BUT ALSO THAT HE HAD A RESPONSIBILITY TO GIVE HIS OWN IDEA A CHANCE. THE ISRAELI CABINET HAD LAID OUT WHAT MUST BE TAKEN AS A FIRST NEGOTIATING POSITION. SHAMIR HAD TO TREAT IT AS SUCH AND BE WILLING TO MOVE FURTHER. SOME OF SHAMIR'S PUBLIC REMARKS IN ISRAEL (E.G. THE APPARENT QUALIFICATION OF HIS COMMITMENT TO DEAL WITH WHOMEVER WAS ELECTED) SHOULD BE DISCOUNTED AS DRIVEN BY DOMESTIC POLITICAL PRESSURES. THE ADMINISTRATION WOULD GO BY WHAT SHAMIR HAD TOLD THEM HIMSELF.

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9. I ASKED BAKER WHETHER HE HAD THOUGHT OF SENDING ROSS TO TUNIS, IN ADDITION TO TEL AVIV, AMMAN AND CAIRO. BAKER REPLIED THAT PELLETREAU REMAINED THE CHANNEL FOR THE US-PLO DIALOGUE, THOUGH THERE COULD COME A TIME WHEN THAT CHANGED. THE US WERE ALSO WORKING ON THE PLO THROUGH THE SAUDIS, EGYPTIANS AND OTHERS. THE MAIN EFFORT WAS TO PERSUADE THE PLO TO ALLOW PALESTINIANS IN THE OCCUPIED TERRITORIES TO STAND IN THE ELECTIONS.

10. I SAID THAT SMALL GESTURES TO THE PLO COULD RELIVE PRESSURES ON THEM TO MAKE UNHELPFUL MOVES SUCH AS IN WHO. BAKER AGREED AND ADDED THAT ARAFAT APPEARED IN THE END TO HAVE COOPERATED IN TURNING OFF THE PLO CAMPAIGN FOR WHO MEMBERSHIP (BAKER DID NOT ELABORATE - WE DO NOT KNOW WHAT GROUNDS HE HAS FOR BELIEVING THIS).

COMMENT

11. BAKER'S SUGGESTED LINE FOR THE PRIME MINISTER TO USE WITH SHAMIR CORRESPONDS CLOSELY WITH WHAT WE KNOW OF THE TONE AND CONTENT OF HIS OWN RECENT LETTER TO ARENS (SEE MY TELNO 1234).

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YOUR TELNO 151: MR SHAMIR'S VISIT: ARAB/ISRAEL

SUMMARY

1. KING SEES SHAMIR'S OPPOSITION TO LAND FOR PEACE AS CENTRAL OBSTACLE TO PROGRESS. SCEPTICAL ABOUT POSSIBILITY OF BUILDING ON ELECTION PROPOSAL UNLESS THIS CAN BE OVERCOME. AGREES WITH PLO THAT ELECTIONS MUST BE LINKED TO FINAL SETTLEMENT. REMAINS COMMITTED TO ROLE FOR FIVE PERMANENT MEMBERS IN PEACE PROCESS BUT SEES SCOPE FOR PREPARATORY WORK BY SUPERPOWERS. HOPES ARAB SUMMIT WILL SUPPORT ARAFAT.

DETAIL

2. I HAD AN AUDIENCE WITH KING HUSSEIN ON 15 MAY. HIS VIEWS ON THE VARIOUS ASPECTS OF THE PEACE PROCESS CAN BE SUMMARISED AS FOLLOWS.

ELECTIONS IN THE OCCUPIED TERRITORIES

3. THE KING SAID THAT HIS LAST READ-OUT ON SHAMIR'S THINKING HAD BEEN FROM PRESIDENT MITTERRAND AND CONVEYED THE IMPRESSION THAT SHAMIR REMAINED IMMOVABLE ON THE CENTRAL ISSUE OF TERRITORY FOR PEACE. AGAINST THIS BACKGROUND HE (THE KING) REMAINED DEEPLY SCEPTICAL ABOUT SHAMIR'S ELECTION PROPOSAL. WHAT PURPOSE WERE THESE ELECTIONS MEANT TO SERVE? COULD THERE BE ANY GUARANTEE THAT THEY WOULD BE FAIRLY CONDUCTED? MIGHT THEY NOT IN ANY CASE PRODUCE REPRESENTATIVES MORE RADICAL IN THEIR APPROACH THAN ARAFAT? ABOVE ALL, WHERE WERE THEY INTENDED TO LEAD? THUS, ALTHOUGH HE WAS STILL ENCOURAGED BY PRESIDENT BUSH'S APPROACH, AS DESCRIBED TO HIM IN WASHINGTON AND SUBSEQUENTLY (WHAT HE HAD HEARD ABOUT THE BAKER LETTER TO ARENS WAS ALSO VERY ENCOURAGING), THE PROSPECTS OF REAL MOVEMENT WERE EXTREMELY DIM UNLESS SHAMIR COULD BE PERSUADED TO CHANGE HIS ATTITUDE ON THE FUNDAMENTAL ISSUE. MRS THATCHER, THE KING FELT SURE, WAS WELL AWARE OF THE

IMPORTANCE OF SECURING A SHIFT IN SHAMIR'S POSITION. WITHOUT THAT, HE SAW NO PROSPECT THAT THE ELECTION PROPOSAL COULD BE EXPLOITED.

RELATIONS WITH THE PLO

4. THE KING SAID THAT HE REMAINED IN CLOSE TOUCH WITH ARAFAT (ABU MA'ZEN HAS BEEN HERE FOR DISCUSSIONS OVER THE PAST TWO WEEKS) AND CONTINUED TO URGE HIM TO BE AS FLEXIBLE AS POSSIBLE, PARTICULARLY IN AVOIDING AN OUTRIGHT REJECTION OF ELECTIONS AS SUCH. BUT, AS WOULD BE CLEAR FROM HIS EARLIER REMARKS, HE ENTIRELY AGREED WITH THE PLO POSITION THAT THE ELECTION PROPOSAL WAS OF NO VALUE UNLESS IT WAS CLEARLY SEEN TO BE PART OF A PROCESS LEADING TO A FINAL SETTLEMENT.

5. I ASKED THE KING WHETHER HE HAD DISCUSSED WITH THE PLO THE AMERICAN SUGGESTION THAT THEY SHOULD NOMINATE SOME INDIVIDUALS IN THE WEST BANK WHO MIGHT ENTER INTO DISCUSSIONS WITH THE ISRAELIS (MY TELNO 236, NOT TO ALL, AND PLEASE PROTECT). THE KING SAID HE HAD RELAYED THIS SUGGESTION TO THE HEAD OF THE PLO OFFICE IN AMMAN. THERE HAD BEEN NO COME-BACK BUT HE HAD NOT REALLY EXPECTED ONE. HE HAD SUGGESTED THAT ARAFAT SHOULD DISCUSS THE MATTER DIRECT WITH THE AMERICANS, AND INDEED HE ASSUMED THAT THE AMERICANS WOULD THEMSELVES HAVE PUT THE POINT DIRECT TO THE PLO. THE KING ALSO MENTIONED, IN THE SAME CONTEXT, THAT FEISAL HUSSEINI HAD ASKED TO VISIT JORDAN FOR TALKS ON HIS WAY BACK FROM THE UNITED STATES SINCE THE ISRAELIS HAD REFUSED TO ALLOW HIM TO CROSS DIRECT FROM THE WEST BANK TO JORDAN.

SOVIET ATTITUDE

6. THE KING SAID THAT HE REMAINED VERY SATISFIED WITH THE SOVIET APPROACH AS DESCRIBED TO HIM BY TARASOV DURING HIS RECENT VISIT TO AMMAN. I ASKED FOR HIS REACTION TO GERASIMOV'S SUGGESTION OF DIRECT ISRAELI-PLO DISCUSSIONS UNDER SUPERPOWER AUSPICES. HE REPLIED THAT HE HAD CONTINUED TO ARGUE STRONGLY FOR A FIVE POWER APPROACH. THERE MIGHT NEVERTHELESS BE SOME SCOPE FOR PREPARATORY DISCUSSIONS BETWEEN THE TWO SUPERPOWERS ALONG THE LINES OF THE NAMIBIA PRECEDENT, WHICH WOULD PAVE THE WAY FOR THE FIVE POWER CONFERENCE.

ARAB SUMMIT

7. THE KING SAID THAT HE WOULD BE WORKING HARD AT THE SUMMIT

TO SUPPORT ARAFAT AND TO TRY TO ENSURE THAT THE SUMMIT DID NOT TIE ARAFAT'S HANDS. IN REPLY TO MY QUESTION, HE MADE CLEAR THAT HE WAS PARTICULARLY CONCERNED ABOUT THE SYRIANS, ABETTED BY THE OTHER RADICALS. IT WOULD BE A GREAT SETBACK IF THEY SUCCEEDED IN IMPOSING NEW LIMITS ON ARAFAT'S FREEDOM OF MANOEUVRE.

COMMENT

8. THE KING SAID HOW MUCH HE VALUED THE CHANCE TO FEED IN HIS VIEWS TO MRS THATCHER IN ADVANCE OF HER MEETING WITH SHAMIR. IT IS CLEAR FROM HIS COMMENTS THAT, ALTHOUGH HE REMAINS ENCOURAGED BY THE APPROACH OF THE NEW ADMINISTRATION (WHICH HE SEES AS A GREAT IMPROVEMENT ON THAT OF THE REAGAN AND SHULTZ), HE IS NEVERTHELESS VERY CONCERNED THAT SHAMIR WILL SUCCEED IN HIS TACTICS OF USING THE ELECTION PROPOSAL TO BUY TIME, OR EVEN WORSE, TO STAGE ELECTIONS WHICH LEAD NOWHERE, AND AT THE SAME SPLIT THE PALESTINIANS WITHIN THE TERRITORIES FROM THOSE OUTSIDE. HE TAKES HEART FROM THE EVIDENCE HE HAS SEEN OF AMERICAN DETERMINATION NOT TO BE BAMBOOZLED BY SHAMIR BUT HE IS WORRIED THAT THE US CONGRESS WOULD BE MORE EASILY TAKEN IN BY A PROPOSAL WHICH ARENS AND RABIN WILL NO DOUBT PORTRAY AS ENSHRINING SACRED DEMOCRATIC PRINCIPLES. HE IS ALSO CONSCIOUS OF THE FRAGILITY OF ARAFAT'S POSITION. IN THIS CONTEXT, HE REMARKED MORE THAN ONCE THAT TIME WAS SHORT. HE IS WELL AWARE THAT THERE ARE MANY POSSIBILITIES FOR SABOTAGING THE PLO'S MODERATE STANCE AND THAT THE RISKS INCREASE AS TIME PASSES WITHOUT ANY TANGIBLE GAINS WHICH MIGHT BOLSTER ARAFAT'S POSITION. HE IS HOPING THAT MRS THATCHER WILL USE THE OPPORTUNITY OF HER MEETING TO PUT THE CENTRAL ISSUES (PARA 3 ABOVE) SQUARELY TO SHAMIR AND BELIVES THAT HER PLAIN SPEAKING COULD HAVE CONSIDERABLE IMPACT.

9. MY MIFT (NOT TO ALL) REPORTS THE KING'S COMMENTS ON SYRIA, LEBANON AND THE ARAB SUMMIT.

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FCO TELNO 151 : ARAB/ISRAEL : MR SHAMIR'S VISIT : MESSAGE FROM KING FAHD

SUMMARY

1. PRINCE BANDAR CONVEYS THE RESPONSE FROM KING FAHD TO THE PRIME MINISTER'S REQUEST FOR HIS VIEWS BEFORE SHAMIR'S VISIT CONSTRUCTIVE SAUDI VIEWS.

DETAIL

2. PRINCE BANDAR ASKED ME TO SEE HIM AT HIS HOME ON 15 MAY. HE EXPLAINED THAT KING FAHD HAD TELEPHONED TO HIM AT SHANNON AIRPORT OVER THE WEEKEND WHILE HE WAS ON HIS WAY BACK TO WASHINGTON ASKING HIM TO RETURN TO LONDON IMMEDIATELY TO BRIEF THE PRIME MINISTER IN RESPONSE TO HER REQUEST (AS IN TUR: SEE ALSO RIYADH TELNO 246). KING FAHD HAD BEEN UNDER THE IMPRESSION THAT SHAMIR'S VISIT WAS ON 15 MAY. BANDAR HAD SPOKEN TO NO.10 AND IT HAD BEEN AGREED THAT IT WOULD BE MOST CONVENIENT FOR ALL CONCERNED IF HE GAVE ME THE MESSAGE IN WASHINGTON.

3. ON SUBSTANCE, BANDAR SAID THAT KING FAHD HAD INSTRUCTED HIM TO DELIVER THE SAME MESSAGE AS HE WAS TO GIVE TO PRESIDENT BUSH (PRESUMABLY BEFORE ARENS' VISIT TO WASHINGTON LATER THIS WEEK, THOUGH BANDAR DID NOT SAY SO). BANDAR PREFACED THE MESSAGE BY SAYING THAT KING FAHD CONTINUED TO HAVE GREAT RESPECT FOR THE PRIME MINISTER AND HER UNDERSTANDING OF THE REALITIES IN THE REGION. IT WAS AN IMPORTANT FACTOR ALSO THAT THE BRITISH GOVERNMENT WAS NOW FULLY AWARE OF THE PLO'S VIEWS THROUGH MR WALDEGRAVE'S DIALOGUE.

4. BANDAR SPOKE WITHOUT NOTES BUT CONVEYED THE MESSAGE IN A SERIES OF CONCISE POINTS :-

I) SHAMIR SHOULD BE BROUGHT TO SEE THAT THIS WAS AN HISTORIC OPPORTUNITY TO BREAK THE CYCLE OF VIOLENCE AND WARS IN THE MIDDLE EAST. SHAMIR AND ISRAEL MUST RISE TO THE OCCASION.

II) THE SEA CHANGE IN THE ARAB WORLD WAS BEST SYMBOLISED BY EGYPT'S RETURN TO THE ARAB LEAGUE. PRESIDENT MUBARAK WOULD ATTEND THE EXTRAORDINARY ARAB SUMMIT FROM THE FIRST DAY. (KING FAHD HAD INSISTED ON

THIS AND WOULD HIMSELF BE ATTENDING). TEN YEARS AFTER CAMP DAVID, THE MAIN CONDITION FOR EGYPT'S RETURN TO THE ARAB LEAGUE - RENUNCIATION OF THE CAMP DAVID FORMULAE - HAD BEEN DROPPED - THIS WAS NO ACCIDENT.

III) THE ARAB WORLD HAD TURNED AWAY MORE GENERALLY FROM HOSTILITY TOWARDS ISRAEL. THIS WAS EVIDENT IN THE FOUNDING PRINCIPLES OF THE ARAB CO-OPERATION COUNCIL AND THE GREATER MAGHREB UNION. PREVIOUS ARAB UNIONS HAD BEEN FOUNDED ON OPPOSITION TO ZIONISM. THE GCC HAD BEEN THE FIRST TO CONCENTRATE ON REGIONAL INTERESTS AND DEVELOPMENT. NOW, IRAQ, WHICH HAD LED THE CAMPAIGN TO EXPEL EGYPT OVER CAMP DAVID, WAS INFORMALLY CO-OPERATING WITH HER. PUBLIC OPINION IN THE ARAB WORLD NOW TOLERATED PRIORITY BEING GIVEN TO INTERNAL ARAB DEVELOPMENT. ARAB PRIORITIES HAD BECOME QUOTE CO-EXISTENCE, SURVIVAL, PEACE AND ECONOMIC DEVELOPMENT UNQUOTE.

IV) IN VIEW OF THESE SIGNIFICANT CHANGES, SHAMIR SHOULD BE URGED TO TAKE THE LONG VIEW. IT WAS BETTER FOR ISRAEL TO BE A PARTY TO THE CREATION OF NEW REALITIES THAN HAVE THEM IMPOSED THROUGH NATURE, HISTORY AND THE MOMENTUM OF EVENTS.

V) ISRAELI FEAR OF DIALOGUE WITH THE PALESTINIANS WAS UNWARRANTED. THE PLO'S GOOD INTENTIONS COULD BEST BE TESTED THROUGH DIRECT NEGOTIATIONS. EVERY LEGITIMATE CONCERN OF THE ISRAELIS COULD BE SATISFIED IN NEGOTIATIONS.

VI) THE PLO HAD FULFILLED ALL THAT HAD BEEN DEMANDED OF THEM. ARAFAT COULD NOT BE ASKED TO GIVE MORE GROUND WITHOUT DISCREDITING HIMSELF WITHIN HIS OWN COMMUNITY. ONCE DISCREDITED HE WOULD BE NO USE TO ANYONE.

VII) SHAMIR HAD TO DECIDE WHAT HE WANTED. ISRAEL COULD MOVE FROM THE PRESENT STATE OF NO-WAR TO DIPLOMATIC PEACE TO RESTORATION OF COMMERCIAL LINKS TO FULL NORMALISATION. THE ARAB WORLD WERE READY FOR ALL THESE POSSIBLE OUTCOMES. NOW WAS THE OPPORTUNITY FOR SHAMIR TO BEGIN THE JOURNEY.

4. I ASKED WHAT LINE KING FAHD WOULD HOPE THE PRIME MINISTER WOULD TAKE ON THE ISRAELI GOVERNMENT'S PROPOSAL FOR ELECTIONS IN THE TERRITORIES. BANDAR SAID THAT KING FAHD SUPPORTED THE PLO POSITION, WHICH SAUDI ADVICE HAD PLAYED SOME ROLE IN SHAPING. THEY HAD ADVISED THE PLO AGAINST REJECTING ELECTIONS OUT OF HAND. IT WAS NOT THE CONCEPT THAT WAS OBJECTIONABLE BUT WHAT WAS

IN IT. REFERRING TO PANAMA, BANDAR SAID THAT THE WORLD COULD NOT HAVE TWO STANDARDS ON WHAT CONSTITUTED FREE AND FAIR ELECTIONS. HE DID NOT HAVE KING FAHD'S DETAILED VIEWS ON THE ISRAELI ELECTION PROPOSALS ANNOUNCED ON 14 MAY BUT HE WAS CONFIDENT THAT THE KING'S LIKELY VIEWS WOULD BE:-

- THERE HAD TO BE NEUTRAL OBSERVERS TO ENSURE ELECTIONS WERE FAIR AND FREE. THESE, AS THE PLO HAD SAID, COULD BE OF ISRAEL'S CHOOSING.
- THE PROCESS COULD NOT BE LIMITED TO THE RESIDENTS OF THE OCCUPIED TERRITORIES. THE INTERESTS OF DIASPORA PALESTINIANS HAD TO BE TAKEN INTO ACCOUNT.
- THERE WOULD HAVE TO BE FULL FREEDOM TO CAMPAIGN
- RESIDENTS OF EAST JERUSALEM SHOULD TAKE PART.

5. BANDAR REGRETTED THAT THE US ADMINISTRATION HAD MISSED A TRICK IN NOT INCLUDING CONTACTS WITH THE PLO LEADERSHIP IN TUNIS IN DENNIS ROSS' PRESENT ITINERARY IN THE REGION. THIS WOULD BE PERCEIVED AS A FURTHER SLIGHT TO THE PLO AND RISKED ENCOURAGING THE EXTREMISTS AT ARAFAT'S EXPENSE. IT WAS PRECISELY THESE SMALL SIGNALS OF INTEREST WHICH ARAFAT NEEDED, TO DEMONSTRATE THAT HE WAS MAKING HEADWAY IN RETURN FOR HIS CONCESSIONS. IF ARAFAT COULD POINT TO SOME PROGRESS ON THAT FRONT, THERE WOULD BE LESS PRESSURE FOR THE PLO TO MAKE DISRUPTIVE MOVES SUCH AS, FOR EXAMPLE, THEIR CAMPAIGN FOR MEMBERSHIP OF THE WHO.

6. IN THAT CONTEXT, BANDAR SIGNALED THAT THE PROJECTED ARAB LEAGUE DELEGATION VISIT TO WASHINGTON WOULD BE ANOTHER OPPORTUNITY FOR THE AMERICANS TO SEND THE RIGHT SIGNAL (QADDOUMI WAS A MEMBER OF THE PROPOSED DELEGATION). IT WOULD BE ANOMALOUS AND UNREASONABLE TO EXPECT ARAFAT TO BE FORTHCOMING ON THE ELECTION PROPOSAL IN THE US/PLO DIALOGUE AND THEN TO SLAP THE PLO IN THE FACE BY REFUSING TO DEAL WITH QADDOUMI. PERCEPTIONS WERE AS IMPORTANT AS SUBSTANCE IN THE MIDDLE EAST.

7. I THANKED BANDAR FOR THIS MESSAGE AND FOR THE KING'S SPEEDY RESPONSE. IT WOULD BE MOST HELPFUL TO THE PRIME MINISTER IN PREPARING FOR HER TALKS WITH MR SHAMIR. BANDAR SAID THAT KING FAHD WOULD BE INTERESTED IN DUE COURSE TO HEAR AN ACCOUNT OF SHAMIR'S REACTION AND THE PRIME MINISTER'S OWN ASSESSMENT, AS WOULD HE. THIS COULD BE CONVEYED EITHER HERE OR DIRECTLY IN RIYADH. I SAID I WAS CONFIDENT THAT THE PRIME MINISTER WOULD WANT TO KEEP KING FAHD FULLY IN TOUCH WITH HER THINKING.

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VISIT OF ISRAELI PRIME MINISTER TO LONDON: 21-24 MAY

SUMMARY

1. SHAMIR CONGENITALLY DISTRUSTFUL OF NON-JEWS BUT HOPING FOR SOME RECOGNITION IN LONDON OF THE MERITS OF HIS PROGRAMME. WHETHER HE HAS GENUINELY SEEN THE NEED FOR FLEXIBILITY OR IS MERELY PLAYING FOR TIME, HIS PROPOSALS SHOULD BE TAKEN AT FACE VALUE: BUT HE NEED TO BE URGED TO BUILD ON THEM, IN ISRAEL 'S OWN LONG-TERM INTERESTS.

DETAIL

2. IN AN INTERVIEW LAST WEEK SHAMIR SAID THAT WHEN AN ARAB ''PUTS ON A SMILING FACE HE IS ONLY TRYING TO CHEAT US. HE WANTS US IN RETURN TO CLOSE OUR EYES AND ENTER A TRAP''. HIS BACKGROUND MAY EXPLAIN THE SHAMIR APPROACH. HE LOST HIS FAMILY IN THE HOLOCOUST. HE GRADUATED THROUGH THE ISRAELI INTELLIGENCE SERVICES. HIS DISTRUST EXTENDS TO ALL GENTILES. HE BELIEVES THAT THE JEWS MUST DETERMINE THEIR OWN DESTINY WITHOUT RELYHING ON OTHERS (AND IS AMBIVALENT EVEN ABOUT THE US) HE IS AN ASTUTE TACTICIAN.HISLEAD-SHIP,IN ADVERSITY, IS EFFECTIVE. IT GENERALLY INVOLVES SITTING TIGHT, GIVING NOTHING, AND LETTING OTHERS DO THE TALKING.

3. THE VISIT TO LONDON, HIS FIRST AS PRIME MINISTER, IS TIMELY FOR HIM. HE HAS JUST REVEALED THE DETAILS OF HIS ''PEACE PLAN''. SUPPORT FROM MRS THATCHER WOULD BE A GOD-SEND TO HIM. SHE IS CENTRAL TO ISRAEL'S CAMPAIGN FOR INTERNATIONAL SUPPORT BECAUSE OF HER INFLUENCE IN WASHINGTON, EUROPE, AMMAN AND MOSCOW, AS WELL AS HER STANDING IN ISRAELI PUBLIC OPINION. HE WILL HOPE TO PERSUADE HER THAT DESPITE ITS AMBIGUITIES, THE PLAN PRESENTS THE ONLY WAY FORWARD AT THE MOMENT: THAT IN LEAVING OPEN FUNDAMENTAL ISSUES - THE NATURE OF THE FINAL SETTLEMENT, THE RIGHTS OF ARAB INHABITANTS OF JERUSALEM ETC - IT ADDRESSES POLITICAL REALITIES: AND THAT IT REPRESENTS THE HIGHEST COMMON FACTOR OF AGREEMENT

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IN THE ISRAELI GOVERNMENT, SO THAT TO VOLUNTEER MORE ABOUT THE FINAL OUTCOME AT THIS STAGE WOULD NOT ONLY BE BAD NEGOTIATING TACTICS BUT COULD DESTROY HIS COALITION.

4. THERE ARE TWO THEORIES ABOUT SHAMIR'S MOTIVES:
A) SHAMIR THE PRAGMATIST. HE RECOGNISES THAT THE INTIFADA, AND CONSEQUENT INTERNATIONAL PRESSURE, HAVE CREATED A NEW SITUATION. BY CONVICTION HE IS STILL PERSONALLY OPPOSED TO A ROLE FOR THE PLO AND LAND FOR PEACE. BUT HE HAS BEEN SHAKEN BY RECENT EVENTS, AND ADMITS PRIVATELY TO HIMSELF THAT HISTORY MAY MOVE ISRAEL IN THIS DIRECTION. HIS TASK IS TO PRESERVE THE OPTIONS AS LONG AS POSSIBLE AND LEAVE HIS SUCCESSORS A GOOD NEGOTIATING HAND. THE FAR RIGHT (SOME, INCLUDING SHARON, WITHIN HIS OWN PARTY) ARE ALREADY ARGUING THAT HIS PROPOSALS MARK THE BEGINNING OF CAPITULATION. SOME OF THE LABOUR MINISTERS WHO SUPPORT THE PLAN DO SO BECAUSE THEY BELIEVE THAT IT MARKS A FUNDAMENTAL CHANGE IN LIKUD STRATEGY

B) SHAMIR THE UNREFORMED. HIS TUNNEL VISION IN INCURABLE. THE PROPOSALS ARE TACTICAL, DESIGNED TO GAIN TIME WITH US AND OTHER WESTERN PUBLIC OPINION. A RESPITE OF A FEW MONTHS SHOULD BE ENOUGH FOR THE PALESTINIANS TO SHOOT THEMSELVES IN THE FOOT. HIS ASSURANCES ABOUT''NO PRECONDITIONS'' MEAN LESS THAN HIS UNCOMPROMISING STATEMENTS ON TERRITORY. THE ARGUMENT THAT THIS POSITION WOULD CHANGE DURING THE INTERIM PERIOD (AND UNDER HIS SUCCESSOR) IS A REPLAY OF THE LINE WHICH BEGIN PEDDLED TO CARTER IN THE LAST DAYS OF THE CAMP DAVID NEGOTIATIONS.

5. I INCLINE TOWARDS THE MORE PESSIMISTIC (B). BUT SOME NOW ARGUE, BOTH HERE AND EVIDENTLY IN WASHINGTON, THAT EVEN IF SHAMIR REMAINS COMMITTED TO HIS LIFE-LONG BELIEFS, FORCE OF CIRCUMSTANCE HAS DRAWN HIM INTO A PROCESS WHICH HAS AN UNSTOPPABLE DYNAMIC OF ITS OWO. THIS SUGGESTS THAT BOTH WE AND THE PALESTINIANS SHOULD TAKE SHAMIR'S PROPOSALS AT FACE VALUE. FOR THE PALESTINIANS THIS MEANS NOT LETTING SHAMIR OFF THE HOOK BY ASKING FOR THE UNATTAINABLE. FOR US IT MEANS GIVING SOME ENCOURAGEMENT TO SHAMIR CONTINGENT ON GENUINE MOVEMENT TOWARDS A FINAL SETTLEMENT.

6. ONE POSSIBLE LINE OF ARGUMENT, BEARING IN MIND SHAMIR'S OVERRIDING PREOCCUPATION WITH ISRAEL'S SECURITY, MIGHT CONTAIN THE FOLLOWING ELEMENTS:

A) WE UNDERSTAND ISRAELI ARGUMENTS THAT FOLLOWING TERRITORIAL CONCESSION, NO INTERNATIONAL GUARANTEES OF BORDERS WOULD BE

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100% SAFE. BUT NO COUNTRY HAS THAT SORT OF GUARANTEE.

B) IN THE CONTEXT OF AN INTERNATIONAL SETTLEMENT AT THIS STAGE, ISRAEL COULD EXACT THE STRONGEST POSSIBLE AMERICAN COMMITMENT TO ITS SECURITY, AS WELL AS FULLSCALE INTERNATIONAL RECOGNITION OF ISRAEL'S TERRITORIAL INTEGRITY.

C) NO SUCH SETTLEMENT IS CONCEIVABLE WITHOUT TERRITORIAL COMPROMISE. WITHOUT AT LEAST IMPLICIT ISRAELI RECOGNITION OF ~~THIS~~ FACT, NO SERIOUS NEGOTIATING PROCESS WILL BE POSSIBLE. MORE EXPLICIT ACCEPTANCE THAT SOME FORM OF PALESTINIAN STATEHOOD WAS THEORETICALLY AVAILABLE, HOWEVER QUALIFIED, MIGHT ENABLE ISRAEL, IN THE PRESENT CLIMATE, TO NEGOTIATE IMPORTANT LIMITATIONS ON SOVEREIGNTY.

D) THE CURRENT WAVE OF VIOLENCE IN THE TERRITORIES DEMONSTRATES THAT POSITIVE ACTION IS NEEDED URGENTLY. UNLESS THE POLITICAL PROPOSALS ARE ACCOMPANIED BY CONFIDENCE-BUILDING MEASURES ON THE GROUND, EVEN THOSE PALESTINIANS PREPARED TO LOOK SERIOUSLY AT THE PLAN WILL BE UNABLE TO MOBILISE SUFFICIENT SUPPORT.

E) THIS SORT OF OPPORTUNITY MAY NOT ARISE AGAIN. FAILURE TO OFFER THE PALESTINIANS ACCEPTABLE TERMS FOR NEGOTIATION COULD AT BEST LEAD ONLY TO CONTINUATION OF THE STATUS QUO. THIS WOULD BRING HIGH RISK OF EROSION OF US SUPPORT OVER THE YEARS TO COME, WITH CONSEQUENT BUILD UP OF ARAB ARMAMENTS AND ESCALATING DEFENCE COSTS.

F) THE FUTURE SECURITY OF THE JEWISH STATE DEPENDS ON FUNDAMENTAL DECISIONS TO BE TAKEN NOW. A LIKUD LEADER, WITH THE NATIONALIST CREDENTIALS OF SHAMIR, IS IN A PARTICULARLY STRONG POSITION TO TAKE THESE DECISIONS AND PILOT THEM THROUGH.

7. I BELIEVE THAT THERE ARE SOME TEMPTATIONS WHICH IT WOULD BE WISE TO RESIST. ONE IS TO PRESENT SHAMIR WITH CHAPTER AND VERSE FOR THE MODERATE ATTITUDES OF THE PLO IN TUNIS. HE IS STILL PARANOIAC ABOUT THE PLO AND RESISTS BLINDLY ANY EXPLICIT ATTEMPT BY OTHERS TO ACT AS INTERMEDIARIES. ANOTHER IS TO GIVE THE IMPRESSION THAT WE OR THE EUROPEANS COLLECTIVELY HAVE ECONOMIC OR OTHER LEVERS WHICH WE ARE PREPARED TO USE TO MAKE ISRAEL SEE SENSE. SHAMIR IS AT LEAST AS RESISTANT AS MOST ISRAELIS TO EXTERNAL THREATS, AND NOW DOES NOT SEEM TO BE THE MOMENT TO USE THEM.

8. THE PUBLIC PRESENTATION OF OUR ARGUMENTS AFTER THE EVENT WILL BE IMPORTANT. PRESIDENT BUSH AND MR BAKER STRUCK JUST THE RIGHT NOTE, OF FIRMNESS COMBINED WITH UNDERSTANDING, DURING SHAMIR'S WASHINGTON VISIT.

9. I CONCLUDE THAT SHAMIR MAY BE IN A MORE RECEPTIVE MOOD FOR REASONED ARGUMENT THAN SEEMED POSSIBLE A FEW MONTHS AGO: THAT EVEN IF HE IS NOT, THERE IS NO EASILY AVAILABLE ALTERNATIVE IN ISRAEL TO HIS POLICY: AND THAT IT IS THEREFORE WORTH TAKING THE RISK AND PURSUING HIS LINE A LITTLE FURTHER.

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SHAMIR'S VISIT

1. ISRAEL'S MOOD ON THE EVE OF SHAMIR'S DEPARTURE FOR LONDON IS SOMBRE, WITH FLASHES OF DESPARATION.

2. THERE IS A WIDESPRAD VIEW THAT RECENT WEEKS HAVE SEEN A FUNDAMENTAL CHANGE, OF TWO KINDS: IN SHAMIR'S ATTITUDE, AND IN THE TEMPERATUVE OF THE CONFRONTATION WITH THE PALESTINIANS IN THE OTS.

3. BASED ON THIS, MANY SAY THAT THERE HAVE NEVER BEEN GREATER HOPES OF A DIALOGUE LEADING TO AN ARAB-ISRAELI SETTLEMENT, AND THAT THERE HAS RARELY BEEN A MORE URGENT NEED. THERE IS OF COURSE AN ELEMENT OF HYPERBOLE IN THIS. (ISRAELIS ARE RUNNING SCARED AND MAY OVER-REACT: SO WHAT'S NEW?).

4. ADVICE ON HOW TO HANDLE SHAMIR HAS BEEN REACHING LONDON FROM ALL QUARTERS. FOR WHAT IT IS WORTH, BEN AHARON MADE TWO MAIN POINTS TO ME IN AN HOUR'S CONVERSATION ON 18 MAY. THE FIRST WAS THAT SHAMIR IS AT HEART A PRAGMATIST, AND A BELIEVER IN ACHIEVING RESULTS BY CONSENSUS. THE SECOND WAS THAT HE BELIEVES IT ESSENTIAL TO MAINTAIN A RIGID DISTINCTION BETWEEN PALESTINIANS IN THE TERRITORIES, AND THE PLO OUTSIDE: TO WELD THEM TOGETHER IN ANY WAY WOULD INSTANTLY DESTROY THE INITIATIVE. THE TWO POINTS ARE (IN MY VIEW) CONNECTED: SHAMIR JUDGES THAT HE CAN ONLY HOLD HIS PARTY, AND THE COALITION, TOGETHER IN CONSENSUS SO LONG AS HE INSISTS ON THE DISTINCTION.

5. THIS WILL BE A KEY AREA TO EXPLORE WITH SHAMIR ON 22/23 MAY. HE MAY BE RECEPTIVE TO ADICE ON WAYS TO BLUR THE DISTINCTION AND SO ACHIEVE FORWARD MOVEMENT WITHOUT DESTROYING THE CONSENSUS.

6. BUT HE MUST ALSO BE PREOCCUPIED WITH THE RISING TEMPERATURE OF CONFRONTATION IN THE OTS AND WITHIN ISRAEL. THE EFFECTIVE CLOSING OF THE GAZA BORDER HAS RATCHETED TENSION UP A NOTCH. RESIDENTS OF ASHDOD AND ASHKELON ARE BEGINNING TO REACT WILDLY. THERE IS CONCERN ABOUT THE BEHAVIOUR OF ISRAELI ARABS. I BELIEVE

THAT IT WOULD BE WORTH SPENDING A LITTLE TIME WITH SHAMIR ON THE POSSIBLE IMPACT OF HIS PROPOSALS ON THIS LOCAL MOOD, AND OF THE LOCAL MOOD ON HIS PROPOSALS.

7. IN SHORT, SHAMIR HAS ENGAGED HIMSELF IN A DIPLOMATIC EXERCISE, WHICH WE WANT TO DISCUSS WITH HIM: BUT HE HAS TO RUN A NERVOUS COUNTRY, AND MAY BE IN A MOOD TO TALK ABOUT IT. THE DANGER IS THAT HE MAY USE THIS AS A PRETEXT FOR INACTIVITY. THE OPPORTUNITY FOR US IS TO USE IT AS POINTING THE NEED FOR ACTION.

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YOUR TELNO 151 TO AMMAN AND TELCON PLUMBLY/LAMPORT (MED): MR SHAMIR'S VISIT: ARAB/ISRAEL

SUMMARY

1. KING FAHD HAS CHARGED PRINCE BANDAR WITH BRIEFING THE PRIME MINISTER ON HIS VIEWS BEFORE MR SHAMIR'S VISIT.

DETAIL

2. IN MY ABSENCE IN ABU DHABI AT THE GULF HEADS OF MISSION CONFERENCE, HEAD OF CHANCERY SPOKE TO THE KING'S PRIVATE SECRETARY, MUHAMMED SULIMAN, IN JEDDA AND SAID THAT THE PRIME MINISTER WOULD GREATLY APPRECIATE AN UP TO DATE READING OF THE KING'S VIEWS IN ADVANCE OF MR SHAMIR'S VISIT TO LONDON. SULIMAN RANG BACK ON 15 MAY TO SAY THAT PRINCE BANDAR BIN SULTAN HAD BEEN WITH THE KING IN JEDDA, WAS ABOUT TO LEAVE, AND HAD BEEN TASKED BY THE KING, IN RESPONSE TO OUR REQUEST, TO BRIEF THE PRIME MINISTER IN LONDON ON THE KING'S VIEWS. WE ASSUME PRINCE BANDAR WILL CONTACT NO. 10 DIRECT IF HE HAS NOT ALREADY DONE SO.

3. SEPARATELY HEAD OF CHANCERY CALLED ON THE HEAD OF WESTERN DEPARTMENT IN THE FOREIGN MINISTRY ON 13 MAY, PARTLY TO TRY TO ARRANGE A MEETING FOR ME WITH THE FOREIGN MINISTER ON MY RETURN FROM ABU DHABI. PRINCE SAUD HAS BEEN OUT OF RIYADH FOR THE PAST FEW DAYS, BUT IF A CALL MATERIALISES TODAY OR ON 17 MAY I SHALL TAKE THE OPPORTUNITY TO SOUND HIM OUT TOO ON ARAB/ISRAEL.

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MIPT: ISRAELI PEACE PROPOSALS

1. FOLLOWING IS SUMMARY OF PROPOSALS AGREED ON 14 MAY BY THE ISRAELI CABINET, AND PUBLISHED IN THE PRESS ON 15 MAY.

BASIC PREMISES

ISRAEL FAVOURS DIRECT NEGOTIATIONS BASED ON THE PRICIPLES OF CAMP DAVID, OPPOSES A SEPARATE PALESTINIAN STATE, AND WILL NOT NEGOTIATE WITH THE PLO.

''SUBJECTS TO BE DEALT WITH IN THE PEACE PROCESS''

A) CAMP DAVID TO BE A ''CORNERSTONE FOR ENLARGING THE CIRCLE OF PEACE IN THE REGION''.

B) THE ESTABLISHMENT OF PEACEFUL RELATIONS BETWEEN ISRAEL AND ARAB STATES.

C) AN INTERNATIONAL EFFORT TO SOLVE THE REFUGEE PROBLEM IN THE OTS.

D) ''FREE AND DEMOCRATIC ELECTIONS AMONGST THE PALISTINIAN ARAB INHABITANTS OF JUDEA, SAMARIA AND GAZA'', TO CHOOSE A ''REPRESENTATION'' TO NEGOTIATE ON (FIRST STAGE) A TRANSITIONAL PERIOD OF SELF-RULE AND (SECOND STAGE) A PERMANENT SOLUTION.

PRINCIPLES

THE ''INTER-LOCK'' BETWEEN THE TWO STAGE ''IS A TIMETABLE ON WHICH THE PLAN IS BUILT: THE PEACE PROCESS DELINEATED BY THE INITIATIVE IS BASED ON RESOLUTIONS 242 AND 338 UPON WHICH THE CAMP DAVID ACCORDS ARE FOUNDED.''

TIMETABLE

A FIVE YEAR TRANSITIONAL PERIOD WITH NEGOTIATIONS ON THE PERMANENT SOLUTION TO BEGIN NO LATER THAN THE THIRD YEAR.

PARTICIPATION IN NEGOTIATIONS

FIRST STAGE: ISRAEL AND THE ''ELECTED REPRESENTATION'' FROM THE OTS, JORDAN AND EGYPT TO BE INVITED TO PARTICIPATE IF THEY WISH.
SECOND STAGE: ISRAEL , THE ELECTED REPRESENTATION AND JORDAN. EGYPT MAY PARTICIPATE. A PEACE TREATY TO BE CONCLUDED BETWEEN ISRAEL AND JORDAN WITH THE ''REPRESENTATION'' FROM THE OTS PARTICIPATING IN THE NEGOTIATIONS.

TRANSITIONAL PERIOD

DURING THE TRANSITIONAL PERIOD THERE WILL BE SELF-RULE IN THE OTS. ISRAEL WILL CONTINUE TO BE RESPONSIBLE FOR SECURITY, FOREIGN AFFAIRS AND ALL MATTERS CONCERNING ISRAELI CITIZENS IN THE OTS.

SUBSTANCE OF PERMANENT SOLUTION

EACH PARTY TO RAISE ANY SUBJECT THAT IT WISHES. THE OBJECTIVES TO BE A PERMANENT SOLUTION ACCEPTABLE TO THE NEGOTIATING PARTIES, AND ARRANGEMENTS FOR ''PEACE AND BORDERS BETWEEN ISRAEL AND JORDAN''.

DETAILS OF IMPLEMENTATION

THE PROCESS TO BEGIN WITH ''DIALOGUE AND BASIC AGREEMENT'' WITH OCCUPANTS OF THE OTS, AS WELL AS EGYPT AND JORDAN IF THEY WISH TO TAKE PART, ON PRINCIPLES CONSTITUTING THE INITIATIVE. THIS STAGE IS TO BE FOLLOWED BY THE ELECTION PROCESS. THE ''REPRESENTATION'' ELECTED WILL NEGOTIATE ON THE TRANSITIONAL PERIOD, WILL CONSTITUTE THE SELF-GOVERNING AUTHORITY DURING THE TRANSITION PERIOD, AND WILL BE THE ''CENTRAL PALISTINIAN COMPONENT SUBJECT TO AGREEMENT AFTER THREE YEARS IN THE NEGOTIATIONS FOR THE PERMANENT SOLUTION''. DURING THE ELECTIONS AND BEFORE THEM ''THERE SHALL BE A CALMING OF THE VIOLENCE'' IN THE OTS. ALL PALESTINIAN RESIDENTS OF ''JUDEA, SAMARIA AND GAZA'' CAN PARTICIPATE IN THE PROCESS.
CANDIDATURES MUST BE SUBMITTED 'IN ACCORDANCE WITH THE DETAILED DOCUMENTS WHICH SHALL DETERMINE THE SUBJECT OF THE ELECTIONS''.

IMMEDIATELY AFTER THE ELECTIONS THE ''REPRESENTATION'' WILL NEGOTIATE ON ARRANGEMENTS FOR THE TRANSITIONAL PERIOD INCLUDING THE ARRANGEMENTS OF SELF-RULE.

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A. THE MIDDLE EAST

ISRAEL: SHAMIR'S ADDRESS TO THE KNESSET ON PEACE INITIATIVE

Israel home service 0810 gmt 17 May 89

Text of live address to the Knesset by Israeli Prime Minister Yitzhaq Shamir (ME/0460 i)

Mr Speaker, members of the House: On 14th May 1989 the Israeli government approved a peace initiative, and I am honoured to bring its main points to the Knesset.

The importance of this initiative lies primarily in the fact that Israel has presented its own proposal designed to bring about a peace agreement between us and our neighbours, in addition to Egypt. No less important is the fact that the Israeli government is presenting a unanimous position of the major blocs and parties composing the government on an issue which is at the top of Israel's political objectives: achieving peace while safeguarding Israel's security. The government is hereby telling the Israeli people and our neighbours, first and foremost the Arabs of Eretz Yisrael, and all the countries of the world: We are united in our striving for peace, we are united in the proposal of a path leading to it, and of course, we are united in recognising the security needs of Israel and its citizens.

With your permission, I will start by presenting the main points of the initiative dealing with the peace process, the termination of the state of war with the Arab countries, a solution for the Arabs of Judaea, Samaria and the Gaza Strip, peace with Jordan, and a solution of the problem of the inhabitants of the refugee camps in Judaea, Samaria and the Gaza Strip. The guidelines of the initiative are based on national consensus: striving for peace, continuing the political process through direct negotiations in accordance with the Camp David accords, opposition to another Palestinian state, opposition to negotiations with the PLO, and no change in the status of Judaea, Samaria and the Gaza Strip other than according to the government's basic guidelines. [Indistinct heckling by MK Abd al-Wahab Darawshah]

Commenting on the initiative, many people in Israel and around the world focused only on the issue of the proposed elections in Judaea, Samaria and the Gaza Strip of representatives of the Arab inhabitants. This is an important part of it, but I must direct the Knesset's attention to the first three parts of the initiative. First, to the Camp David agreement, which is only 10 years old. It is not obsolete, as many people around the world have been trying to argue. This agreement is binding on Israel and Egypt as well as on the United States. If this agreement is regarded as cancelled, why take seriously any future agreement which may be signed tomorrow and be cancelled by somebody the next day? On the contrary, we call for the strengthening of peace between Israel and Egypt and constant mutual consultations concerning the continuation of the peace process. It is a pity that Egypt has not accepted the proposal to hold a meeting between the Egyptian President and myself to mark the 10th anniversary of the peace treaty. I hope the opportunity will come.

Second, the core of the Arab-Israeli conflict lies in the refusal of the Arab countries, with the exception of Egypt since the signing of the peace treaty, to recognise Israel and maintain relations of peace with it. For example, every year we witness the futile Arab attempt at the UN to prevent recognition of Israel's credentials, which is actually an attempt to expel Israel from that organisation. An inseparable and integral part of the peace process is the end of such negative developments, as well as a termination of the Arab boycott. All peace-seekers must lend a hand in persuading the Arab countries to mend their ways and end the state of war with Israel.

Third, a pressing humanitarian issue which has not been dealt with only through foolishness and denseness: The inhabitants of the refugee camps in Judaea, Samaria and the Gaza Strip deserve – regardless of any political issue whatsoever or the ongoing political process – fair housing and rehabilitation. With the little resources available to it, Israel has done a great deal for many of them, but a proper and full solution requires international co-operation to raise the funds required. To this end, we call for an international financial effort to solve this humanitarian issue. These clauses in the initiative should be promoted together with other parts of the political process.

Members of the House, I will now move to that part of the initiative dealing with elections in Judaea, Samaria and the Gaza Strip. The initiative mentions two stages – a five-year transitional period of an interim agreement to be followed by a final agreement – linked by a timetable and the principles of the process. At this point, I would like to point out the following: Occasionally it is alleged that Israel or some elements in it are not interested in negotiations on a final solution. There is no bigger lie than that! Contrary to what may be the case in some of our neighbouring countries, Israel always fulfils its international commitments. Such a commitment is contained in the Camp David accords and is reiterated in the current initiative. The difference between it and the Camp David accords is that elections are proposed before the detailed agreement on the interim solution in a bid to find appropriate interlocutors among the Arabs of Judaea, Samaria and the Gaza Strip with whom we have to live. The representatives to be elected are offered roles in the various phases: as negotiators on the interim agreement; as a self-rule authority after this has been attained; and if there is agreement, also as participants in the negotiations on the final agreement.

The transitional period mentioned in the initiative lasts for five years. A shorter period can in no way be a test of the coexistence and co-operation we need, and some even say it is too short. During this transitional period, the Palestinian Arab inhabitants of Judaea, Samaria and the Gaza Strip will be granted self-rule to run their own affairs, while Israel will continue to be responsible for security, foreign relations and for everything pertaining to Israeli citizens in Judaea, Samaria and the Gaza Strip. Also, in the detailed negotiations on the

interim agreement with the elected representatives the issues pertaining to the transitional period will be discussed, including key questions concerning infrastructure and economy. If they so wish, Egypt and Jordan will be able to join these negotiations.

In the negotiations on the final agreement – which by the nature of things should also be joined by Jordan, because the peace treaty with it would be signed in parallel – each side will be able to raise any issue it wants. The purpose of these negotiations, however, will be to attain a permanent solution acceptable to all the participants. Until this solution has been attained, the interim agreement will be in effect.

Needless to say, during the period of preparation and the elections themselves, there will be no violence in Judaea, Samaria and the Gaza Strip – I will return to this point.

After examining all the options, regional elections seem to us to be the most reasonable alternative. Of course, we must still process the details, which include many important questions. The elections will be free, democratic and secret – which is not such a common sight in the Middle East, actually being unprecedented, except for Israel. Anybody who presents his candidacy and is elected according to the rules to be specified and agreed will be able to form part of the elected representatives. So much for the main points of the initiative.

Members of the House, the initiative is an entire package whose components are interrelated. Our neighbours are invited to join the proposed process, and we will not spare any effort to persuade them. They must know that the components of the initiatives cannot be isolated. The proposed route, all its phases and stages, is logical, fair and binding. Moreover, those joining the initiative should know that they must commit themselves to us and to the world at large with regard to this plan and all its implications. Of course, negotiations will have to be conducted on various details, both before the elections and with the elected representatives concerning the interim agreement, but as far as we are concerned, the route itself is clearly binding from beginning to end.

What are the consequent moves stemming from the initiative? As is written, a dialogue is necessary in order to reach an accord with the Arab inhabitants of Judaea, Samaria and the Gaza Strip. Of course, the United States and other friendly countries that may wish to join the efforts at persuasion are invited to do so. In parallel, the details of the proposals must be worked out. All these issues, which are not simple, still require a great deal of internal work. At the same time, we will be listening to the statements of our neighbours concerning their willingness to join the initiative. So far, from the Arab side, ever since this initiative was published during my visit to the United States at the beginning of April, we heard voices of opposition and rejection of the entire plan. We do not view these voices as the final word, since to the best of our knowledge this initiative includes fair, sincere and realistic proposals for settling the dispute between us and our neighbours.

Our neighbours are facing a dilemma on where to head: on a course of negotiations or to continue the violence. It is our duty to do our best to prove to them that violence is not an alternative and will only lead to disaster and destruction. The only way is that of negotiations and peace. The PLO's statement of rejection is none of our business. Our proposals are not directed at them. We know that they are not interested in peace. Our call is addressed to our neighbours, the residents of Judaea, Samaria and the Gaza Strip. The United States – its government, legislative institutions and public opinion – has greeted the plan with clear sympathy. The Jews of the United States and throughout the world stand united by our side. Many countries have shown great interest and sympathy.

Negotiations have not yet started with any outside element over the implementation of the initiative, which is still food for thought and discussion in the international arena. It is too early to determine whether this initiative will become reality. That is why it is still too early and is not justified to turn this issue into an internal fight. Such an unnecessary fight will only encourage our enemies and make them happy.

Knesset members, nowadays we are all aware of the feelings of a large sector in Israel that is interested, first and foremost in a deadly war against terror and violence, the manifestations of which are apparent every day on the roads, in the streets and in the heart of towns too. This war which is waged by the IDF, the Israel police and the other security forces, is an integral part of our historic struggle for existence on this land, in the dispute which has been imposed on us and which has not ended yet. This war will continue and we shall also win. Contrary to instances cited to us regarding other peoples, we are here in our homeland, we have no other land, and we shall unhesitatingly liquidate those who seek to kill us. Moreover, they will annihilate themselves in their internal murders. It is true, though, that we operate under limitations that do not apply to the people who wield violence and terror. We are a state of laws and a society with values which, regrettably, are not paralleled in the people surrounding us. Still, we will win this war. It is our duty to our people and our future to do so. One should not be paralysed by ephemeral phenomena. We are strong, and stronger than our enemies. There is no doubt that we shall have the upper hand.

Knesset members, every constructive criticism is legitimate. I willingly accept harsh remarks I hear from various directions. Still, there is a difference between, on the one hand, shouldering the daily, overall national mission, shouldering the responsibility for our international relations with both near and distant neighbours and for maximum co-operation among the various segments of the people; and on the other, the adoption of positions which only a person free of all this responsibility can afford. There is no doubt that we have embarked on a road which has many risks too, but it has a chance. We will have to prevent and stop the risks, the worst of which are attempts by elements who will be involved in the elections to deviate from the mandate which will be agreed upon. We shall definately see to that. At the same time, as for the risks still ahead, one should add that compared to the time of the Camp David accords, the level of risks today is lower since we have 80,000 Jewish settlers in Judaea and Samaria – may they increase tenfold – many more than we had during the Camp David days.

Knesset members, last week we marked the 41st anniversary of our revived independence. In about two weeks we shall mark the 22nd anniversary of the reunification of our sovereign capital, Jerusalem. What unites us is the incessant

effort for the advancement and prosperity of the State of Israel. From here, from Jerusalem our capital, we are telling all the citizens and residents of Israel that the Israeli government will do everything humanly possible to guarantee security in all parts of Eretz Yisrael, with all legal means at our disposal. At the same time, the government will also act tirelessly to promote peace with our neighbours.

These two things do not contradict each other. On the contrary, they complement each other. Allow me to quote – and do not wonder at this – Ya'aqov Hazan [former Knesset member of the United Workers' Party], who was awarded the Israel prize a few days ago for his special contribution to the country and society. Let me also seize this opportunity to wish him longevity, on his 90th birthday. During the ceremony he said, and I am quoting: When the Zionist Congress was held in Israel and Menahem begin and I were entrusted with concluding it, I took the podium and said: The thing that unites us is love of Israel; it is only on this basis that we can co-operate. As then, now too, we sit together, people with different and sometimes even opposing views, but still, the love for our people and the concern for its future is the uniting factor for all of us. I agree with every word said by Ya'aqov Hazan. Knesset members, let me mention verses said by the poet of Psalms: May the Lord give strength to His people! May the Lord bless His people with peace! This is indeed the correct combination of our national goals: strength and peace.

In conclusion, let me return to the point of unity, the Jewish and national unity which was one of the main motives, in my view, behind the establishment of the present government and the consolidation of the initiative we are looking at now. In the history of our people we have known years of success and prosperity during times of unity, while we have known disasters and evils during days of dissension. Our strength lies only in our unity in the face of enemies who seek our souls, deluding themselves that they shall shortly stand at the gates of Jerusalem. The truth is that we shall stand at the gates of the united Jerusalem from now and forever, with God's help, united and faithful to our goals.

AL-QUDS RADIO CALLS PLO REJECTION OF SHAMIR'S PLAN A JOKE

Al-Quds Palestinian Arab Radio 1500 gmt 17 May 89

Text of commentary (ME/0460 A/2)

The PLO Executive Committee has done well [words indistinct] Tunis by terming terrorist Shamir's initiative a joke and an exposed political manoeuvre. In order that this approval can be seen for what it is, a number of questions should be posed in the hope that discussing them would be feasible and useful.

The first question: Is this rejection, which came after a long labour, fatigue and deliberation, a rejection of the principle of the liquidationist plan or a rejection stressing a certain manoeuvre? The second question: What are the considerations and reasons that prompted this rejection and do these reasons apply only to Shamir's initiative? The third question: What is the alternative reached by the Executive Committee and does this alternative, too, apply only to the said initiative? Only the answers to these questions can put approval of the Executive Committee's decision in the right perspective.

In reply to the first question, we say: Rejection of the Zionist initiative was a rejection of the initiative itself, that is [the initiative] alone, and not a rejection of the principle of the settlement plan. The conferees in the Tunisian capital discussed terrorist Shamir's initiative as if it were completely isolated from the origin. The origin here is the acceptance of the solution proposed by the US administration and adopted by the Zionist government, and there is no harm if we say this the other way around. Since this is what had happened, the rejection expressed was a partial one. In the best cases, it had no political or principled value as long as adherence to the root and stem of the settlement plan is the basis.

It seems that the Executive Committee's rejection of Shamir's plan is mainly a multifaceted political manoeuvre. Here we can use the same phrase with which the conferees termed Shamir's initiative a joke, and place it after the word rejection. Thus, this rejection becomes a resemblance of the same joke and the same manooeuvre. It seems to us that this manoeuvre has multifaceted political sides. The most prominent of these sides is perhaps placing a thick black band over the eyes in order to hide from sight what is happening between this committee's elements in the territories and the US delegation under Ross, as well as between them and the so-called Zionist war minister Yitzhaq Rabin, who said after a long meeting with them that the general atmosphere towards the peace plan launched by terrorist Shamir was positive.

The political observer does not find it hard to interpret the rejection of Shamir's plan by those who met in Tunis as an attempt to prompt the PLO elements in the [occupied] territories to move and agree to elections, and then implement all the administrative and political measures as cited in the Zionist proposal. The fait accompli will then be the valid one. Embarrassment and disgrace will then be removed and matters will run as is planned.

In reply to the second question on the reasons for this rejection and if these reasons apply only to Shamir's initiative, we can easily say that the Tunis rejection is not based on fundamental reasons. Had it been based on fundamental reasons, there would not have been the Algiers resolutions nor the acceptance of Resolutions 242 and 338 nor the Paris declaration on the abrogation of the Palestine National Charter nor many other political actions. As an evident and natural conclusion of this reality, it becomes certain to us that the so-called rejection is meant only to throw dust in the eyes, especially since a summit is expected to be held, and the PLO leadership wants to have even a small margin within which it can move in the circle of the general settlement plan.

Answering the third question on the alternative reached by the Executive Committee, we find that there is no alternative that differs from, contradicts or conflicts with Shamir's initiative. The alternative they propose is part of the general settlement plan or part of the American-Zionist scheme. This part does not at all conflict with the Zionist initiative, but tries to dance with it in the same place, in the same room and in the same court. Moreover, had there been a real alternative to

Shamir's proposal, a bold national and pan-Arab decision that blows up all the political trends of the PLO's leadership would have been taken many years ago. This real alternative is based on a return to armed struggle and unified Palestinian action, on relinquishing the attempt to outflank the great and blessed intifadah and returning to a clear and firm pan-Arab stand. This, with great bitterness, was not one of the reasons behind the rejection of terrorist Shamir's initiative.

Our opinion about this rejection of the Zionist initiative is neither utopian nor unilateral. It is the one which makes us consider approval of the Executive Committee's decision a weak approval that might not be in place, but voiced only as a way of sprinkling orange-blossom water over the body of the deceased. God is with us and victory is near. Together along the path of liberating the land and man.

IRAN: AHMAD KHOMEYNI'S OPEN LETTER ON BACKGROUND TO MONTAZERI'S RESIGNATION AS DEPUTY LEADER

IRNA in English 1420 gmt 17 May 89

Text of dispatch datelined Tehran, 16th May

Imam Khomeyni tried time and again in the course of at least six years to prevent Ayatollah Hoseyn Ali Montazeri from distancing himself from the Islamic Republic and sympathising with its opponents, published documents reveal.

In a detailed letter addressed to the Ayatollah, who resigned from [the] deputy leadership in March, the Imam's son, Ahmad, expressed profound regret that Montazeri failed to heed the Imam's calls.

In their last meeting, apparently in February, it seemed certain that at least the political relationship between tutor and student had come to a sad end. "You (Montazeri) spoke for more than half an hour. The Imam kept silent. Then you stood up to leave and the Imam said: 'Most of what you said were [as received] untrue. May God forgive me and bring about my death'."

The letter, published in full in Tehran's newspapers [on] Tuesday [16th May], covered more than three full-length pages, intended to shed light on events which led to the Ayatollah's downfall, which surprised many people and officials.

Hojjat ol-Eslam Ahmad Khomeyni noted that the Imam gave a strong hint in a public message as [far] back as July 1983 that Montazeri was in real danger of being influenced by the enemies of the Islamic Republic "who, God forbid, may create a catastrophe." But events after October 1986 show a steady deterioration of the Ayatollah's support for the state.

On 4th October of that year the Imam wrote to Montazeri stressing that the Ayatollah's reputation was being seriously questioned in [the] light of murder and other charges brought against Mehdi Hashemi, the brother of Montazeri's son-in-law, Hadi. He proposed that Montazeri personally request the Information Ministry to investigate the charges or, if that was not possible, to remain silent.

"What is certain and which I insist on is that the charges must be investigated" the Imam stressed in a polite but firm letter. Five days later, Montazeri replied in a nine-page letter in which he said he was "not afraid to speak the truth" and he strongly defended Hashemi, who was the Ayatollah's appointment as head of the Islamic liberation movements' organisation.

In the end, he said, in view of the developments he had no choice but to stay away from political activity and stick only to his teaching at the Qom theological school.

Hashemi was charged in March and executed in September 1987 for killing a prominent ayatollah before the revolution and other murders after. Many weapons and secret state documents were found in his home.

Hojjat ol-Eslam Khomeyni also said it was commonly believed that Hashemi organised an aborted mission to carry large amounts of explosives to Saudi Arabia during the hajj, presumably in 1986.

Khomeyni quoted numerous excerpts from Hashemi's tape-recorded confessions admitting playing an instrumental role in influencing the Ayatollah's views by feeding false and misleading information on the country's affairs.

The Ayatollah boycotted his class over the Hashemi affair, prompting the Imam to invite him to Tehran for a meeting with all senior officials, including President Ali Khamene'i, Majlis Speaker Akbar Hashemi-Rafsanjani and Prime Minister Hoseyn Musavi.

"In this meeting, the Imam, with great humility, asked you to break your strike against the state. He told you: 'Do you regard us as your enemies? You certainly cannot say such a thing.' "Then, with a very sincere and warm gesture, he (Imam) said: 'I appeal to you to stop these actions and do your work.' You did not accept. He (Imam) said: 'I am fond of you. I am a devoted friend. Listen to an admirer and a friend, and do your work.'

"Most violently, you (Montazeri) said: 'Allah does not impose upon any soul a duty but to the extent of his ability' ", which is a verse quoted from the Koran.

"At this point I looked at my friends. I saw they all had their heads down in shame. There were tears in Mr Khamene'i's eyes. Mr Rafsanjani and I, in front of the Imam, told you that you believe in velayat-e faqih (rule of the supreme jurisprudent)... [agency ellipsis] so why don't you listen to the Imam?

"You then repeated (the Koranic verse). The Imam calmly looked at you. No doubt whisperers of evil had told you not to compromise an inch until Mr Hashemi is freed."

From the summer of last year matters got worse. Several letters were written to the Imam and other senior officials, bitterly criticising state policies and actions, most notably the execution of members of the Baghdad-based Monafeqin [mojahedin] terrorist organisation. The letters were private, but were widely distributed by the Ayatollah's close associates.

One quoted was dated last 1st October to the Prime Minister, in which the Ayatollah said: "Narrow-minded, draconian and uncaring officials" must be removed and the Information Ministry as well as [the] Revolution Guards [Corps] must "review their methods".

"Do you see the air you breathe is from an atmosphere far from the dominant climate of the society? It's true that if these 'musts' are implemented, Iran will become a flower garden. But, in present circumstances, is [it] practically possible to carry them out?

CONFIDENTIAL

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

8 May 1989

VISIT OF MR. SHAMIR

I have consulted the Prime Minister on one or two points about the programme for Mr. Shamir's visit. She would prefer the talks to be in very restricted session, meaning really just herself and Mr. Shamir, each with notetakers. We might expand participation for the working supper to include the Foreign Secretary - if it were convenient for him -and our Ambassador in Tel Aviv. The Prime Minister would also be happy to invite Mrs. Shamir to come at 1730 for, say, 15 minutes before starting the talks so that they have an opportunity to meet. I should be grateful if you could propose this to the Israelis.

The Prime Minister will want to give a gift to Mr. Shamir. I should be grateful for suggestions.

C. D. POWELL

R. N. Peirce, Esq.,
Foreign and Commonwealth Office

CONFIDENTIAL

(j)

PRIME MINISTER

VISIT OF MR. SHAMIR

Mr. Shamir is coming on 22 May. The programme is talks at 1730 followed by a working supper at 1900 (so as to finish early and leave you time to prepare for Questions).

We need to decide:

Participation in Talks

Would you prefer to see Mr. Shamir alone with a note-taker? Or do you want to include the Foreign Secretary and our Ambassador? There is something to be said for the smaller format. Yes ~~no~~

Participation in supper

Would you like to add the Foreign Secretary and/or the two Ambassadors for the working supper? Yes

Mrs. Shamir

She is accompanying her husband. It would not be appropriate to have her for the working supper (in the Israelis' view). Should we invite her for 15 minutes for tea before the talks start at 1730? Yes ~~no~~

Gifts

I imagine you will want to give Mr. and Mrs. Shamir gifts. It is their first official visit. **Agree?**

Yes ~~no~~

C.D.?

CHARLES POWELL

5 May 1989

LOS
AnH

CONFIDENTIAL

Foreign and Commonwealth Office

London SW1A 2AH

5 May 1989

Dear Charles

Visit of Israeli Prime Minister, 21-23 May

We had suggested to the Israelis that the Prime Minister's talks with Mr Shamir should begin at 4 pm on 22 May and be followed by a working supper. You and I agreed, however, that it might be better to begin the talks at 5.30 pm, to avoid an unduly early supper and to allow Mr Shamir time to fit in another engagement if he wishes, earlier in the afternoon. We shall put this to the Israelis. It would be helpful, too, to have an early indication of the Prime Minister's wishes on attendance at both the talks and the supper (the Foreign Secretary will be in Brussels that day but could return in time for supper). The Israelis have sought guidance on how many of Mr Shamir's party may be included.

The Israelis have not been able to confirm the composition of their delegation but have said that Mrs Shamir will certainly accompany her husband. It would not be appropriate for her to be present at a working supper. But I should be grateful for guidance as to whether the Prime Minister would wish to meet her, perhaps for tea before the official talks begin. Mr Shamir would no doubt appreciate this personal courtesy.

The Israelis have sought our views on a possible exchange of presents. They have in mind "something with historical associations with the Holy Land and of intrinsic artistic merit" for the Prime Minister, and have asked about Mr Thatcher's interests. The Israelis do not have strong views on this and an exchange of gifts is not therefore essential. But it could contribute to our objective of establishing a good working relationship with Mr Shamir.

Yours ever

Robin

(R N Peirce)
Private Secretary

C D Powell Esq
10 Downing Street

CONFIDENTIAL

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CONFIDENTIAL
FM TEL AVIV
TO PRIORITY FCO
TELNO 122
OF 191315Z APRIL 89

PS TO PRIME MINISTER
NO 10 DOWNING ST

YOUR TELNO 128: MR SHAMIR'S VISIT TO LONDON.

1. I CALLED ON BEN-AHARON, DIRECTOR-GENERAL OF THE PRIME MINISTER'S OFFICE, ON 19 APRIL TO DISCUSS THE FORTHCOMING VISIT. MIFT COVERS LOGISTICAL DETAILS.

2. I ASKED BEN-AHARON WHAT SHAMIR'S OBJECTIVES FOR THE VISIT WOULD BE. HE LISTED THREE: THE IMPROVEMENT OF BILATERAL RELATIONS: BRITISH RECOGNITION AND UNDERSTANDING OF SHAMIR'S APPROACH AND INTENTIONS ON INTERNATIONAL QUESTIONS, INCLUDING THE PEACE PROCESS IN PARTICULAR: AND BRITISH ACCEPTANCE THAT SHAMIR'S LATEST PROPOSALS WERE SERIOUSLY MEANT AND STOOD A GOOD CHANCE OF SUCCESS. SHAMIR SAW THE UK AS OCCUPYING A KEY POSITION BETWEEN THE EUROPEAN COMMUNITY AND THE US, ABLE TO INFLUENCE THE EC IN PARTICULAR TOWARDS ACCEPTING ISRAELI SINCERITY.

3. IN CONVERSATION ABOUT HANDLING OF THE PRESS, BEN-AHARON SPOKE CLEARLY OF HIS CONCERN THAT THE VISIT SHOULD BE SEEN AS A SUCCESS AND SHOULD NOT HIGHLIGHT THE DIFFERENCES. HE WAS CONFIDENT MRS THATCHER WOULD HAVE NO DIFFICULTY IN PUBLICLY ENDORSING SHAMIR'S CONCEPTION OF THE ELCTIONS PROPOSALS AS PART OF A PROCESS LSEADING UNEQUIVOCALLY TO NEGOTIATIONS ON FINAL STATUS, AND ALSO SHAMIR'S EXPLICIT ACCEPTANCE THAT EVENTUAL FINAL NEGOTIATIONS SHOULD BE WITHOUT PRECONDITIONS. THE ISRAELIS HOPED HOWEVER THAT IT WOULD NOT BE NECESSARY TO SAY TOO MUCH IN PUBLIC ABOUT THE DIFFERENT VIEWS WHICH WE HELD ON THE SHAPE OF THE ULTIMATE SETTLEMENT. I SAID THAT I HAD NO INSTRUCTIONS BUT I THOUGAHT IT LIKELY THAT WE WOULD WISH TO REFER TO OUR BELIEF IN SELF-DETERMINATION FOR THE PALESTINIANS, WITHOUT NECESSARILY STATING PRECISELY WHAT SHOULD THE EVENTUAL RESULT OF THAT SELF-DETERMINATION.

4. BEN-AHARON MENTIONED THE ARMS EMBARGO AS ONE BILATERAL QUESTION WHICH WOULD BE ON SHAMIR'S MIND. HE PROFESSED TO BE UNCERTAIN ON THE REASONS FOR THE EMBARGO BUT SEEMED TO RECALL THAT IT WAS SOMETHING TO DO WITH LEBANON. I REMINDED HIM OF OUR CLEAR VIEW THAT THE PRESENCE OF ISRAELI TROOPS ON LEBANESE SOIL

WAS UNACCEPTABLE. IN CURRENT CIRCUMSTANCES THE PRESENCE OF ISRAELI TROOPS MIGHT NOT BE THE ELEMENT OF THE LEBANESE SITUATION WHICH ATTRACTED GREATEST PUBLIC ATTENTION. BUT IT WAS STILL IMPORTANT.

5. I ADDED THAT ANOTHER FACTOR WWHICH MIGHT WELL BULK EVEN LARGER IN THE PRIME MINISTER'S APPROACH WAS THE BEHAVIOUR OF ISRAELI TROOPS IN THE OCCUPIED TERRITORIES. WE HAD ALL BEEN GREATLY DISTRESSED BY THE REPORTS OF VIOLENCE IN RECENT DAYS, IN PARTICULAR IN NAHALEEN. WE HAVE OBJECTIVE EYE-WITNESS REPORTS WHICH COULD NOT BE DENIED, AND THE EFFECT OF THE UNREST COULD BE SEEN ONLY TOO CLEARLY IN THE STATISTICS AND IN THE HOSPITAL WARDS. BEN-AHARON DID NOT ATTEMPT MUCH IN THE WAY OF A DENIAL, SAYING ONLY THAT IT WAS IMPORTANT THAT ANY DISCUSSION SHOULD BE BASED ON A FULL UNDERSTANDING OF THE FACTS ON BOTH SIDES.

6. PLEASE SEE MIFT.

ELLIOTT

YYYY

DISTRIBUTION 154

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PS
PS/LORD GLENARTHUR
PS/MR WALDEGRAVE
PS/MR EGGAR
PS/PUS
PS/SIR J FRETWELL
CHIEF CLERK
MR TOMKYS
MR BOYD
MR GORE-BOOTH
MR SLATER
MR RATFORD
MR MOSS
MR FAIRWEATHER

ADDITIONAL 12

ARAB/ISRAEL

NNNN

MR. POWELL CM

DR. KOPELITZ

Your friend Dr. Kopelitz rang earlier today. He says he is planning to take a holiday, but would not want to fix this to clash with the timing of any visit by Mr. Shamir. He therefore wanted to know whether a date had yet been fixed for that.

I pleaded total ignorance, but said I would pass the message on to you and you would try to find time to have a word with him. He threatened to collar you at next Thursday's dinner for Gorbachev.

PLC.

P. GRAY
31 MARCH 1989

MRM

Thank you.
Please file
[illegible]
3/4

10 DOWNING STREET

Charles

Mr. Shamir's visit

I have confirmed the new times with the Foreign Office and have spoken to Mr. Meron in the Israeli Embassy. He will ring you next week about timings.

Amanda
31/3

MRS. PONSONBY

POSSIBLE VISIT BY MR. SHAMIR

You will want to see the attached note and the Prime Minister's comment on it. Unless you see over-riding objections could you:

- tell the Foreign Office what we are prepared to offer;

- telephone Mr. Meron in the Israeli Embassy on my behalf and offer him the meeting and working supper on 22 May for Mr. Shamir.

C.D.P.

C. D. POWELL
25 March 19899

CONFIDENTIAL

(1)

PRIME MINISTER

cc. Mrs. Ponsonby

POSSIBLE VISIT BY MR. SHAMIR

The Israelis have been in touch to enquire whether it would be possible for Mr. Shamir to see you on 22/23 May.

I attach the relevant pages of your long term diary. It is not ideal, given that you have the Women's Conference on 24 May, the Freedom of the City of London on 26 May and the NATO Summit on 29/30 May.

But technically it would be possible to fit in a meeting from say 1600 - 1800 on Monday 22 May followed by a working supper, leaving Mr. Shamir to pursue other engagements on 23 May. On substance there is quite a lot to be said for being involved - and seen to be - in maintaining pressure on Shamir for some positive step forward.

Are you prepared to agree this? Yes

Or shall I say that you are simply too busy at that time?

C D P

C. D. POWELL
24 March 1989

KK1ANJ

CONFIDENTIAL

PRIME MINISTER

cc. Mrs. Ponsonby

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C. D. POWELL
24 March 1989

KKlANJ

COPY NO:

Monday 22 May

0730	Hair
0845	**DEPART NO.10**
	KEEP FREE FOR BRIEFING CCO
0930	**EUROPEAN CANDIDATES CONFERENCE AND MANIFESTO LAUNCH**
1230	**RETURN TO NO 10**
	Meeting with colleagues
1300	Followed by lunch
1430	Mr. Ikeda +CDP

Tuesday 23 May

0900	Questions Briefing Team
0930	Photocall with Marie Curie + Paul Eddington +TP
1300	Lunch and Questions Briefing
1515	**QUESTIONS**
1545	**CRANLEY ONSLOW MP + MLB**
1600	**KEEP FREE FOR MPs**
1700	Chancellor of the Exchequer + PG
1730	Foreign Secretary + CDP
	Keep free for speech

Wednesday 24 May

am	Keep free for speech
	Lunch in flat
?	**ADDRESS WOMEN'S CONFERENCE** ?
?	**RETURN TO NO 10**
	Keep free for speech + AT

Thursday 25 May HOUSE RISES?

0830	Hair
0900	Questions Briefing Team
0930	Sir Y K Pao + CDP
1000	Cabinet
After	Keep free for speech + AT
1300	Lunch and Questions Briefing
1515	**QUESTIONS**
1545	**KEEP FREE FOR MPs**
1645-1730	Meet international cancer experts + DM? No. 10
	Change
?	**KEEP FREE + JW and MLB**
	RETURN TO NO 10
	Work on speech + AT

Friday 26 May

RECEIVE FREEDOM OF THE CITY OF LONDON
TO CHEQUERS

Monday 29 May

BANK HOLIDAY
Hair
KEEP FREE

FILE KK

MRS. PONSONBY

POSSIBLE VISIT BY MR. SHAMIR

You will want to see the attached note and the Prime Minister's comment on it. Unless you see over-riding objections could you:

- tell the Foreign Office what we are prepared to offer;

- telephone Mr. Meron in the Israeli Embassy on my behalf and offer him the meeting and working supper on 22 May for Mr. Shamir.

BF.

C. D. POWELL
25 March 19899

KK

CONFIDENTIAL

(1)

PRIME MINISTER

cc. Mrs. Ponsonby

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Are you prepared to agree this? Yes

Or shall I say that you are simply too busy at that time?

C.D.P.

C. D. POWELL
24 March 1989

KK1ANJ

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NOT TO BE COPIED

COPY NO:

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Keep free for speech

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Lunch in flat
? ADDRESS WOMEN'S CONFERENCE ?
? RETURN TO NO 10
Keep free for speech + AT

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0900 Questions Briefing Team
0930 Sir Y K Pao + CDP
1000 Cabinet
After Keep free for speech + AT
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1515 QUESTIONS
1545 KEEP FREE FOR MPs
1645-1730 Meet international cancer experts + DM? No. 10 Change
? KEEP FREE + JW and MLB
RETURN TO NO 10
Work on speech + AT

Friday 26 May

RECEIVE FREEDOM OF THE CITY OF LONDON
TO CHEQUERS

Monday 29 May

BANK HOLIDAY
Hair
KEEP FREE

CONFIDENTIAL

File to

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

8 March, 1989.

POSSIBLE VISIT OF ISRAELI PRIME MINISTER

I wrote to you yesterday about the possible visit of Mr. Shamir. The Prime Minister has confirmed that she would be able to see him on 17 May if the Israelis do indeed suggest a visit around then. She could not do a dinner that week, but could do a lunch for up to 65 guests, with an hour for talks after the lunch. We have blocked this off in the diary, and should now wait for the Israelis to make a formal approach.

(C.D. Powell)

R.N. Peirce, Esq.,
Foreign and Commonwealth Office.

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CONFIDENTIAL AND PERSONAL

FILE DAP

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

Dear Bob,

POSSIBLE VISIT OF MR SHAMIR

I have been tipped off by the Israelis that Mr Shamir is quite likely to propose that he visit the United Kingdom in the week beginning 15 May. Only a short visit is envisaged. I am discussing this with the Prime Minister. At first sight, 17 May looks a possible date for her.

I should be grateful if you would not play back to the Israelis that you have this information.

Yours sincerely,

C. D. POWELL

R. N. Peirce, Esq.
Foreign and Commonwealth Office

CONFIDENTIAL AND PERSONAL

CONFIDENTIAL

Wed 17
12.00 to
4.00.

PRIME MINISTER

POSSIBLE VISIT OF MR SHAMIR

The Israeli Embassy have told me that Mr Shamir is thinking of suggesting himself for a brief visit in the week beginning 15 May. I attach the relevant section of your long-term diary. You are very busy throughout the summer. But 16/17 May looks possible to fit in a meeting and lunch or dinner. I think it is quite important to get Mr Shamir here. Would you agree in principle to this?

CDP

Yes

C. D. POWELL
7 March 1989

DASAUT

CONFIDENTIAL

Foreign and Commonwealth Office

London SW1A 2AH

27 March 1986

Prime Minister
I have spoken to the Israeli Embassy who say that Mr. Peres does not want any attention. It's just a 'technical' stop.
CDP
26/3.

Dear Charles,

Israeli Prime Minister

The Prime Minister may wish to know that the Israeli Prime Minister will be in Britain in transit to and from the United States on the following dates:

31 March	RAF Mildenhall ETA 1100, ETD 1300
4 April	RAF Brize Norton ETA 0155, ETD 0400

The Israeli Embassy have not asked that any representative of the British Government should meet Mr Peres, but we plan to provide a protocol official to greet him on arrival on 31 March. We consider that this would be particularly appropriate in view of the Prime Minister's forthcoming visit to Israel. The RAF are providing VIP facilities.

Yours ever,

(R N Culshaw)
Private Secretary

C D Powell Esq
PS/10 Downing Street



CDM
14/1

With the compliments of

E. A. J. FERGUSSON

FOREIGN AND COMMONWEALTH OFFICE
LONDON, SW1A 2AH

020

BRITISH EMBASSY,
TEL AVIV

7 February 1986

E A J Fergusson Esq
DUSS
FCO

NENAD

cc Mr Powell No 10
PS
PS / Mr Renton
Protocol Dept.

Dear Ewen,

VISIT TO LONDON OF THE ISRAELI PRIME MINISTER

1. You are familiar with the substantive results of this visit. On my return I should like to record that I have heard nothing but praise for the organisation and programme arrangements made for the Prime Minister and his party. The credit for this lies with NENAD, Protocol Department and Government Hospitality.

2. I believe Prime Minister Peres personally expressed his thanks to Protocol Department. May I also add from personal observation the contribution made by Government Hospitality and in particular Group Captain Robert Thompson on whom fell the prime responsibility for the execution of the programme arrangements, as the senior escort officer.

3. I am sending a copy of this to Brigadier Cowan of the Government Hospitality.

Yours ever

Bill Squire

C W Squire



(4)

Prime Minister

Telegrams: Marsphenix London
Telex No.: 267141
Telephone: 01-935 4422

Michael House,
Baker Street, 3/2.
London, W1A 1DN.

From Lord Sieff of Brimpton

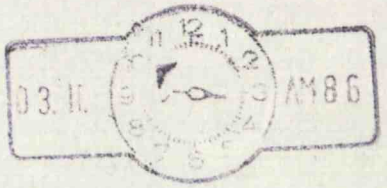
31st January 1986

Dear Prime Minister

Thank you for sending me the notes of your excellent speech at the dinner you gave for Mr. Shimon Peres. I have read them with much interest; it is a reminder of an outstanding evening. I am glad you thought his visit a success. I know he did.

With all good wishes

Yours.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AM 8 6

JD

10 DOWNING STREET

THE PRIME MINISTER

27 January 1986

PRIME MINISTER'S PERSONAL MESSAGE SERIAL No. T 15/86

cc Master OPS

Dear Prime Minister,

It was only after you left No.10 on Wednesday that I was able to open the gift which you so kindly left for me. It is very lovely, and I could not be more grateful. Thank you very much indeed.

We greatly enjoyed having you here in Britain, and there is no doubt at all that your visit was a great success. It was most kind of you to invite me to pay a return visit, and I hope to be in touch before long to discuss dates.

With warm regards,

Yours sincerely

Margaret Thatcher

His Excellency Mr. Shimon Peres

GRS 500

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PERES' VISIT TO LONDON: ISRAELI PRESS REACTION

SUMMARY

1. ISRAELI PRESS COVERAGE OF PERES IN LONDON HAS BEEN EXTENSIVE AND VERY POSITIVE IN TONE.

DETAIL

2. THREE OF THE FOUR MAIN DAILIES MADE PERES' TRIP THEIR LEAD STORY ON 23 JANUARY: ''HAARETZ'' AND ''DAVAR'' DO SO AGAIN TODAY. ISRAEL TV LED ITS MAIN EVENING NEWS ON 22 JANUARY WITH TEN MINUTES OF FILM AND ANALYSIS, CONCENTRATING ON PERES' TALKS WITH MRS THATCHER AND HIS SPEECH TO CHATHAM HOUSE. ISRAEL RADIO HAS ALSO PROMINENTLY FEATURED PERES' ENGAGEMENTS IN LONDON. THERE IS GREAT INTEREST IN HIS LUNCH TODAY WITH THE PRINCE AND PRINCESS OF WALES (AN INVITATION FOR THE ROYAL COUPLE TO VISIT ISRAEL IS PREDICTED).

3. MAIN POINTS OF THE MEDIA COVERAGE HAVE BEEN:

A) THE PEACE PROCESS. WHILE BRITISH AND ISRAELI SOURCES ARE QUOTED AS PLAYING DOWN HOPES OF EARLY MOVEMENT, THERE IS WIDE SPECULATION ABOUT THE POSSIBILITY OF BRITISH ASSISTANCE IN GETTING TALKS UNDER WAY WITH JORDAN:

B) PERES IS SAID TO HAVE CONVINCED MRS THATCHER THAT A SUBSTITUTE MUST BE FOUND FOR THE PLO TO REPRESENT THE PALESTINIANS. PERES' DISCUSSIONS WITH MURPHY ARE ALSO BEING CLOSELY FOLLOWED BY THE PRESS (WITH LITTLE OF SUBSTANCE EMERGING):

C) REPORTS OF PERES' CHATHAM HOUSE SPEECH HAVE FOCUSSED ON HIS CALL FOR A NEW MARSHALL PLAN FOR THE MIDDLE EAST: BUT HIS REFERENCE TO THE PALESTINIANS' RIGHT OF ''SELF EXPRESSION'' HAS NOT BEEN MISSED. DAVAR QUOTES SOURCES IN PERES' ENTOURAGE AS SAYING THAT THIS NEW PHRASE DOES NOT MEAN SELF-DETERMINATION, BUT RATHER THAT THE ARAB RESIDENTS OF THE TERRITORIES ''SHOULD CONDUCT THEIR AFFAIRS INDEPENDENTLY IN MOST SPHERES, WHILE OBSERVING PEACEFUL COEXISTENCE'':

/D)

D) ALL PAPERS HAIL THE VISIT AS A MILESTONE IN ANGLO-ISRAELI RELATIONS, SETTING THE SEAL ON THE STEADY IMPROVEMENT OF THE PAST TWO YEARS. THERE IS MUCH INTEREST IN PERSONAL RELATIONS BETWEEN THE TWO PRIME MINISTERS. BRITISH AND ISRAELI OFFICIALS ARE QUOTED AS SPEAKING OF AN ''IMMEDIATE CHEMISTRY''. MRS THATCHER'S DESCRIPTION IN PARLIAMENT OF HER TALKS WITH PERES AS ''VERY ENJOYABLE'' MADE THE LEAD ON ISRAEL RADIO'S ENGLISH NEWS THIS MORNING. HER PLAN TO VISIT ISRAEL HAS BEEN WELCOMED. A NUMBER OF PAPERS SPECULATE THAT BRITAIN MAY SHORTLY MAKE SOME GESTURE TO ISRAEL IN THE BILATERAL SPHERE: ''HAARETZ'' AND ''YEDIOT'' BOTH PREDICT A LIFTING OF THE ARMS EMBARGO. ''DAVAR'' SAYS THAT MOVES ON OIL SALES AND THE ARAB BOYCOTT ARE ALSO UNDER CONSIDERATION.

E) THE PAPERS ARE ECSTATIC OVER WHAT IS SEEN AS PERES' PERSONAL TRIUMPH WITH THE BRITISH. APART FROM THE WARMTH OF MRS THATCHER'S COMMENTS ABOUT HIM, THE UNUSUAL FRIENDLINESS OF THE BRITISH PRESS AND THE BBC HAS RECEIVED WIDE ATTENTION. THERE ARE SEVERAL COMPARISONS WITH THE RALATIVE COOLNESS OF SHAMIR'S VISIT LAST YEAR.

COMMENT

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4. THE EUPHORIC TONE OF MEDIA COVERAGE IS UNUSUAL. WE ARE MORE USED TO THE SMELL OF CORDITE AND SOUR GRAPES.

PRENDERGAST

YYYY

FCO PLEASE PASS SAVING ADDRESSEES

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PLANNING STAFF
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Mr N L Wicks CBE
Principal Private Secretary to
the Prime Minister
10 Downing Street
LONDON SW1

Your reference:

Our reference: NDW/JH

Date: January 23, 1986

Dear Mr Wicks

I am so sorry that yesterday morning it was necessary for me to 'phone apologies from my wife and myself for the dinner in honour of the Prime Minister of the State of Israel.

I have a heavy cold which seems to get worse rather than better and I thought that it would be better for Mr Peres and the other guests for me not to be there.

Yours sincerely

Norman Willis

General Secretary

General Secretary: Norman Willis *Deputy General Secretary:* Kenneth Graham, OBE
Assistant General Secretaries: Roy Jackson and David Lea, OBE

27 JAN 1986

EMBARGOED UNTIL 2200

TOAST BY PRIME MINISTER SHIMON PERES

AT THE DINNER HOSTED BY

PRIME MINISTER MARGARET THATCHER

AND MR DENIS THATCHER

AT

NO. 10 DOWNING STREET

ON

WEDNESDAY 22 JANUARY 1986

AT

1945 FOR 2000

EMBARGOED UNTIL 2200

PRIME MINISTER, MR THATCHER, MY LORDS, YOUR EXCELLENCIES, LADIES AND GENTLEMEN.

I THANK YOU, PRIME MINISTER, FOR THIS WONDERFUL OCCASION. I SEE AROUND ME FRIENDS OLD AND NEW - THE TABLE TALK HAS BEEN STIMULATING AND, AS FOR THE FOOD, WELL, I DID NOT REALISE THAT NUMBER 10 IS SO GOOD IN KOSHER FOOD.

PRIME MINISTER. I APPRECIATE YOUR INVITATION THAT HAS BROUGHT ME TO YOUR GREAT COUNTRY. I BELIEVE OUR TALKS THIS MORNING WERE VERY USEFUL.

.../FOR BRITAIN AND ISRAEL INTERACT

FOR BRITAIN AND ISRAEL INTERACT WITH EACH OTHER IN MANY FIELDS. OUR COMMERCE IS EXPANDING, OUR HUMAN CONTACTS ARE VARIED AND INTENSE, OUR PEOPLES UNDERSTAND EACH OTHER WITH AN INTIMACY BORN OF LONG EXPERIENCE, AND AS HEADS OF GOVERNMENTS, YOU AND I AND OUR COLLEAGUES ARE THE CUSTODIANS OF OUR SPECIFIC NATIONAL INTERESTS. I HOPE AND BELIEVE THAT IN OUR TALKS TODAY, WE HAVE SERVED THOSE INTERESTS WELL. ISRAELIS HAVE THE REPUTATION OF TOLERANCE TOWARDS ALL THOSE WHO AGREE WITH US.

WELL, PRIME MINISTER, THE DEFENCE OF INTERESTS IS WHAT GOVERNMENTS ARE FOR,

.../AND YOU YOURSELF ARE NOT

AND YOU YOURSELF ARE NOT OFTEN REPROACHED FOR A LACK OF TENACITY IN DOING WHAT YOU THINK RIGHT FOR YOUR OWN COUNTRY. BUT, BEYOND OUR SEPARATE INTERESTS, WE ALSO HAVE COMMON VALUES, AND IT IS THESE VALUES WHICH HELP US BRING OUR INTERESTS INTO HARMONY AND WHICH LIE AT THE ROOT OF THE FRIENDSHIP WHICH I HAVE COME HERE TO CELEBRATE AND ADVANCE.

THIS FRIENDSHIP HAS A SPECIAL CONTEXT OF HISTORY. THIS IS IMPORTANT, FOR WE ARE BOTH HISTORY-LOVING PEOPLES. A NATION DOES NOT SERVE ITS FUTURE BY FORGETTING ITS PAST. TRADITION BRINGS ENRICHMENT TO THE STARK LANDSCAPE OF MODERN SOCIETIES. THE JEWISH PEOPLE HAS ALWAYS STRIVEN TO

.../CONSERVE ITS LEGACY, TO

CONSERVE ITS LEGACY, TO TRANSMIT IT TO FUTURE GENERATIONS. WE ADMIRE THE ELEMENT OF CONTINUITY AND TRADITION IN BRITISH LIFE, JUST AS WE APPLAUD THE SPIRIT OF INNOVATION AND ORIGINALITY WHICH HAS MADE THIS ISLAND LOOM SO LARGE IN THE STORY OF MANKIND. IF BY AN ACT OF IMAGINATION YOU WERE TO TAKE BRITAIN AND THE BRITISH PEOPLE OUT OF HISTORY OF LITERATURE AND OF SCIENCE, OF INDUSTRIAL DYNAMISM AND OF POLITICAL INSTITUTIONS, THE HUMAN LANDSCAPE - INDEED CIVILISATION ITSELF - WOULD BE VASTLY IMPOVERISHED.

OUR LANGUAGE OF VALUES, OF HUMAN PRINCIPLES, OF FUNDAMENTAL CONVICTION IS ONE AND THE SAME.

.../IT SPEAKS OF LIFE AS A SACRED

IT SPEAKS OF LIFE AS A SACRED ABSOLUTE, OF ALL PEOPLE BORN IN THE IMAGE OF GOD, OF PEACE THAT IS THE HIGHEST OF ASPIRATIONS, OF HUMAN LIBERTY AS BEING SACROSANCT AND OF MAN WHO MUST WORK TO EARN HIS BREAD BUT SHALL NOT LIVE BY BREAD ALONE.

MY CONGRATULATIONS TO YOU, PRIME MINISTER, ON YOUR AGREEMENT CONCLUDED WITH PRESIDENT MITTERAND TO CONSTRUCT A RAILWAY TUNNEL LINK WITH FRANCE. "CHUNNEL" IS, I UNDERSTAND, WHAT YOU CALL IT. IF I CAN ALMOST PARAPHRASE A SHAKESPEARIAN EXPRESSION -

'TRUST THE SEA, TRUST THE LORD, TRUST THE FRENCH AND USE THE CHANNEL'.

.../WE AND OUR IMMEDIATE

WE AND OUR IMMEDIATE NEIGHBOUR ARE SEPARATED BY THE RIVER JORDAN - A RIVER WHICH IS RICHER IN HISTORY AND IN WATER. IT SEPARATES US AND MAY UNITE US. WE HOPE TO USE YOUR GOOD OFFICES TO HELP BRIDGE THAT RIVER.

THIS EVENING, I HAD THE PLEASURE OF INVITING YOU TO BE OUR GUEST IN ISRAEL SO THAT I MIGHT RETURN SOMETHING OF THE WARM AND GENEROUS HOSPITALITY YOU ARE ACCORDING ME HERE. I AM DELIGHTED THAT YOU HAVE ACCEPTED MY INVITATION AND WE LOOK FORWARD TO RECEIVING YOU AND MR THATCHER SOON. YOU WILL AGAIN BE MAKING YOUR MARK ON HISTORY, FOR YOU WILL BE THE FIRST BRITISH PRIME MINISTER

.../IN OFFICE TO VISIT OUR SHORES.

IN OFFICE TO VISIT OUR SHORES.

PRIME MINISTER. ON BEHALF OF MY COLLEAGUES AND MYSELF, I SHOULD LIKE TO EXPRESS OUR SINCERE THANKS FOR THIS MAGNIFICENT DINNER.

AND NOW, YOUR EXCELLENCIES, MY LORDS, LADIES AND GENTLEMEN:

PLEASE BE UPSTANDING AND JOIN ME IN A TOAST TO HER MAJESTY THE QUEEN, THE PRIME MINISTER, THE RIGHT HONOURABLE MRS MARGARET THATCHER AND MR THATCHER.

REVISED

LIST OF GUESTS ATTENDING THE DINNER TO BE GIVEN BY THE PRIME MINISTER AND MR. DENIS THATCHER IN HONOUR OF HIS EXCELLENCY MR. SHIMON PERES, PRIME MINISTER OF THE STATE OF ISRAEL ON WEDNESDAY, 22 JANUARY 1986 AT 7.45 PM FOR 8.00 PM LOUNGE SUIT

The Prime Minister and Mr. Denis Thatcher	
Miss Carol Thatcher	
Israeli Suite	
His Excellency Mr. Shimon Peres	Prime Minister of the State of Israel
His Excellency the Ambassador of the State of Israel and Mrs. Avner	
General Abrahim Tamir	Director General of the Prime Minister's Office
Mr. Simcha Dinitz	Member of the Knesset
Mr. Yeshayahu Anug	Assistant Director General, Ministry of Foreign Affairs
Dr. Nimrod Novick	Political Adviser to the Prime Minister
Mr. Uriel Savir	Communications Adviser to the Prime Minister
Colonel Azriel Nevo	Military Secretary to the Prime Minister
Mr. Moshe Raviv and Mrs. Raviv	Minister, Israeli Embassy
Her Majesty's Government	
Rt. Hon. Sir Geoffrey Howe, MP and Lady Howe	
Rt. Hon. Leon Brittan, MP and Mrs. Brittan	Trade with Israel flourishing
Rt. Hon.Sir Keith Joseph, MP	
Conservative MPs	
Rt. Hon. Julian Amery, MP	
Mr. Michael Latham, MP and Mrs. Latham	Chairman, British Israeli Parliamentary Group
Dr. John Blackburn, MP and Mrs. Blackburn	Chairman, Conservative Friends of Israel
Rt. Hon. Peter Thomas, MP	President, Conservative Friends of Israel
Mr. Ivan Lawrence, MP and Mrs. Lawrence	Member of Foreign Affairs Committee and CFI

Labour MPs

The Hon. Greville Janner, MP and Mrs. Janner	

House of Lords

The Lord Weidenfeld	Chairman, SDP Friends of Israel. Publishes Mr. Peres' books
The Lord Mishcon and Lady Mishcon	Strong Israeli connections, Well acquainted with King Hussein

Business

The Lord Sieff	President, British/Israeli Chamber of Commerce
The Hon. Jacob Rothschild and Mrs. Rothschild	
Mr. John Gardiner and Mrs. Gardiner	Chairman, Cable Belt Ltd. Involved in Dead Sea Works projects Only firm involved in major construction project in Israel
Sir George Jefferson and Lady Jefferson	Chairman, British Telecom. Mr. Peres is interested in privatisation

Media/Cultural

Mr. Stuart Young and Mrs. Young	Chairman, BBC Board of Governors
Mr. Charles Wilson and Mrs. Wilson	Editor, The Times. The Times will host a lunch for Mr. Peres
Mr. Jonathan Lynn and Mrs. Lynn	Co-author of 'Yes Minister' a very popular programme in Israel. Also nephew to Mr. Abba Eban, senior Israeli statesman
Sir Yehudi Menuhin and Lady Menuhin	

Religious

The Chief Rabbi Sir Immanuel Jakobovits and Lady Jakobovits	Chief Rabbi of the United Hebrew Congregation of the British Commonwealth of Nations
Right Reverend the Lord Bishop of Birmingham and Mrs. Montefiore	Active in interfaith dialogue

Anglo-Jewish Community

Dr. Lionel Kopelowitz and Mrs. Kopelowitz	President of the Board of Deputies of British Jews
Mr. Trevor Chinn and Mrs. Chinn	

Academics

Sir Isaiah Berlin and Lady Berlin	
Mr. Martin Gilbert and Mrs. Gilbert	Historian of the Jewish people as well as biographer of Winston Churchill

Officials

Sir Antony Acland	
Mr. C.W. Squire	HM Ambassador, Tel Aviv

10 Downing Street

Sir David Wolfson and Lady Wolfson	
Mr. Charles Powell and Mrs. Powell	

THE PRIME MINISTER

HE MR. SHIMON PERES

MR. DENIS THATCHER

Mrs. Avner

Rt. Hon. Leon Brittan

Lady Jakobovits

Rt. Rev. the Lord Bishop of Birmingham

The Lady Mishcon

The Lord Weidenfeld

Mrs. Janner

Rt. Hon. Julian Amery

Dr. Lionel Kopelowitz

Mrs. Wilson

Col. Azriel Nevo

Mr. Michael Latham

Mrs. Blackburn

Mr. Jonathan Lynn

Mrs. Powell

Sir David Wolfson

Rt. Hon. Peter Thomas

Mr. Simcha Dinitz

Lady Berlin

Sir Yehudi Menuhin

Sir George Jefferson

Mrs. Rothschild

Dr. Nimrod Novick

Mr. Stuart Young

Mrs. Raviv

Mr. C.W. Squire

Mrs. Chinn

Mr. Ivan Lawrence

Mrs. Gardiner

Mr. Martin Gilbert

HE The Ambassador of Israel

Rt. Hon. Sir Geoffrey Howe

The Chief Rabbi Sir Immanuel Jakobovits

Lady Howe

Rt. Hon. Sir Keith Joseph

Lady Menuhin

The Lord Sieff of Brimpton

Mrs. Kopelowitz

Mr. Yeshayahu Anug

Mrs. Young

Sir Isaiah Berlin

Lady Wolfson

The Hon. Jacob Rothschild

Mrs. Latham

Mr. Moshe Raviv

Mrs. Lynn

Mr. Trevor Chinn

Mrs. Lawrence

General Abrahim Tamir

Mrs. Brittan

The Lord Mishcon

Lady Jefferson

Sir Antony Acland

Mrs. Montefiore

Mr. Uriel Savir

The Hon. Greville Janner

Mr. Charles Wilson

Mrs. Gilbert

Dr. John Blackburn

Miss Carol Thatcher

Mr. John Gardiner

Mr. Charles Powell

ENTRANCE

ADDRESS BY THE PRIME MINISTER OF ISRAEL, MR SHIMON PERES,
TO THE ROYAL INSTITUTE OF INTERNATIONAL AFFAIRS AT
CHATHAM HOUSE, ON WEDNESDAY 22 JANUARY 1986

R6/2

"PEACE: THE NEXT STEP FORWARD"

Mr Chairman, My Lords, Your Excellencies, Ladies and Gentlemen.

The Royal Institute of International Affairs is well known for its longstanding interest in Middle Eastern Affairs. It is my privilege to be invited to speak to you today.

Relations between the United Kingdom and Israel are deeply rooted in our collective memory. Jewish history will record the Balfour Declaration alongside the Declaration of Cyrus, King of Persia. Like Cyrus, some twenty-five hundred years ago, so the Balfour Declaration in 1917 heralded the end of Jewish exile and the return to our homeland. Once again, dispersed tribes of Israel assembled in the land where Jewish history began to establish a nation of pioneers and defenders.

This Jewish renaissance coincided with an Arab renaissance. As proven by the more harmonious chapters in our respective histories, a conflict between them is not pre-ordained. Indeed, they can complement each other.

From Britain we learned how to maintain a vigorous democratic regime; how to apply the wisdom of compromise; how to sustain a unique national character while preserving that which is precious to humanity as a whole.

The father of our State, David Ben-Gurion, was deeply influenced by the supreme British resilience under the Nazi blitz.

.../2

And if I may be permitted to add a personal note: I, as a youth, grew up under the British Mandate. One of my early recollections was the story I heard that the British High Commissioner used to sign all his letters, "Your Obedient Servant", until one day, he received a letter from one of my countrymen addressed, "My Dear Obedient Servant"...I feel that this is a fitting role not only for a High Commissioner, but also for a Prime Minister.

These reflections merge into a single test: our obligation to serve our people, first and foremost, in the search for peace.

One great breakthrough has already been made. In a manner unknown to the conventional conduct of international relations, a courageous Arab leader crossed, at one and the same time, an insignificant geographical distance and what was presumed to be an unbridgeable political gap. As a result of this extraordinary development, a conflict which had known several bitter wars, which had created a psychological barrier of deep hostility, fear and mistrust lasting over thirty years, seemed soluble in less than one. Sadat found Israel to be what it had always claimed to be - open and willing to undertake risks in the pursuit of peace.

The peace with Egypt, the largest Arab state, so central to Arab history - past and future - was conceived as the harbinger of a comprehensive peace process. It has successfully withstood unforeseen tests. While there still remain differences of opinion between Cairo and Jerusalem, these are now narrowed by means of diplomacy.

On the eve of my departure from Jerusalem - but a few days ago - our Cabinet unanimously adopted a decision that, when reciprocated, will facilitate a new, more harmonious phase in Egyptian-Israeli relations. Shortly thereafter, in a telephone conversation with President Mubarak, while acknowledging Israel's appreciation of his commitment to peace, I suggested to him that we seize the

.../3

moment and move forward in a friendly manner and at a rapid pace.

The peace with Egypt serves both as a precedent and an example. Its failure may prove irreparable. Its success - a beacon to others.

I believe that the political opening between Egypt and Israel can be significantly enhanced through a new economic vision. Mr Chairman, we are convinced that if peace is to be advanced, we must concentrate on economic development, on the widening of the industrial base and technological infrastructure of the countries in our region. Europe, the United States and Middle East countries can join hands in an imaginative new Marshall Plan for the development of economic and technological infrastructure in our region, thus advancing economic progress even prior to the solution of all political differences. Indeed, an improved economic foundation may produce a better psychological setting for the difficult political decisions required.

1986 is a crucial year. It may be the best year for peace. If wasted, the opportunity may never return.

Today, the Middle East is in the early stages of yet another peace effort. While we are eager to reach an accommodation with all our neighbours, the promise seems to lie with our neighbours to the East - the Hashemite Kingdom of Jordan and the Palestinian people.

Indeed, the issue reaches across peoples and states. Its resolution should also facilitate Palestinian self-expression. In this phase of the process, all parties must face their moment of truth. I shall begin with the most difficult moment - that of the Palestinian people.

Israel alone cannot solve the Palestinian problem. Yet, the Palestinians alone can prevent a solution. We are convinced that the only way to resolve this problem is through diplomatic means.

.../4

Under no circumstances can violent methods prevail.

It is not the Palestinian problem that gave birth to terrorism. It is terrorism and rejectionism that keep the Palestinian problem unsolved. Extreme positions which call for the destruction of Israel, together with terrorism, have brought tragedy to the Palestinians, sorrow to Israel, anguish to innocent by-standers and obstacles to peace. They are the reason for our own measures of self-defence. Our hearts are heavy when we are forced to resort to emergency measures. By choice, we oppose any form of violence, of terrorism, of war, of annexation.

Our enemy is not the Palestinian people. Our enemy is terrorism. Just as we are firm in our resolve to take action against terrorism, so we remain firm in our willingness to talk with legitimate representatives of the Palestinians.

It is the Palestinians who must choose between radical policies, evasive tactics and violent means on the one hand and moderate positions, willingness to compromise and a commitment to peaceful dialogue on the other. This is their choice and our hope. We turn to the responsible leaders of the Palestinians, especially on the West Bank and Gaza, those who openly oppose these tactics - as well as those who hesitate to do so publicly - to join King Hussein in the journey towards peace and to the negotiating table with us. In so doing, they will bring us closer to another moment of truth.

In his September 1985 address to the United Nations General Assembly, King Hussein seemed to open the door to political dialogue. Within weeks, in the same forum, from the very same podium, Israel put forward a series of principles which, if implemented, would once more set in motion the wheels of peace. The central premise of this proposal is direct, face-to-face negotiations between States aimed at concluding peace treaties.

.../5

Negotiations may produce intermediate, as well as permanent, arrangements. They may deal with Jordanian-Israeli relations, as well as the resolution of the Palestinian problem. The basis for these negotiations is UN Security Council Resolutions 242 and 338, and the willingness of the parties to give due consideration to each other's proposals.

Negotiations between Israel and Jordan are to be conducted between an Israeli delegation on the one side and a Jordanian - or a Jordanian-Palestinian delegation - on the other, both comprising delegates who represent a desire for peace, not a doctrine of violence. These negotiations will be conducted without pre-conditions. Nonetheless, there are two issues that are not negotiable - for Jordanians, Palestinians and Israelis alike: self-existence and self-respect. In fact, negotiations are intended to enhance them; to provide the parties with the means to mould their own future and that of the region, thus affecting each others' destinies.

These negotiations will be supported, if necessary, by an international forum. This forum, or conference, while not a substitute for direct negotiations, can offer encouragement to them. Indeed, nothing can replace face-to-face talks.

In order to expedite this process, the agenda, the composition, the procedure and international support can be discussed and agreed upon at a preliminary meeting of small working teams. Alternatively, a summit of the relevant national leaders may of itself presage an entirely new era in the history of our region. Meetings of that nature can take place in Jordan, Israel, or any other location as mutually agreed upon.

The need for rapid progress stems from the painful realisation that, in the Middle East, an atmosphere of peace is a very perishable commodity. Should the negotiations reach an impasse, time will not stand still. Should Israel remain alone, without

.../6

a Jordanian response and without Palestinian readiness to talk, we will face our own moment of truth. We will then find ourselves embroiled in a great national debate - between those who will have despaired of any chance to achieve a settlement and those who will try to keep this option alive.

We shall surely keep in mind the advice given us by our forefathers: "Who is a hero among heroes? He who makes his enemy - his friend".

Mr Chairman, Ladies and Gentlemen. The option to stall, to wait, to do nothing - is not acceptable. It may invite undesirable consequences. Thus, we are determined to intensify the policy designed to facilitate peaceful co-existence between Arab and Jew in mutual respect and dignity. Such a policy is meant to provide the inhabitants of the West Bank and Gaza with opportunities to improve their lot while increasingly taking more responsiblity for the conduct of their own lives, in economic growth, democratic environment and in association with the Arab world. This, in turn, may be a prelude to the implementation of our commitment to grant full autonomy to the residents of the West Bank and Gaza as the coming phase. We have no desire to control the lives of the people in these territories. We have no wish to dominate another people.

In these moments of truth - for the Palestinians, for the Jordanians and for ourselves - each has the potential to transform the history of our region. Our bodies have been wounded by war. Our hearts are full of hope for peace.

To His Majesty King Hussein we say: "Let us not consign this moment to the fate of missed opportunities".
To the Palestinians we say: "Co-existence is possible, peace is attainable".
Let us face each other and make a commitment to halt the cycle of violence, to continuously strive for peace. We owe it to our children.

SUBJECT
cc master.

Subject filed on:
ISRAEL: Meetings with
Mr Peres: May 1979.

SECRET

9

10 DOWNING STREET

From the Private Secretary

22 January 1986

Dear Ian,

MEETING BETWEEN THE PRIME MINISTER AND THE PRIME MINISTER OF ISRAEL ON 22 JANUARY 1986

The Prime Minister saw Mr. Peres for one-and-a-half hours this morning. Mr. Peres was accompanied only by Dr. Novik. Very much the greater part of the discussion was concerned with Arab/Israel.

Arab/Israel

Mr. Peres recalled that he had come to office with a long list of problems to solve. He had tried to start with the easier ones first. The first step had been to end the war in Lebanon. This had been followed by a change of policy on the West Bank, particularly over settlements. Relations with Egypt had been restored although it had proved very difficult to get a resolution of the Taba issue through the Israeli Cabinet. Now he was grappling with the most difficult problem, that of Jordan and the Palestinians. This was a much more complex issue than it used to be. It would be infinitely harder to reach a solution now than it would have been eight or nine years ago. But one could not turn omelettes back into eggs. The problem had to be confronted and a real effort made to find a solution.

Mr. Peres said that the first task was to get the stage of negotiation. There was no point in wrangling over the issues before that. To do so would be a recipe for never reaching the stage of negotiation. Israel saw no real purpose in an international conference. It was more likely to prove an obstacle than a help to negotiation. Indeed that was why most of those who supported such a conference wanted it. But he understood that King Hussein really needed the conference and was therefore ready to accept it, despite the difficulties which this had caused in Israel. There was now quite a broad area of agreement between Jordan and Israel on the nature and role of such a conference. The main points were that it should be a pro forma meeting rather than an institution, that it would not be able to impose solutions, that it would not be able to overrule agreements reached between the parties, that it should not be a substitute for direct negotiation, that everything at the conference would be settled on the basis of consensus

SECRET

and that the parties would work informally to agree on participation and agenda.

Mr. Peres continued that Israel had made clear to King Hussein that Soviet participation in a conference would depend on Soviet readiness to establish diplomatic relations with Israel. The King understood this though he did not himself accept it as a condition. In fact the United States had been far from keen on having the Russians present and nobody seemed to have checked with the Russians themselves. The recent statement by their Ambassador in Kuwait suggested that their attitude to a conference - that it should be attended only by the two super powers, not the five permanent members of the Security Council, that it must have a formal role and that it must proceed on the basis that there would be a Palestinian state - had not changed. But if it was helpful to the King, Israel was prepared to agree to Soviet participation.

The question of the conference had been made more complicated by King Hussein's meeting with President Asad. The initiative for this had come from Saudi Arabia and it was fairly clear that Zaid Rifa'i was more enthusiastic about it than King Hussein himself. The King's intention appeared to have been to exert pressure on the PLO and on Israel. But in fact the visit had misfired. President Asad had been smart enough to be a bit forthcoming towards King Hussein's policies and had agreed to give up Syria's insistence on a joint Arab delegation. But he had been much more demanding on the nature and scope of the international conference and had also insisted that the results of the conference could only be implemented when there was agreement with all the Arab countries involved. This had constrained the King's freedom of action. Another effect of the visit had been to undermine the chances of getting Congressional approval for arms sales to Jordan.

Following the King's visit to Damascus, the United States had turned once again to Israel for concessions about the international conference which would keep the door open. King Hussein had sought agreement that, if a stalemate were to be reached in negotiations in the working groups, there could be recourse to the conference as a whole. Israel had pointed out that if there was disagreement on substance there was unlikely to be agreement to go back to the conference. But a formula had been worked out to the effect that in the event of a stalemate, the parties would initiate consultations and that it would be open to any party to appeal to the conference. Mr. Murphy would be proposing this to the King and there seemed a reasonable chance that he would accept.

But the major problem remained that of Palestinian representation, continued Mr. Peres. He saw very little chance of Arafat agreeing to the King's request that the PLO should renounce violence and accept Resolutions 242 and 338. Arafat only existed because he did not take decisions. Keeping the PLO in existence was much more important to him

than the original goals of the organisation. If Arafat would not agree, then no one seemed to know what would happen next. Certainly King Hussein seemed to have no clear idea.

Mr. Peres said that, to fill this vacuum, he had floated a couple of proposals, though he thought that the chances of Hussein accepting them were very small. The first was that, instead of waiting for an international conference, a meeting should take place between Jordan and Israel. This would not discuss substantive issues but would prepare for negotiations. The meeting might be held under United States or United Kingdom auspices. The Americans seemed keener on the latter. This would have the advantage of keeping the process alive. Another possibility would be to have an international conference attended by very small delegations, for instance two a side, which would reduce the problems of selection. But he recognised that both these proposals would be difficult for the King. The King, for his part, wanted to make one last attempt with Arafat and with President Asad. He also claimed to have some other ideas though he had not been specific about them. All in all although the United States was still talking of the possibility of an international conference taking place in February, this sounded very optimistic.

Mr. Peres said that he would like to say something about the nature of an eventual solution. It was necessary to have a clear idea of what this might be. Otherwise there was a risk of making a supreme effort to get to the stage of negotiation, only to discover that nothing could be done.

But this would lie a long way in the future. He believed that after an initial round of negotiations, King Hussein would be ready to support the Reagan plan. The Reagan plan provided for a five year period of autonomy on the West Bank and Gaza followed by a referendum. Israel could accept this proposal. The main problem with autonomy was whether the Palestinian inhabitants of Israel proper would be able to vote in the autonomous entity. But a solution could be found to that.

Mr. Peres continued that in domestic political terms, he would prefer to go to an international conference with Likud than without them. Several of his supporters were pressing for early elections. But the existence of the coalition put everyone under pressure and he did not want to relieve that pressure. It had been possible to make progress on Lebanon, on the West Bank settlements and on Taba only because Likud were in the Government and did not want to leave. It was more important to achieve decisions than to gain popularity.

Finally, Mr. Peres commented that he feared that King Hussein was over-cautious. If he would only take the plunge and enter into direct negotiations with Israel, he would find that the whole situation changed. He would enjoy very wide support amongst Palestinians. They recognised that the

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TEMPORARILY RETAINED J. Gray 11/1/2017

worst situation for them was one in which no solution was reached. If he waited on the PLO there was a risk that the opportunity to make progress would be lost. The King had to be shaken out of his 'meeting shyness' and become a Sadat. Leaders had to take risks.

The Prime Minister gave Mr. Peres a full account of her recent talks with King Hussein (see my letter of 16 January) noting in particular that the King had felt badly let down by the United States, both by the failure of the Murphy mission and over arms sales. The Prime Minister continued that she had discussed the nature of an international conference with King Hussein. He clearly felt a need for the protection of such a conference and saw its role basically as one of conciliation when negotiations in the working parties reached stalemate. She had suggested to him that a single conciliator might be better than having all five permament members of the Security Council. He had seemed interested by this. But she thought that Mr. Peres' proposal for a period of consultation between the parties in the event of a stalemate was just as good.

The Prime Minister continued that she was sceptical whether Arafat would accept United Nations Security Council Resolutions 242 and 338. King Hussein had asked her to put the question to Mr. Peres: if the PLO were to renounce violence and accept Resolutions 242 and 338, would Israel agree to let them participate in an international conference? She would be interested to hear Mr. Peres' reply. The King had also asked her to raise the question of conditions on the West Bank, which did no good to anyone least of all Israel. She did not think that King Hussein was under any illusions about Asad. In conclusion she was, like Mr. Peres, rather discouraged about the prospects of progress but believed it important to keep the door open. Next year was the 20th Anniversary of resolution 242. This might provide some psychological leverage .

Mr. Peres said he would try to answer King Hussein's question how Israel would react to a statement by the PLO accepting Resolutions 242 and 338 and renouncing violence. So far as Israel was concerned the renunciation of terror was the most important issue. A statement on this was not enough. The PLO would be judged by their actions and it was quite clear that at present they were still engaging in terrorist activity. If the PLO continued with acts of terror there was no question of talking to them. The Israeli Government was under extreme pressure from public opinion to retaliate for or even pre-empt terrorist attacks. If Arafat were to say that the PLO would accept Resolutions 242 or 338 provided Israel recognised the PLO that would not be considered by Israel as a valid acceptance. It had to be a clear and explicit statement of acceptance without conditions. He had to say honestly that he did not know what Israel's reaction would be in that event. He could make no promises. At the least an important change would have occurred and Israel would face a dilemma. But he did not expect that dilemma to arise. The PLO had always missed opportunities in the past and would probably miss the present opportunity, even though it might be the last one.

Lebanon

Mr. Peres said that he was very concerned about the fate of the Christians in Lebanon. Israel had decided not to return to the Lebanon but would face a serious moral problem if the Christians were threatened with a holocaust.

Soviet Jewry

The Prime Minister asked if there had been any recent developments to raise hopes that more Jews would be allowed to leave the Soviet Union. Mr. Peres said that, at Geneva, Mr. Gorbachev had said that the way forward lay through family reunions. But there had been no progress even on this since the Geneva Summit.

Terrorism

The Prime Minister said that we could agree to bilateral exchanges with security authorities in Israel on procedures for handling specific terrorist incidents and on the economic aspects of terrorism and the extent to which it was financed by crime and drugs. Mr. Peres welcomed this while making clear that Israel was ready to go further, particularly on technical cooperation. He would also like to see, for instance, joint analysis of the various terrorist threats. Israel worked very closely with the United States in these areas, and would like to extend cooperation with the United Kingdom.

Arab Boycott

In reply to a question from Mr. Peres, the Prime Minister said that we would be ready to end the practice whereby the Foreign and Commonwealth Office authenticated signatures on Arab boycott documents. But we would prefer not to announce this for a few weeks. She urged Mr. Peres to say nothing in the meantime.

Research and Development

Mr. Peres said that Israel would shortly have agreements with three countries on joint ventures in research and development. The procedure was to establish a joint fund and to finance particular projects from the interest. Agreements already existed with the United States and Canada and would shortly be concluded with Germany. He hoped very much that the United Kingdom would consider a similar arrangement. The Prime Minister said that there were no public funds available for this though there would be no objection of course to the private sector becoming involved. Mr. Peres said that it was important to have some degree of Government involvement though the scale could be quite modest to start with. The Prime Minister said that we would study the proposal which was new to her.

Arms Sales and Oil

Mr. Peres raised these subjects very briefly. Neither was of practical significance but the restrictions were insulting to Israel. The Prime Minister explained why we could not change our policy.

The Prime Minister particularly emphasised to Mr. Peres that no record of her talk with him would be circulated. I have expurgated some of the most sensitive points, but would nonetheless ask that my letter be handled with particular discretion. I am copying the paragraphs on the Arab Boycott and on Research and Development to the Department of Trade and Industry; and the paragrah on Terrorism to the Home Office.

yours sincerely,

(C. D. POWELL)

Len Appleyard, Esq., C.M.G.,
Foreign and Commonwealth Office.

SECRET

SECRET

8

10 DOWNING STREET

From the Private Secretary

22 January 1986

Dear Stephen,

PRIME MINISTER'S MEETING WITH MR. PERES ON 22 JANUARY

I enclose a section of the record dealing with co-operation against terrorism.

Yours sincerely,

CHARLES POWELL

Stephen Boys SMith Esq
Home Office

SECRET

SECRET

7

10 DOWNING STREET

From the Private Secretary

22 January 1986

Dear John,

PRIME MINISTER'S MEETING WITH MR. PERES ON 22 JANUARY

I enclose sections of the record of the Prime Minister's meeting with Mr. Peres dealing with the Arab Boycott and with Research and Development.

Yours sincerely,

Charles Powell

CHARLES POWELL

John Mogg Esq
Department of Trade and Industry.

SECRET

MEETING WITH MR. PERES

1. Arab/Israel:
   - need for some early movement. How does he assess the prospects for an international conference?
   - how to handle Palestinian representation.
   - conditions in the Occupied Territories. Possible concessions for the West Bank under the EC/Israel agreement.

2. Bilateral points:
   - cooperation on terrorism (handling of specific incidents, economic aspects of terrorism).

   - ready to end authentication of signatures on Arab boycott documents.
   - no change on arms sales or North Sea oil.
   - understand agreement reached on extra security measures for El Al.

3. Skyhawk for Argentina.

4. Soviet Jews.

SL3AOP

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PRIME MINISTER

VISIT OF MR. PERES

You have one and a half hours of talks with Mr. Peres tomorrow morning. He will be accompanied by a note-taker only.

You will obviously want to spend most of the time on Arab/Israel and the peace prospects. You might first compliment him on the progress over Taba. Thereafter you
Flag A might give him an account of your talk with King Hussein (copy attached), and pursue the particular points which King Hussein urged you to raise:

(i) the need for early progress in the negotiations. While you will not want to get bogged down in the details of an international conference, you will want to sound out Mr. Peres on his conditions for a conference; on the progress being made through the Americans (he will have seen Murphy:
Flag B and I attach a note of a discussion between Murphy and British officials); on possible contacts with the Russians; and on what he, in turn, requires of King Hussein;

(ii) the particular problem of Palestinian representation. If the King can get the PLO to make a formal statement of commitment to renounce violence and accept negotiations on the basis of 242 and 338, will the Israelis accept their presence at a conference?

(iii) conditions in the Occupied Territories. You raised
Flag C this with him in October (copy of record attached) and will want to return to the charge. One practical suggestion would be to make specific provision in the EC/Israel Agreement for West Bank-Gaza produce (suggested by the West Bank Palestinians to Mr. Cheysson).

You will want to ask whether there are any particular points he wants you to put back to King Hussein.

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There are a number of issues to raise on the bilateral front. We are ready to have bilateral exchanges with Israel on procedures for handling specific terrorist incidents, and exchanges between security services on the economic aspects of terrorism. We cannot, however, for national security reasons share information on handling/dismantling of explosive devices. If Mr. Peres raises the Arab boycott, you can give him some good news and say that we are ready to discontinue FCO authentication of signatures on Arab boycott documents. We shall announce this in a few weeks and hope it can be kept confidential until then. We cannot change our position on arms sales or sale of North Sea oil (on which our policy is anyway not directed against Israel). If he proposes research cooperation, we have no public funds for this at present. Prefer to leave it to the private sector.

He may raise the question of security for EL AL at Heathrow and Manchester. We believe that we have found satisfactory solutions on this: the Israelis have approved them at Heathrow and are expected to accept them for Manchester. (Please see letter inside the briefing folder.)

Finally you will probably want to urge Israel not to press the sale of Skyhawk to Argentina; and you might ask whether there are new prospects for the emigration of Soviet Jews.

I attach full briefs.

C D P

C D POWELL

21 January 1986

CONFIDENTIAL

BMDABX
bc PC

MASTER

10 DOWNING STREET

From the Private Secretary

16 January 1986

subject as:-
Visits by King Hussein: JORDAN
Pt 3.

Dear [illegible],

PRIME MINISTER'S MEETING WITH KING HUSSEIN

The Prime Minister had a working supper with King Hussein at 10 Downing Street this evening. The King was accompanied by the Jordan Prime Minister, Zaid Rifa'i. The Foreign Secretary and Mr. Egerton were also present. The King was in good heart and humour though evidently took little encouragement from the present Middle East situation and showed himself thoroughly disillusioned with the United States.

Visit of Joint Jordanian/Palestinian Delegation

The Prime Minister repeated her regret that a meeting between the Foreign Secretary and the Joint Jordanian/Palestinian Delegation had not, after all, taken place last October. But she remained convinced that it had been right to try. The King acknowledged that it had been a sad episode and a missed opportunity. He ascribed it to the ebbing of the PLO's political courage as the Murphy talks had dragged on without result. The Prime Minister commented that she thought that the United States had been much at fault in failing to bring the Murphy mission to a successful conclusion.

Jordan/PLO Relations

King Hussein said that he had taken a firm line subsequently with the PLO. They had to reorganise and dissociate themselves from violence. They must also speak with one voice and accept UN Security Council Resolutions 242 and 338. He wanted a document from Arafat on this. He had not yet received a definite answer from Arafat but would be seeing him on his return to Amman. If he got the assurances he was seeking on 242 and 338, he would be in the strong position to move straight to an international conference. But if Arafat faltered again, he would go for a conference anyway and leave the Palestinians to sort themselves out. In this situation, Arafat would lose prestige and support. Jordan's rapprochement with Syria had been pursued in part to put pressure on Arafat. He thought that it was having some effect. The animosity between

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President Asad and Arafat was as strong as ever. Asad had pressed him to find any other Palestinian leader but Arafat. The King thought that there were various possibilities. Mr. Egerton suggested that one possibility might be to revert to the notion of a Palestinian Government in exile with Arafat kicked upstairs as President. The Prime Minister pointed out that this would imply a commitment to a full Palestinian state which would be a move away from the 11 February agreement and anathema to the United States. Zaid Rifa'i thought it most unlikely that Arafat would deliver PLO acceptance of 242 and 338. He wanted to but couldn't. Equally, he did not want to say that he couldn't. So he would procrastinate.

Jordan/Syria

King Hussein described the importance of Jordan's rapprochement with Syria. He believed that Syria was genuinely committed to an international conference with the participation of the five permanent members of the United Nations Security Council. The Prime Minister wondered whether any agreement with President Asad was likely to be durable. The Foreign Secretary pointed out that Asad traditionally made progress by inactivity. There was always a risk that when it came to the point he would do nothing. King Hussein judged that Asad was under some pressure. Syria's latest efforts in Lebanon had not worked out very well and his credibility had suffered as a result. Syria's economy was in a difficult situation. Syria was unable to match Israel's military strength. As a result Asad was feeling more and more isolated. The King added that Iraq understood Jordan's motives in seeking rapprochement with Syria. In the longer term it could help bring about improvement in relations between Syria and Iraq.

Jordan/Soviet Union

King Hussein referred to discussions with the Soviet Union in which the Jordanians had explained their ideas for an international conference. The Soviet Union appeared willing to take part. He had been invited to visit Moscow in the Spring or Summer.

International Conference

King Hussein expanded somewhat on his ideas for an international Conference. In the Jordanian plan, the conference would be chaired by the United Nations Secretary General. The Syrians had wanted a single Arab delegation but Jordan had rejected this. There would be a number of working groups to deal with the individual problems. Progress in one group would be an incentive for progress in another. But it must be possible to make reference back to the five permanent members of the Security Council in the event of deadlock. The Prime Minister suggested that this indicated a shift in the King's position since they had last discussed the matter in October. At that stage he had appeared to envisage the conference as just a framework. Now the conference itself appeared to have a role in trying

to solve difficulties.

Zaid Rifa'i said that a certain amount of agreement had been reached with the United States about the conference but there were two outstanding points of difficulty. First, the role of the conference, where the United States seemed to wannt it to be little more than a "cocktail party"; and second, the question of Palestinian representation. The United States now seemed to accept that the Conference would have a continuous role. But would still not admit that it should have substantive powers. Its only function would be to receive progress reports and provide moral influence. It was essential from Jordan's point of view that if a deadlock were reached in a working group there should be the right to take the matter back to the conference as a whole which would be the ultimate arbiter. Without that, Israel would be under no pressure at all. The Americans wanted to act as arbiters themselves, in part because they wanted to exclude the Soviet Union from any active role. But there was no reason to think that they would bring any significant pressure to bear on Israel. It was impracticable to exclude other permanent members of the Security Council from a role.

The Prime Minister wondered whether it would not be possible to give an external mediator a role, for instance someone like Brian Urquhart. King Hussein thought this could be useful. But it would still not solve the problem of what happened when there was deadlock. The conundrum was that the only issue on which deadlock was likely was withdrawal from the occupied territories: and on this the five permanent members of the Security Council were agreed.

As regards Palestinian representation, the key lay in whether Arafat and the PLO agreed to accept 242 and 338. If they did so, there would be no need to discuss the names of Palestinian representatives in advance with Israel and the United States. They would become "ex-terrorists" like Shamir. But both the Israelis and the Americans were being devious on this point and refusing to answer outright the question whether Arafat could definitely attend the conference if he accepted 242 and 338. Zaid Rifa'i pointed out the irony that Syria and Israel agreed in wanting to exclude the PLO from an international conference.

Prime Minister's meeting with Mr. Peres

The Prime Minister asked what message she might usefully convey to Mr. Peres next week. King Hussein identified two main points. The first was the need for early progress. Jordan had tried to help Peres. But he had to act too and not just hide behind the excuse of coalition difficulties. Secondly, there was a need to do something to improve conditions in the Occupied Territories. Israel could not go on with the same old tactics of stifling all forms of political life. He hoped the Prime Minister would also press Peres to agree that if the PLO accepted 242 and 338 there should be no difficulties over their attendance at an international conference. The Prime Minister remarked

that she thought that conditions on the West Bank were one of the weakest points in Israel's reputation. She had pressed Peres on the matter when they had met in New York at the end of October. But he had taken refuge in the difficulties of getting any change through his coalition.

Jordan/United States

King Hussein displayed considerable disillusion with the United States, saying that they had "lost all credibility" and "have let us down throughout". The Americans just echoed Israeli positions. Indeed the point had been reached where Israel was easier to deal with than the United States. He believed that the President could secure Congressional approval for the arms package for Jordan, if he really put his mind to it. The Prime Minister said she would be sending President Reagan a full account of her talk with the King and with Mr. Peres. She would make absolutely clear that in her view, the United States owed the King something. She would stress the need not to equivocate on the question of Palestinian representation at a conference. She noted that we would soon be approaching the 20th Anniversary of UN SCR 242. There might be some psychological leverage in this Anniversary to secure progress.

Libya

Kiong Hussein spoke disparagingly of American tactics vis-a-vis Libya which simply had the effect of building up Gadaffi and giving him more publicity. The protracted campaign of pressure had simply united all Arabs around him.

Egypt

King Hussein expressed great concern about President Mubarak's position. He seemed unable to assert himself. If he went, a successor regime was likely to be either of the extreme Left or extreme Right and would tear up the Camp David agreements. The situation in Sudan was also very worrying and was going Gadaffi's way.

I am copying this letter to Richard Mottram (Ministry of Defence) and to Michael Stark (Cabinet Office).

Yours sincerely

(C.D. Powell)

Len Appleyard, Esq.,
Foreign and Commonwealth Office

CONFIDENTIAL

CONFIDENTIAL

File MINISTER
Subject: USA: PM's Visit
PS.
cc Sir P. Cradock

10 DOWNING STREET

From the Private Secretary

23 October 1985

Dear Peter,

PRIME MINISTER'S MEETING WITH THE PRIME MINISTER OF ISRAEL AT THE U.N. PLAZA HOTEL, NEW YORK, ON 23 OCTOBER

The Prime Minister had the best part of an hour's talk with Mr Peres this morning. Mr Peres was accompanied only by a note-taker.

The Prime Minister invited Mr Peres to explain the significance of the proposals which he had made in his speech to the United Nations the day before. Mr Peres said that, to reduce his proposals to their simplest terms, he was offering Jordan a deal: Israel would be helpful over an international conference if Jordan would not insist on PLO participation in negotiations at least at the beginning. He was convinced that the PLO's true purpose was to destroy peace negotiations. And there was no prospect of getting support for negotiations within Israel if the PLO was associated with them. In any case there were signs that King Hussein was becoming disenchanted with Arafat. One had seen it in his reaction to the failure of the meeting between joint Jordanian/Palestinian delegation and the British Government. One saw it now in the olive branch which Jordan was extending to Syria. He detected less emphasis recently from the Jordanians on equal representation for the PLO in negotiations. Israel for its part was ready to look at an international setting for negotiations which would help the King, who appeared to envisage a sort of international opening ceremony, following which actual negotiations would be conducted between the parties in sub-committees. Israel was ready to negotiate with a joint Jordanian/Palestinian delegation provided the Palestinians were not members of the PLO and had renounced violence. Mr Peres concluded that the most interesting development, of which he had been told by the Americans that morning was that the Syrians were showing interest in participating in the proposed international conference and in the appropriate sub-committee.

The Prime Minister thanked Mr Peres for his full exposition of the Israeli proposals. She described the reasons for the United Kingdom's support for King Hussein's initiative and her own invitation to a joint Jordanian/Palestinian delegation to visit Britain. Until recently there had seemed a reasonable prospect that the King's initiative might progress. Then the Americans had unforgiveably introduced the new condition of direct negotiations

between Jordan and Israel as the price for a meeting between Murphy and a joint delegation. This had been followed by difficulties in the negotiations over Taba and the terrorist outrages of Larnaca and the hijacking of the Achille Lauro and Israel's raid on Tunis. All of these had combined to make the climate for the King's efforts distinctly more difficult. Her own attempt to help by inviting a joint Jordanian/Palestinian delegation to London had fallen victim to this increasingly hostile background. However she continued to have great admiration for King Hussein's courage and believed that he would continue to seek a way forward, perhaps through an international conference.

Mr Peres said that it sometimes riled him when people spoke exclusively of King Hussein's courage. After all, it was Israel which was being asked to give. That took courage. He recounted the positive steps taken by Israel: agreement to arbitration over Taba, withdrawal from Lebanon (Israel should never have been there, observed the Prime Minister), freezing of settlements on the West Bank, readiness to negotiate directly with Jordan. Yet no corresponding gestures had come from the Arab side. It was simply not practical to say to Israel that Jordan would get arms from the United States, that the PLO would get the West Bank and that Israel should give up territory (it is not yours to give, observed the Prime Minister). He had to take account of political factors in Israel and the views of the other partners in the coalition. He came back to his starting point. Israel could meet Jordan by agreeing to an international conference but could not accept the PLO as a partner in the peace process. To do so would be disastrous for his party. If the PLO were to renounce terrorism and accept SCR 242 the situation would be different. The Prime Minister said that this was why Britain had been trying to encourage and strengthen moderate Palestinians. It had been a great pity that Israel had spoken out so extravagantly against our efforts.

The Prime Minister said that she had recoiled from Israel's attack on Tunis with the killing of many civilians. It used to be Israel's pride that it did not kill the innocent. She could not accept the right of retaliation which Israel claimed. Mr Peres said that Israel had gone to very great lengths to avoid killing civilians. There had been four possible targets in Tunis: a PLO communications centre, the headquarters of Force 17, the operational department of the PLO at Arafat's own office. Israel had rejected the last because it was too close to a school. The bombs had been very precise. Many officers of Force 17 had been killed and the only Tunisians to suffer were guards. He could say with one hundred per cent certainty that Israel had taken all possible precautions and no innocent civilians had been killed. The Prime Minister said that our information did not tally. She recalled that Israel itself was not entirely untainted by terrorism. There was no legal or historical justification for Israel's occupation of the West Bank. Nor was it right that Israel should now deny the Palestinians the rights which Israel had sought for herself for more than 2000 years. Mr Peres said that personally he found the occupation distasteful. Jews had never in their history dominated any Arab people. He believed it was corrupting and undesirable.

The Prime Minister and Mr Peres agreed to tell the press that they had discussed the Middle East situation very thoroughly and Mr Peres had explained the thinking behind his United Nations speech. The atmosphere had been one of understanding.

yours sincerely,

C D POWELL

Peter Ricketts, Esq.,
Foreign and Commonwealth Office

CONFIDENTIAL

Foreign and Commonwealth Office

London SW1A 2AH

21 January 1986

Dear Charles,

Arab/Israel: US Views

US Assistant Secretary of State Murphy briefed officials yesterday on his talks with King Hussein in London on 18 and 20 January and his meeting with Mr Peres in The Hague on 19 January (he hopes to have a further ~~talk~~ with Mr Peres after the Prime Minister's dinner tomorrow). This summary supplements the brief we have sent to you separately for the Prime Minister's talks with Mr Peres. I am showing it in parallel to the Foreign Secretary.

Murphy believed that both King Hussein and Mr Peres recognised that they had an opportunity, which might not recur, to make progress. But time was running short if direct negotiations were to be launched. There was increasing focus on an international conference and some convergence in the Israeli and Jordanian positions; Mr Peres had brought the Israeli public to consider an international forum as something more than an initial cocktail party. Murphy thought that there was a chance now of achieving agreement on an international conference on terms just acceptable to the US, Israel and Jordan.

King Hussein had pulled no punches in expressing his disillusion with the US. To balance US support of Israel, he was insisting on a continuing conference to which Jordan could have recourse in the event of deadlock in a working group. Murphy admitted that US opposition to a continuing conference might have been too starkly expressed and contributed to the King's anxiety. The US still believed that a conference would not and could not have the power to impose a solution (if the Permament Members of the Security Council had consistently failed to reach agreement on the key issues within the Security Council, there was no justification for believing that they could do better in an "international conference"). Murphy had proposed that, if an impasse were reached in the working group and bilateral efforts to reach agreement were exhausted, either side should have the right to appeal to a plenary session of the conference. But this should be on the same basis as the initial session ie of limited duration and with no power to impose or veto a solution or to initiate discussion of issues of substance. This might generate pressure on both sides to compromise. King Hussein had been sceptical but had undertaken to reflect on these ideas. Murphy expected him also to seek formal reiteration of the assurances he had received from

President Reagan on 1 September 1982 (the "Reagan plan") about the US position on issues of substance. Mr Peres had pointed out that one could not prevent a party from appealing to a plenary session; whether Israel would take part in such a session was another matter.

On Palestinian representation, Murphy said that King Hussein had rejected outright the suggestion that the US might propose names; that would destroy the credibility of those involved. Murphy had put forward three basic criteria - acceptance of SCR 242 and negotiations with the State of Israel and renunciation of terrorism. He did not think the Israelis would accept any Palestinian with a previous association with terrorism or who held office in the PLO. King Hussein had hinted at his readiness to consider an alternative to Arafat and the present PLO leadership but had not been specific. He was clearly very nervous of the consequences of any such move. He intended to see Arafat within the week and to invite President Asad to pay an early visit to Amman. Mr Peres had declined to pronounce on this question while the King's intentions were so unclear, but had emphasised his domestic problems over Palestinian - and Soviet - representation at a conference.

Murphy sensed that there might be some flexibility in Mr Peres' position if only King Hussein could make the first move. Mr Peres had stated publicly his conditions for Soviet participation and was looking to the US to deliver them. Murphy said that, in the aftermath of Geneva, there might be more which the Americans could achieve in direct discussions with the Soviet Union to achieve steps welcome to Israel, eg on diplomatic links and immigration. King Hussein was also keen for the Americans to talk to the Russians. Murphy did not think this would be appropriate until there was greater agreement between the US, Israel and Jordan on the shape and tasks of an international conference. US/Syrian talks should similarly be deferred.

Murphy thought that the King believed the Syrians would agree to a conference without Arafat and perhaps even with only token Palestinian representation. Syria had assumed greater importance in the King's thinking as the prospect of implementation of his agreement with Arafat receded: he was very close to advocating the sort of conference the Syrians wanted.

In the US view, Mr Peres was afraid of an election. Among other things he did not want to revive charges of political trickiness. His aim was to be in the best possible position to seek to form a narrower coalition. A peace process with King Hussein, with the PLO very much in the background, offered the best opportunity. Mr Peres could not control the timing of any move by the King and was probably not looking more than two months ahead. He was keen to make progress but uncertain as to King Hussein's real intentions. He was worried that

President Asad might assume the leading role on the Arab side. Murphy thought that on his European tour Mr Peres would be seeking above all assurances of support for his efforts to move towards negotiations with King Hussein.

Murphy (who will make himself available tomorrow afternoon) has asked if he could be given an indication of Peres' line before he sees him after the Prime Minister's dinner.

Yours ever,

Len Appleyard

(L V Appleyard)
Private Secretary

C D Powell Esq
10 Downing Street

The National Archives

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Use black or blue pen to complete form.

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eg. 28, 1079, 84/1, 107/3

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NC.

PRIME MINISTER

DINNER FOR MR. PERES

You asked for advice on whether to ask the Chief Rabbi to give a blessing. I have spoken to David Wolfson.

The Chief Rabbi would be happy to pronounce a single sentence blessing in Hebrew and in English at the beginning of dinner. He would not need to say a long prayer - except under his breath to himself! - at the end. He would be very happy for the Bishop of Birmingham also to be invited to say grace.

Agree to ask them both to say a short grace?

CDP

21 January 1986

RESTRICTED

(2)

Foreign and Commonwealth Office

London SW1A 2AH

21 January 1986

Prime Minister

Dear Charles,

CDP 21/1

Talks with Mr Peres

Our Embassy in Tel Aviv and the Israeli Embassy here have drawn our attention to press reports that Mr Peres might raise with the Prime Minister Israel's request to play in European football competitions. The issue was last raised on a political level by President Herzog with the Prime Minister in March 1984.

The Israelis complain that Britain is leading opposition against Israel's participation. The Israelis point out that they are unable for political reasons to play against Asian teams and have been accepted by Europe in other fields (basketball, Eurovision song contest). They suspect that we do not wish to offend the Arabs.

In fact, the English Football Association is opposed to Israeli participation for several good reasons, not least because Israel is not in Europe and, if Israeli clubs were allowed to play in the European Cup this would open the door to North African countries, and indeed Syria, applying. This is not an unreasonable view.

There are also broader political reasons (Gleneagles etc) for not saying anything to the Israelis which might suggest that HMG are able or willing to coerce national sporting authorities.

We therefore recommend that the Prime Minister should respond to any Israeli questions on this issue as follows:

- A matter for football authorities, who are independent of HMG. No locus standi for HMG to intervene.

- British teams often play in Israel: Scotland play in Tel Aviv on 28 January and England play there in late February. Suggest Israelis raise with Scottish and English football officials during these visits.

Sir Geoffrey Howe has not seen this letter. It will be submitted to him in parallel tonight, as briefing for his own call on Mr Peres tomorrow morning.

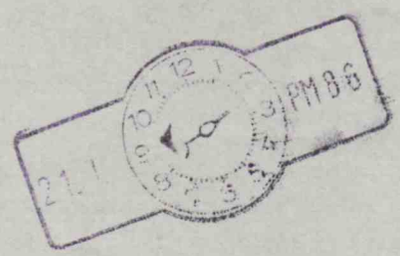
Yours ever,

Robert Culshaw

C D Powell Esq
10 Downing Street

(R N Culshaw)
Private Secretary

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VISIT OF PERES TO UK: OCCUPIED TERRITORIES

1. FOLLOWING ARE MY IMPRESSIONS OF CLIMATE OF OPINION HERE, IN THE LIGHT OF SOUNDINGS TAKEN SINCE MY RETURN FROM LEAVE LAST WEEK.

2. DESPONDENCY AND FRUSTRATION ABOUT LACK OF MOVEMENT ON THE PEACE PROCESS, WITH TIME SEEN SLIPPING AWAY FAST. SOME IRRITATION WITH ARAFAT FOR DRAGGING HIS FEET, AND WITH EUROPEANS FOR NOT BEING MORE ACTIVE. WIDESPREAD DOUBTS ABOUT PERES' GOOD FAITH, AND DEEP SUSPICION OF UNDERLYING INTENTIONS OF LABOUR (FEARED TO BE NO DIFFERENT IN SUBSTANCE FROM LIKUD'S). FOR OCCUPIED PALESTINIANS, ''QUALITY OF LIFE'' JUDGED LARGELY BY BEHAVIOUR OF SECURITY AUTHORITIES, AND DEGREE OF THEIR INTERFERENCE IN DAILY LIFE: CONDITIONS PERCEIVED AS WORSE NOW THATN 6 MONTHS AGO (REINTRODUCTION OF ADMINISTRATIVE DETENTION,DEPORTATIONS ETC), AND CONDUCT OF TROOPS AS LITTLE BETTER (AND AT TIMES WORSE) THAN UNDER LIKUD. RECENT EVENTS IN HARAM AL SHARIF AND HEBRON (MY TE NO 11) HAVE ENCOURAGED PESSIMISTIC TENDENCIES WHEN ASSESSING BOTH PERES' INTENTIONS,AND ABILITY TO DELIVER.

3. SPITE GROWING CRITICISM OF ARAFAT AND PLO, NO SIGNIFICANT CHANGE IN ATTITUDES EXPRESSED TO MR RENTON LAST MONTH: PLO SOLE LEGITIMATE REPRESENTATIVE,AND GIVEN TENDENCIES AMONGST YOUTH IN PARTICULAR, STABLE AND LASTING SETTLEMENT IMPOSSIBLE WITHOUT ITS INVOLVEMENT. EVEN OLD GUARD (EG SHAWWA , MASRI) NOT ONLY THINK KING WOULD NOT GO IT ALONE, BUT WOULD STRONGLY ADVISE AGAINST.

4. ISRAELI SOUNDINGS ON ''UNILATERAL AUTONOMY'' (EG BY PRESIDENT HERZOG WITH SHAWWA ON 13 AND FREIJ ON 15 JANUARY) GIVEN DISCOURAGING RESPONSE: ~~WOULD NEED REAL DEVOLUTION TO DEGREE HERZOG COULD NOT DEFER, AND QUITE OUT OF THE QUESTION WITHOUT JORDAN APPROVAL (AT~~

4. ISRAELI SOUNDINGS ON ''UNILATERAL AUTONOMY'' (EG BY PRESIDENT HERZOG WITH SHAWWA ON 13 AND FREIJ ON 15 JANUARY) GIVEN DISCOURAGING RESPONSE: ~~WOULD NEED REAL DEVOLUTION TO DEGREE HERZOG COULD NOT OFFER, AND QUITE OUT OF THE QUESTION WITHOUT JORDAN APPROVAL (AT LEAST TACIT,AND AFTER SOME CONSULTATION WITH PLO).~~ ''AUTONOMY'' GOES FAR BEYOND MEASURES SUCH AS APPOINTMENT OF ARAB MAYOR IN NABLUS (WARMLY WELCOMED THOUGH THAT HAS BEEN). TO GET EVEN TO FIRST BASE, ISRAELIS WOULD NEED TO OFFER REAL DEVOLUTION (BEYOND WHAT HERZOG DISCUSSED) COVERING REASONABLE AUTHORITY OVER LEGISLATION, TAXATION, LAND AND WATER. CREDIBLE LEADERS WOULD NOT MOVE WITHOUT JORDANIAN APPROVAL (AT LEAST TACIT,AND INVOLVING SOME CONSULTATION WITH PLO), AND CLEAR EVIDENCE THAT AUTONOMY NOT END IN ITSELF, BUT FIRST STEP TOWARDS GENUINE SETTLEMENT.

COMMENT

5. TO ACHIEVE B OBJECTIVE OF PEACEFUL SETTLEMENT, PERES WILL NEED AT SOME STAGE TO WIN OVER LOCAL LEADERSHIP. HIS CREDIBILITY GAP AT PRESENT IS WIDE AND (DISTURBINGLY) TENDING TO GROW: HIS MESSAGES ARE NOT GETTING THROUGH TO INTENDED RECIPIENTS, AND / OR THEIR EFFECT IS BEING COUNTERED BY CONTINUING TOUGH SECURITY POLICIES (HOWEVER OBJECTIVELY JUSTIFIED THESE MAY BE). THIS PROCESS WILL NOT BE REVERSED BY MOVEMENT ON EG LICENSING BANKS, HOSPITALS ETC: MORE SUBSTANTIAL STEPS ARE REQUIRED. BUT THERE ARE LOCAL LEADERS WHO WOULD RESPOND POSITIVELY (AND EVEN ENERGETICALLY) IF THERE WAS AN OFFER ON THE TABLE WITH REAL PROMISE OF ACHIEVING THEIR PRIME OBJECTIVE OF ENDING THE ISRAELI OCCUPATION. THEY AWAIT OUTCOME OF PERES' VISIT TO LONDON WITH GREAT INTEREST.

DE COURCY-IRELAND

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VISIT OF PRIME MINISTER OF ISRAEL TO THE NETHERLANDS

1. THE MFA GAVE A COMMUNITY BRIEFING ON 21 JANUARY ON MR PERES' VISIT TO THE HAGUE WHERE HE HAD TALKS WITH BOTH PRIME MINISTER LUBBERS AND FOREIGN MINISTER VAN DEN BROEK. ON THE MIDDLE EAST PEACE PROCESS, THE MAIN TOPIC OF DISCUSSION, PERES GAVE NO SIGN OF ANY NEW ISRAELI THINKING. DUTCH OFFICIALS WERE HOWEVER STRUCK BY HIS MODERATION AND THE FACT THAT HE EXCLUDED NOTHING FROM THE SCOPE OF NEGOTIATIONS EXCEPT THE PARTICIPATION IN THEM OF THE PLO. PERES STRESSED THAT ISRAEL WAS SEEKING NOT VICTORY, BUT PEACE, AND HAD MADE A NUMBER OF UNILATERAL GESTURES TO ENCOURAGE THE PROCESS. PLO PARTICIPATION REMAINED HOWEVER THE STICKING POINT AND PERES WAS NON-COMMITAL ABOUT THE ISRAELI REACTION IF THE PLO ACCEPTED THE THREE US CONDITIONS. HE STRESSED THE NEED FOR NEGOTIATIONS TO START SOON AND SAID THAT EUROPE COULD HELP BY EMPHASISING THIS POINT.

2. IN THE ONLY REFERENCE TO LEBANON IN THE TALKS, PERES CRITICISED SYRIA FOR BEHAVING LIKE A OCCUPYING POWER IN CRUDER FASHION THAN THE SOVIET UNION IN AFGHANISTAN. PERES URGED THE DUTCH TO DROP THEIR OPPOSITION TO ECONOMIC SANCTIONS AGAINST LIBYA AND ADVOCATED GREATER INTERNATIONAL COOPERATION AGAINST INTERNATIONAL TERRORISM. THE TALKS ALSO COVERED ISRAEL/EC RELATIONS WHERE PERES EXPRESSED CONCERN OVER THE IMPLICATIONS OF ENLARGEMENT FOR THE MEDITERRANEAN ASSOCIATES. HE EXPRESSED GRATITUDE FOR DUTCH EFFORTS ON BEHALF OF JEWS IN THE SOVIET UNION, BUT WAS PESSIMISTIC ABOUT THE PROSPECTS FOR AN EASING OF CONTROLS ON JEWISH EMIGRATION.

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TEL AVIV TELNO 19: PERES VISIT

1. RICHTER'S (HEAD OF NEAR EAST DEPARTMENT, AUSWAERTIGES AMT) ANALYSIS OF PERES' VISIT TO EUROPE IDENTICAL TO THAT OF HMA TEL AVIV.

2. ON ARAB/ISRAEL GENSCHER WILL MAKE THE FOLLOWING POINTS:

(A) TIME IS RUNNING OUT:

(B) THE FORTUNES OF THE RADICALS ARE RISING AGAIN:

(C) RECENT DEVELOPMENTS WITHIN THE PLO HAVE NOT HELPED KING HUSSEIN'S INITIATIVE. HIS PLANNED TALKS WITH ARAFAT DID NOT TAKE PLACE. THERE ARE SIGNS THAT ARAFAT IS, WITH MOSCOW'S ENCOURAGEMENT, MOVING BACK TOWARDS THE SYRIANS:

(D) HUSSEIN IS NO SADAT AND WILL NOT NEGOTIATE DIRECTLY WITH ISRAEL:

(E) THE TERMS FOR AN INTERNATIONAL CONFERENCE MUST BE WORKED OUT BY THE PARTICIPANTS. THE SOVIET UNION MAY WELL TRY TO PLAY A SPOILING ROLE. BUT IS NECESSARY TO INCLUDE THEM IN ORDER TO GET THE SYRIANS ON BOARD. THE GERMANS RECOGNISE THE REASONING BEHIND THE ISRAELI POSITION ON A CONFERENCE BUT BELIEVE THAT THEIR POSITION IS UNTENABLE. THE CONFERENCE PLENARY WILL HAVE TO HAVE A CONTINUOUS ROLE OF SOME SORT, EG IN ATTEMPTING TO RESOLVE DIFFERENCES ARISING IN BILATERAL NEGOTIATING GROUPS.

3. ON SCIENTIFIC AND TECHNICAL COOPERATION, RICHTER SAID THAT THE GERMANS WOULD AGAIN AGREE IN PRINCIPLE TO THE SETTING UP OF A FOUNDATION, BUT NOT ON THE BASIS PROPOSED BY THE ISRAELIS. THE SUMS INVOLVED (100 MILLION DOLLARS FROM EACH SIDE) WERE TOO LARGE AND THE FINANCIAL ARRANGEMENTS UNACCEPTABLE. KOHL HAD YET TO CLEAR HIS LINES

FOUNDATION, BUT NOT ON THE BASIS PROPOSED BY THE ISRAELIS. THE SUMS INVOLVED (100 MILLION DOLLARS FROM EACH SIDE) WERE TOO LARGE AND THE FINANCIAL ARRANGEMENTS UNACCEPTABLE. KOHL HAD YET TO CLEAR HIS LINES ON THIS WITH FINANCE MINISTER STOLTENBERG AND DETAILED DISCUSSION WOULD THEREFORE BE AVOIDED.

4. ON EC/ISRAEL THE GERMANS WOULD GIVE THEIR USUAL ASSURANCES OF GOOD INTENTIONS, WHILE REMINDING THE ISRAELIS OF THE BENEFITS TO THEM OF A BIGGER COMMUNITY MARKET FOLLOWING ENLARGEMENT.

5. IN RESPONSE TO A QUESTION, RICHTER SAID THAT SCHLAGINTWEIT (AUSS, NEAR AND MIDDLE EAST) WAS VISITING AMMAN, DAMASCUS AND CAIRO THIS WEEK, AT GENSCHER'S REQUEST, ON A FACT-FINDING TOUR TO PREPARE FOR THE 27 JANUARY POCO MINISTERIAL. HE ADDED THAT KLIBI/(ARAB LEAGUE) WAS VISITING BONN ON 22 JANUARY, WHEN THE GERMANS WOULD TENTATIVELY RAISE AN IDEA OF GENSCHER'S OF USING THE EURO/ARAB DIALOGUE FOR A DISCUSSION ON COMBATTING TERRORISM. RICHTER SAID IN CONFIDENCE (PLEASE PROTECT) THAT GERMAN OFFICIALS WERE HIGHLY SCEPTICAL ABOUT THIS.

BULLARD

YYYY
FCO PLEASE PASS TO SAVING ADDRESSEE

Prime Minister ①

Do you wish to ask the Chief Rabbi to break bread? If so the Bishop of Birmingham might say grace as well, to make it an ecumenical occasion(!)

MR. POWELL

Arrangements for the Israeli Dinner Wednesday, 22 January

The food, wine, liqueurs, drinks before and after dinner willall be kosher.

Everything on the table will be provided by Ring & Brymer either from their kosher stocks or having been rendered kosher by the Shomer. GHF glass, table linen and napkins will be used.

As the Chief Rabbi will be present at this dinner, GHF have asked if he should be asked 'to break bread'and give a blessing before the dinner.

If so, we should presumably let his office know next week.

Also you should be aware that the Bishop of Birmingham will be present at this dinner.

I think not - but I need advice - if we do that do we need to have the very best grace afterwards - that would be unwise and impossible. no

Sue

17 January 1986

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MY TELS NOS 19 AND 20: PERES' VISIT TO LONDON

1. I CALLED ON THE ISRAELI PRIME MINISTER ON 16 JANUARY TO ASK IF HE PLANNED TO EMPHASISE ANY PARTICULAR POINTS DURING HIS VISIT TO LONDON AND OTHER EUROPEAN CAPITALS.

2. MR PERES SAID THE EUROPEANS HAD IN THE PAST BEEN A BIT TOO CLOSE TO THE PLO BUT HE HOPED THEY NOW UNDERSTOOD THE PROBLEMS. OTHERWISE THE SUBJECTS FELL NATURALLY UNDER THE HEADINGS OF BILATERAL RELATIONS, EUROPEAN COMMUNITY ISSUES AND REGIONAL PROBLEMS. ON THE BILATERAL SIDE HE HOPED IN PARTICULAR THERE COULD BE MORE SCIENTIFIC AND TECHNICAL COOPERATION BETWEEN ISRAEL AND THE EURPOEANS. IN LONDON HE LOOKED FORWARD TO HIS TALKS WITH THE PRIME MINISTER ON THE PROSPECTS OF NEGOTIATIONS WITH JORDAN. THERE HAD BEEN TOO MANY FUNERAL ORATIONS SPOKEN OVER THE PEACE PROCESS. HE WANTED TO GET SOME MOVEMENT GOING.

3. I SAID HMG HAD CONSISTENTLY SOUGHT TO HELP THE PARTIES GET TO NEGOTIATIONS AND TO BACK UP AMERICAN EFFORTS IN THIS DIRECTION. KING HUSSEIN WAS CURRENTLY IN LONDON, SO BRITISH MINISTERS WOULD BE FULLY UP TO DATE WITH THE KING'S THINKING. PERES SAID HE HOPED IN HIS TALKS WITH MRS THATCHER TO GO OVER THE KING'S POSITION AND THE ISRAELI POSITION IN DETAIL TO SEE WHERE THE GAPS WERE, WHAT BRIDGES WERE NEEDED AND HOW THEY MIGHT BE BUILT. HE HAD MADE SOME EFFORTS HIMSELF OVER THE INTERNATIONAL FORUM IDEA. HE REPEATED THE IMPORTANCE OF GETTING THINGS MOVING, AND SAID HE WAS ALSO HAVING DETAILED EXCHANGES WITH THE AMERICANS (I MET MY U.S. COLLEAGUE AND WAT CLUVERIUS COMING OUT AS I WENT IN). HE ALSO HOPED TO GO OVER THE RECENT DEVELOPMENTS IN ISRAELI/EGYPTIAN RELATIONS AND WHAT EUROPE COULD DO TO HELP STRENGTHEN THEM AND BUILD UP A CLIMATE OF CONFIDENCE IN THE REGION.

4. I SAID OUR MINISTERS WOULD WELCOME THIS APPROACH. HMG WAS NOT LOOKING FOR A NEW BRITISH INITIATIVE BUT NEITHER DID WE WISH TO SEE THE PEACE PROCESS STAGNATE.

5. I SAID THERE WOULD BE GREAT MEDIA INTEREST IN HIS VISIT IN LONDON. PERES SAID THAT IN HIS PUBLIC SPEECHES HE WOULD DEAL ONLY IN GENERAL TERMS WITH THE PEACE PROCESS: HE WOULD KEEP THE DETAILS FOR THE PRIVATE CONVERSATIONS.

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US/ISRAEL

SUMMARY

1. VARIOUS SURFACE TREMORS IN US/ISRAELI RELATIONS, BUT NO EARTHQUAKES.

2. NO IMMEDIATE DIFFERENCES OVER THE PEACE PROCESS. TABA A SUCCESS IN THE MAKING. THE TWO GOVERNMENTS AT ONE AGAIN OVER TERRORISM. POLLARD (SPY) CASE ALL BUT OVER. BUT ISRAEL'S ATTITUDE TO UNIFIL A SMALL CLOUD.

3. CONTINUING ADMINISTRATION CONCERN ABOUT THE ISRAELI ECONOMY. AND ALARM AT THE PROSPECT OF PERES STEPPING DOWN.

DETAIL

4. A SNAPSHOT OF CURRENT ISSUES IN US/ISRAELI RELATIONS MAY BE USEFUL BEFORE PERES' VISIT.

5. PEACE PROCESS: THE AMERICANS SEE FEW DIFFERENCES BETWEEN THEIR AND PERES' VIEWS ON THE WAY FORWARD. BOTH BELIEVE THE BALL IS IN HUSSEIN'S COURT (AND THE PLO'S). IN THE ADMINISTRATION'S VIEW, PERES' AGREEMENT TO DIRECT NEGOTIATIONS UNDER INTERNATIONAL AUSPICES IS THE FURTHEST FORWARD HE CAN BRING THE NATIONAL UNITY GOVERNMENT WITHOUT EXPLICIT ARAB AND PALESTINIAN ACCEPTANCE OF ISRAEL'S RIGHT TO EXIST. SOVIET RESTORATION OF FULL RELATIONS WITH ISRAEL MIGHT CREATE TENSIONS BETWEEN THE ADMINISTRATION AND ISRAEL, AS COULD A SIGNIFICANT PLO MOVE. BUT NEITHER ARE THOUGHT IMMINENT.

6. TABA: THERE HAS BEEN CLOSE COORDINATION BETWEEN PERES AND THE ADMINISTRATION OVER THE DISPUTE. THE AMERICANS WANT IMPROVED ISRAELI/EGYPTIAN RELATIONS, FOR THEIR OWN SAKE, TO ASSIST THE BROADER PEACE PROCESS, AND TO GIVE PERES A SUCCESS. THEY HAVE ADMIRED HIS TENACITY IN PUSHING LIKUD TO ACCEPT BINDING ARBITRATION, AND BELIEVE EGYPT CAN NOW SWALLOW THE ISRAELI CONDITIONS.

7. STRATEGIC COOPERATION: A SYMBOL OF THE RELATIONSHIP BUT WITHOUT REAL SUBSTANCE: THE PROGRAMME OF BI-ANNUAL CONSULTATIONS CONTINUES TO BE MARRED (IN US EYES) BY ISRAELI CONCENTRATION ON THE ARAB, RATHER THAN THE POTENTIAL SOVIET, THREAT.

8. US FINANCIAL/MATERIEL ASSISTANCE: DESPITE MINOR DISAGREEMENTS (EG OVER THE US-BLOCKED ISRAELI SALE OF A5S TO ARGENTINA), THE BASIC SUPPORT OF ADMINISTRATION AND CONGRESS REMAINS ROCK-SOLID. FOR BUDGETARY SUPPORT THE US GAVE ISRAEL DOLLARS 3.75 BILLION IN FY85. DOLLARS 3 BILLION FOR FY86 HAS ALREADY BEEN PAID (BUT GRAMM-RUDMAN CUTS OF 4 PERCENT WILL BE RECLAIMED), AND A FURTHER DOLLARS 0.75 BILLION IS DUE THIS SPRING. THE WHITE HOUSE HAS DECIDED TO PEG FY87 MILITARY ASSISTANCE (FMS) AT DOLLARS 1.8 BILLION, NOT DOLLARS 1.87 B AS PROPOSED BY STATE AND DOD (WITH GRAMM-RUDMAN CUTS TO COME). BUT TOO SOON TO CONCLUDE THAT US AID TO ISREAL

ISRAEL MAY HAVE PEAKED. AND CONGRESS ARE EXPECTED TO REVIVE PROPOSALS TO REDUCE INTEREST RATES ON OUTSTANDING DEBT.

9. TERRORISM: STATE BELIEVE THAT THEIR SECURITY COUNCIL ABSTENTION ON ISRAEL'S ATTACK ON TUNIS NO LONGER RANKLES WITH THE ISRAELIS, GIVEN MORE RECENT EVENTS. THE ISRAELI VIEW OF THE OF THE APPROPRIATE RESPONSE TO TERRORISM IS CLOSER TO THEIRS (IE SHULTZ'S) THAN IS THAT OF ANY OTHER US ALLY. ISRAEL'S RESPONSE TO THE ROME AND VIENNA ATTACKS IS STILL AWAITED. (BUT PRESS GUIDANCE HAS ALREADY BEEN PREPARED FOR IMMEDIATE USE IF/WHEN ISRAEL ATTACKS A PALESTINIAN TARGET IN THE BEQA'A, OR SYRIAN SAMS.)

10. THE POLLARD CASE IS NOW SEEN AS YESTERDAY'S ISSUE. ISRAELI COOPERATION WITH THE SOFAER MISSION WAS SATISFACTORY, AND US OFFICIALS DO NOT EXPECT FURTHER CASES TO EMERGE. FROM 31 DECEMBER FULL INTELLIGENCE EXCHANGES WERE FORMALLY RESTORED.

11. UNIFIL: DESPITE THEIR RELUCTANCE TO TACKLE ISRAEL ON ISSUES AFFECTING HER SECURITY, THE STATE DEPARTMENT DISAGREE WITH ISRAEL'S IMPOSED SECURITY ZONE IN SOUTH LEBANON, AND HAVE ARGUED THAT ISRAEL SHOULD ALLOW A GREATER ROLE FOR UNIFIL. IN THE SHORT TERM THE ADMINISTRATION ARE SEEKING ISRAELI SUPPORT IN CONGRESS FOR THE RESTORATION OF FUNDS TO THE UNIFIL BUDGET (OUR TELNO 59 OFFICIALS HAVE ASKED INFORMALLY THAT WE SUPPORT THIS LINE WITH PERES IN LONDON). BUT THIS ISSUE CARRIES LITTLE WEIGHT OVERALL IN US-ISRAELI RELATIONS.

12. OCCUPIED TERRITORIES: THE AMERICANS ARE DISAPPOINTED AT THE UNEVEN PERFORMANCE OF PERES' GOVERNMENT IN IMPROVING THE QUOTE QUALITY OF LIFE UNQUOTE IN THE OCCUPIED TERRITORIES. US OFFICIALS KNOW A SHAMIR GOVERNMENT WILL HALT OR REVERSE THE PROGRAMME, AND ARGUE THAT THE FEW ACHIEVEMENTS TO DATE SHOULD AS FAR AS POSSIBLE BE EXTENDED AND INSTITUTIONALISED NOW (VIZ OTHER MAYORAL APPOINTMENTS TO FOLLOW AL MASRI IN NABLUS, AND FURTHER STEPS TOWARDS AN ARAB BANK) BEFORE ANY GOVERNMENT TURNOVER.

13. ISRAELI ECONOMY: THE UNITED STATES BELIEVE THE LATEST BUDGET PROPOSALS ARE INSUFFICIENTLY TIGHT. SHULTZ HAS SENT A MESSAGE TO PERES URGING HIM TO KEEP TIGHTENING THE SCREWS. BUT THEY UNDERSTAND THE POLITICAL CONSTRAINTS. /14.

14. ISRAELI POLITICS: ON BALANCE, STATE EXPECT THE NATIONAL UNITY GOVERNMENT TO FALL BEFORE OCTOBER 1986. THERE IS NO DOUBT THAT AT THE HIGHEST LEVELS THE ADMINISTRATION HOPE THAT PERES WILL STAY IN OFFICE. THEY ADMIRE HIM, KNOW THEY CAN WORK WITH HIM, AND DISLIKE THE PROSPECT OF ANY OF THE ALTERNATIVES. THIS GIVES HIM CONSIDERABLE BARGAINING LEVERAGE HERE ON A WIDE RANGE OF ISSUES SEMI-COLON AND WE LEARN IN CONFIDENCE - PLEASE PROTECT - THAT THERE IS TALK OF HIS COMING HERE AGAIN IN EARLY APRIL.

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MIPT: PERES' VISIT TO LONDON

1. I SUGGEST THE PRIME MINISTER MIGHT BE ADVISED TO COVER THE FOLLOWING GROUND WITH MR PERES.

I) KING HUSSEIN. I SHARE MR COLES' IMPRESSIONS THAT PERES HAS DIRECT CHANNELS TO THE KING. I NEVERTHELESS BELIEVE IT WOULD HELP PERES TO HAVE MRS THATCHER'S OWN FRANK ASSESSMENT OF THE KING'S LATEST THINKING ON HIS BASIC APPROACH TO THE PEACE PROCESS AND IN PARTICULAR THE INTERNATIONAL CONFERENCE (ON THE NATURE OF WHICH PERES THOUGHT HE HAD A CLEAR UNDERSTANDING WITH THE KING). PERES CONSISTENTLY SPEAKS WELL OF KING HUSSEIN, BUT BELIEVES THE KING HAS A GOOD UNDERSTANDING OF ISRAELI CONSTRAINTS AND GENUINELY WANTS PROGRESS.

PROCRESS.

II) PALESTINAIN REPRESENTATION. WITHOUT RAISING THE BOGY OF THE PLO, TO ENCOURAGE PERES TO SEE PALESTINIANS INCLUDED IN THE JOINT DELEGATION ON THE BASIS OF THE LONDON FORMULA. (PERES MAY ACCEPT INTELLECTUALLY THAT THE PLO MUST IN THE END BE ASSOCIATED WITH THE PEACE PROCESS, THOUGH HE WOULD NOT ADMIT IT, BUT HE CANNOT AFFORD DOMESTICALLY TO BE SEEN TO BE CONSIDERING THE POSSIBILITY). WHETHER OR NOT ARAFAT ENDORSES 242/338 WILL MAKE LITTLE DIFFERENCE TO ISRAELI ATTITUDES AT THIS STAGE.

III) INTERNATIONAL CONFERENCE. TO SHOW WE SHARE THE GOAL OF DIRECT NEGOTIATIONS WITHOUT THIRD PARTY VETO OR ONE-SIDED PRESSURE. THERE IS NO POINT IN A CONFERENCE WHICH WOULD PRODUCE OPEN DISAGREEMENTS OPENLY ARRIVED AT.

IV) TO SHOW THAT OUR VIEW OF THE SOVIET ROLE IN ANY INTERNATIONAL CONFERENCE WOULD NOT ENHANCE MOSCOW'S CURRENT CAPACITY TO MAKE DIFFICULTIES IN THE REGION.

V) TO EXPLORE PERES' THINKING ON POSSIBLE INTERIM SOLUTIONS, GIVEN THE ENORMOUS DIFFICULTIES OF REACHING A DEFINITIVE SETTLEMENT IN ONE GO.

2. IN PUBLIC I RECOMMEND THE PRIME MINISTER BE ADVISED TO PAY TRIBUTE TO PERES' WILLINGNESS TO ACCEPT SOME INTERNATIONAL FRAMEWORK FOR DIRECT NEGOTIATIONS (HIS UNGA SPEECH AS ENDORSED BY THE KNESSET) AND TO APPLAUD HIS EFFORTS TO WORK FOR AN END TO THE STATE OF WAR IN THE REGION.

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~~MR DEREK THOMAS~~
MR FERGUSSON
MR EGERTON
HD/NENAD
HD/MED

PUSD (2)
NEWS DEPT

NO. 10 DOWNING STREET
CABINET OFFICE DIO

IMMEDIATE

CONFIDENTIAL
FM TEL AVIV
TO IMMEDIATE FCO
TELNO 19
OF 161100Z JANUARY 86
INFO IMMEDIATE AMMAN
INFO PRIORITY WASHINGTON
INFO ROUTINE DAMASCUS, RIYADH, CAIRO, JERUSALEM, MOSCOW, UKMIS NEW YORK, PARIS, BONN
INFO SAVING BEIRUT

PERES' VISIT TO LONDON

1. PERES WILL ARRIVE IN BRITAIN NEXT WEEK WITH HIS PERSONAL STANDING IN ISRAEL STRONG AND GROWING. HIS STANDING RUNS WELL AHEAD OF HIS PARTY'S. PRIME MINISTER FOR UNDER 18 MONTHS WITH LESS THAN A YEAR TO GO BEFORE HANDING OVER TO HIS COALITION PARTNER, HE HAS ESTABLISHED HIMSELF AS A NATIONAL, NOT JUST A PARTY, LEADER, AND THE IMAGE OF A SLIPPERY AND DEVIOUS MACHINE POLITIAN HAS WORN OFF.

2. HIS QUIET VOICE AND LOW KEY MANNER MASK A STRONG NERVED POLITICAL OPERATOR. NOT MANY POLITICIANS COULD HAVE LANDED THE SLIPPERY FISH OF LIKUD ACQUIESCENCE IN A POSITIVE ISRAELI POLICY TOWARDS EGYPT (TABA AND ALL THAT) SEMICLN OR TRADES UNION ACQUIESCENCE IN A 20 PER CENT CUT IN REAL WAGES SEMICLN OR KEPT ALIVE THE CHANCE OF TALKS WITH A JORDANIAN/PALESTINIAN DELEGATION THROUGH A PERIOD MORE THAN USUALLY PUNCTUATED WITH EMOTIVE ACTS OF VIOLENCE. HE HAS KEPT HIS BALANCE AND HIS COOL AND ENHANCED HIS NATIONAL REPUTATION. HE

USUALLY PUNCTUATED WITH EMOTIVE ACTS OF VIOLENCE. HE HAS KEPT HIS BALANCE AND HIS COOL AND ENHANCED HIS NATIONAL REPUTATION. [redacted] IS A POKER PLAYER NOT A PARATROOPER (HIS LACK OF A WAR RECORD HAS LONG BEEN SOMETHING OF A HANDICAP HERE) SEMICLN BUT HE PLAYS FOR HIGH STAKES.

3. IN LONDON HIS OBJECTIVES WILL BE:

I) TO STRENGTHEN HIS OWN STANDING IN ISRAEL:
II) HELP IN MOVING TO EARLY DIRECT NEGOTIATIONS WITH JORDAN AND NON-PLO PALESTINIANS ON TERMS AS CLOSE TO ISRAEL'S AS POSSIBLE.

4. THESE OBJECTIVES ARE NOT INCOMPATIBLE WITH OUR OWN. THERE IS A BETTER CHANCE UNDER PERES THAN UNDER ANY OTHER ALTERNATIVE ISRAELI LEADER OF ISRAELI POLICIES DEVELOPING WHICH COULD LEAD TO A REDUCTION OF TENSION IN THE AREA. BY INVITING HIM TO LONDON WE HAVE GIVEN HIM A TOP LEVEL PLATFORM FROM WHICH TO PROMOTE HIS DOMESTIC AND FOREIGN POLICY AIMS. WE HAVE THUS CREATED THE OPPORTUNITY TO GET OUR OWN VIEWS OVER WHEN HE IS AT HIS MOST RECEPTIVE.

5. THE SUCCESS OF HIS EGYPTIAN POLICY, IF RECENT PROGRESS IS CONFIRMED IN COMING DAYS, WILL ENHANCE HIS CAPACITY TO RESPOND TO NEW MOVES ON THE PEACE PROCESS. BUT ON THE MAIN ISSUES - PALESTINIAN PARTICIPATION, THE INTERNATIONAL CONFERENCE AND THE SOVIET FACTOR - I CAN SEE NO MAJOR STEP WE CAN REALISTICALLY URGE ON HIM. THE LIMITS OF WHAT ANY ISRAELI PRIME MINISTER CAN DO ARE PRETTY CLEAR. BUT WE CAN REASSURE HIM ON THE HIGHEST POLITICAL LEVEL THAT WE ARE AWARE OF THE DANGERS HE FACES BOTH DOMESTICALLY AND IN THE REGION SEMICLN AND THAT THE ASSESSMENTS AND COUNSEL WE OFFER TAKE THEM INTO ACCOUNT. THIS MAY HELP TO GIVE HIM THE CONFIDENCE HE NEEDS IN DEALING WITH SCEPTICS AND OPPONENTS AT HOME WHEN THE TIME COMES TO TAKE DECISIONS.

6. SOME SPECIFIC SUGGESTIONS ARE IN MIFT.

SQUIRE

YYYY
FCO PASS SAVING TO BEIRUT

TVHPAN 0200

NNNN

PERSONAL AND CONFIDENTIAL

10 DOWNING STREET

THE PRIME MINISTER

17 January 1986

Dear Julian.

Thank you for your personal and confidential letter of 7 January about Mr. Peres' visit.

You have clearly given this visit a great deal of thought and your suggestions are very helpful. I shall certainly be discussing the general subject of terrorism with Mr. Peres, and shall have your ideas in mind. You know how much I am in favour of international cooperation against terrorism.

Yours ever

Margaret

The Rt. Hon Julian Amery, M.P.

PERSONAL AND CONFIDENTIAL

cc PC

Foreign and Commonwealth Office

London SW1A 2AH

And a lovely one too.
CM.

16 January 1986

Dear Charles,

Visit of Israeli Prime Minister

As requested in your letter of 31 December, at flap. I enclose a draft speech for delivery by the Prime Minister at her dinner for Mr Peres on 22 January.

Yours ever,

Robert Culshaw

(R N Culshaw)
Private Secretary

C D Powell Esq
No.10 Downing St

RESTRICTED

Foreign and Commonwealth Office

London SW1A 2AH

16 January 1986

Dear Charles,

Thank you for your letter of 13 January. I enclose a reply from the Prime Minister to Mr Julian Amery's letter on Mr Peres' visit. You may be able to add to it, following the Prime Minister's discussion with King Hussein.

Yours ever,

Colin Budd

(C R Budd)
Private Secretary

C D Powell Esq
No.10 Downing Street

RESTRICTED

PERSONAL & CONFIDENTIAL

DSR 11 (Revised)

DRAFT: ~~minute/letter/teleletter/despatch/note~~

TYPE: Draft/Final 1+

FROM:

The Prime Minister

DEPARTMENT: **TEL. NO:**

Reference

SECURITY CLASSIFICATION

Top Secret
Secret
Confidential
Restricted
Unclassified

TO:

The Rt Hon Julian Amery MP

Your Reference

SL3AOM

Copies to:

PRIVACY MARKING

.....In Confidence

CAVEAT.....

SUBJECT:

Thank you for your personal and confidential letter of 7 January about Mr Peres' visit.

You have clearly given this visit a great deal of thought and ~~I am grateful to you for sharing your ideas with me. We shall certainly try to ensure that Mr Peres' visit here is worthwhile. I see it as a further stage in joint efforts to build a more constructive and frank political dialogue.~~ your suggestions are very helpful. I shall certainly be discussing the general subject of terrorism with Mr Peres, & shall have your ideas in mind. You know how much I am in favour of international cooperation against terrorism.

CA

Our talks will inevitably concentrate on the main issues of the Middle East which are so important to us all and in which Mr Peres is a key figure. But bilateral questions will also be discussed and we are naturally reviewing thoroughly the whole range of our relations in the run-up to the visit. I would not wish to prejudge the outcome of the talks, but I can assure you that I have taken careful note of the ~~arguments~~ points which you make. ~~As~~ You know ~~we~~ how strongly ~~support~~ I am in favour of close international collaboration between like-minded countries to combat terrorism.

I very much agree with the caution of your second paragraph.

Enclosures—flag(s).....

PERSONAL & CONFIDENTIAL

Visits by Israeli PMs: ISRAEL May 79.

8



file. ca

10 DOWNING STREET

From the Private Secretary

13 January 1986

I enclose a copy of a letter to the Prime Minister from Mr. Julian Amery which makes certain proposals in relation to Mr. Peres' forthcoming visit. I should be grateful for a draft reply before that visit takes place.

BK 1

(Charles Powell)

Robert Culshaw, Esq.,
Foreign and Commonwealth Office.

FROM: THE RT. HON. JULIAN AMERY, M.P.

112, EATON SQUARE,
SWIW 9AA
TEL: 01-235 1543
01-235 7409

PERSONAL & CONFIDENTIAL

7th January 1986

Dear Margaret.

I've been thinking about Prime Minister Peres' visit to you later this month. As you know, his situation in Israel is not easy and he needs to make a success of the visit. Is there any political "present" we could give him to take home?

Our trade relations with Israel are very good and our political relations are much improved since Geoffrey's visit. There are, of course, the standard Israeli grievances about the Foreign Office practice of authenticating the Arab boycott, about the arms embargo and about access to North Sea oil. But I doubt whether gestures on any of these issues would be of much practical use to the Israelis while they could possibly damage our potential arms deals with Saudi Arabia and Jordan.

Peres may ask you to use your best endeavours with King Hussein to urge him to meet the Israelis without the PLO, though with other "suitable" Palestinians. We are hardly in a position to put pressure on the King. Only he can assess the risks involved. We could, however, offer to tell him that if he decided to go it alone we would give him our whole hearted support. This could help to dispel Israeli suspicions that we tend to encourage the King to hang back.

The only public gesture which has occurred to me and which might have some "box office appeal" is that you might propose an agreement that both Governments would consult at the political level about how best to combat terrorism.

This would seem to fit in with American and European policies and I don't see that any of our Arab friends could be embarrassed by it. The Syrians, the Libyans and Arafat would no doubt resent it, but they are so busy disclaiming any responsibility for recent terrorist actions that they are hardly in a position to protest.

As you know, the Israelis have made a big issue of terrorism and founded the Jonathan Institute some years ago, to focus attention on it. Recent events have made it more topical than ever, not least here. People would expect you to discuss it with Peres and if you could be seen to be proposing some concrete action about it, as a result of your talks, I think it would be well received in the House and the country here, as well as in Israel.

I am copying this letter to Geoffrey Howe.

Yours ever,

Julian

Julian Amery

The Rt. Hon. Mrs. Margaret Thatcher, M.P.

Israel; Visit by Peres, May 79

CONFIDENTIAL

FG2ASH

File

cc: Sir P. Cradock

10 DOWNING STREET

From the Private Secretary

31 December 1985

MR. PERES' VISIT: TALKS AT NO. 10

Thank you for your letter of 30 December about participation in the Prime Minister's talks with Mr. Peres. I am sure that the Prime Minister would be content to limit it to Heads of Government and note-takers for the whole session. But if the Israelis make a point of widening participation for at least a part of the time, we should propose the addition of Ambassadors for the last half hour.

Charles Powell

Robert Culshaw, Esq.,
Foreign and Commonwealth Office.

JB

CONFIDENTIAL

b.e. Sir P.E. to file

10 DOWNING STREET

From the Private Secretary

31 December, 1985.

MR. PERES' VISIT

Can I ask that particular care be taken to prepare a good draft speech for the Prime Minister's use at the dinner in honour of Mr. Peres. The aim should be 6/7 minutes, with some historical allusions as well as some well-constructed comment on the Middle East situation. The draft should reach me, please, by Thursday, 16 January.

(C.D. Powell)

R.N. Culshaw, Esq.,
Foreign and Commonwealth Office.

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CONFIDENTIAL

Foreign and Commonwealth Office

London SW1A 2AH

30 December 1985

Dear Charles,

Mr Peres' Visit: Talks at Number 10

The Israelis have welcomed the allocation of 1½ hours for talks between the Prime Minister and Mr Peres on 22 January. In subsequent discussion with Mark Addison I agreed that this meeting might begin at 1000, instead of 1100, because of the Prime Minister's funeral commitment at noon. Sir Geoffrey Howe's own call on Mr Peres will be brought forward to 0830 to allow this. We shall inform the Israelis accordingly.

The Israelis have asked whether the first 45 minutes at least at Number 10 could be in private session (Prime Ministers plus note-takers only) with any remaining time in a wider circle. At an earlier stage the Israelis also expressed the hope that the possibility of a further round of talks at Number 10 on 23 January could be left open. But they have not returned to this idea: Mr Peres' programme is now very crowded.

We believe that the request for a private session with the Prime Minister arises from Mr Peres' wish to speak freely: the Israeli Ambassador was well connected with Mr Begin, and is inclined to the Likud viewpoint. Sir Geoffrey Howe sees advantage in meeting his wishes on this point. He will himself see Mr Peres immediately before the talks at Number 10. We therefore suggest that a senior FCO official should be available to attend any plenary talks after the private session (Mr Renton will be abroad at the time). Sir Geoffrey sees no need to offer a second round of talks with the Prime Minister.

Yours ever

(R N Culshaw)
Private Secretary

C D Powell Esq
10 Downing Street

CONFIDENTIAL

CONFIDENTIAL

CC/PC

MINISTRY OF DEFENCE
MAIN BUILDING WHITEHALL LONDON SW1A 2HB
Telephone 01-~~XXXXXX~~ 218 2111/3

MO 14/13V

30th December 1985

CDP
2/1

Dear Robert,

The Defence Secretary has seen a copy of your predecessor's letter of 9th December 1985 to Charles Powell which, inter alia, reported the outcome of a further review of restrictions on arms sales to Israel. He has also seen Charles Powell's letter of 10th December giving the Prime Minister's views.

Mr Heseltine is also content to accept option d, but he is concerned that such an undertaking, especially in the strengthened form put forward by the Prime Minister, places a great deal of faith in Israel being discreet until we decide to make the announcement, and hopes that the importance we attach to confidentiality can be impressed on Mr Peres. Mr Heseltine also would prefer that no public announcement is made for some time, and would hope that the state of our negotiations with Saudi Arabia is taken into account in any decision on the timing of the announcement.

I am sending copies of this letter to Charles Powell (No 10), Michael Gilbertson (Department of Trade and Industry) and Michael Stark (Cabinet Office).

Yours ever,
Jeremy Wright

(J S WRIGHT)
Private Secretary

Robert Culshaw Esq
Foreign and Commonwealth Office

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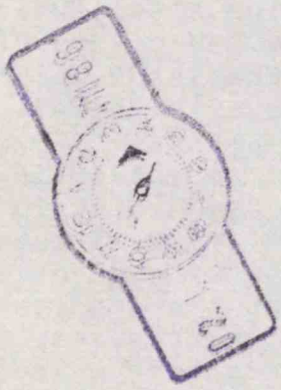
ISRAEL MAY 79

VISITS BY ISRAELI PM



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FILE

10 DOWNING STREET

From the Private Secretary

20 December 1985

VISIT BY THE PRIME MINISTER OF ISRAEL

The Prime Minister has seen Mr. Gilbertson's letter of 12 December recording the Trade and Industry Secretary's view that ending the Foreign and Commonwealth Office practice of authentication of signatures on trade documents with boycott declarations would be a good issue on which to mark an improvement of relations with Israel during Mr. Peres' visit. The Prime Minister agrees with this view and would like to see a note from Departments early in January with proposals for how this might be achieved. For instance, it might be agreed in principle at the time of Mr. Peres' visit with implementation delayed for a few months after it.

I am copying this letter to Michael Gilbertson (Department of Trade and Industry), Richard Mottram (Ministry of Defence) and Michael Stark (Cabinet Office).

Charles Powell

Robert Culshaw, Esq.,
Foreign and Commonwealth Office.

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SIR PERCY CRADOCK

MR. PERES' VISIT: TERRORISM

The suggestion has been made to the Prime Minister that one subject on which agreement might be reached is closer cooperation between Britain and Israel against terrorism.

It would be helpful to know the extent of present cooperation in this field, and the scope for increasing it in practical terms. We shall then need to assess the political implications.

(C. D. POWELL)
13 December 1985

SECRET

DEPARTMENT OF TRADE AND INDUSTRY
1-19 VICTORIA STREET
LONDON SW1H 0ET
TELEPHONE DIRECT LINE 01-215 5422
SWITCHBOARD 01-215 7877

JU906
Secretary of State for Trade and Industry

CONFIDENTIAL

12 December 1985

Peter Ricketts Esq
Private Secretary to the
Secretary of State for
Foreign & Commonwealth Affairs
Foreign & Commonwealth Office
London SW1

CDP 12/12.

Dear Peter,

VISIT OF THE PRIME MINISTER OF ISRAEL: 21-26 JANUARY 1986

Thank you for your letter of 9 December. My Secretary of State believes that ending the FCO practice of authentication of signatures on trade documents with boycott declarations would be a simpler and less painful issue on which to mark an improvement of relations during Mr Peres' visit. Arab Governments may view the action as an unnecessary gesture towards Israel but any displeasure would be muted by the consequent enhancement of the role of the Arab British Chamber of Commerce which would become the only accepted source of authentication. We should of course have to watch that they did not abuse their monopolistic position.

If a move is to be made on defence sales, then Mr Brittan agrees that option (d) outlined in your letter provides the best solution.

I am copying this letter to Richard Mottram (MOD), Michael Stark (Cabinet Office) and Charles Powell (No 10).

Yours ever,

Michael

MICHAEL GILBERTSON
Private Secretary

ISRAEL MAY 79

VISIT OF ISRAELI PM



The National Archives

DEPARTMENT/SERIES PREM 19 PIECE/ITEM 3055 (one piece/item number)	Date and sign
Extract details: Cadock to Powell dated 11 December 1985	X
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Instructions for completion of Dummy Card

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Use the card for one piece or for each extract removed from a different place within a piece.

Enter the department and series,
eg. HO 405, J 82.

Enter the piece and item references, .
eg. 28, 1079, 84/1, 107/3

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10 DOWNING STREET

From the Private Secretary

10 December 1985

VISIT OF THE PRIME MINISTER OF ISRAEL

Thank you for your letter of 9 December about Mr. Peres' visit.

On the point about defence sales, the Prime Minister would be prepared to agree to option (d) in your letter on the basis that we would tell Mr. Peres privately that there will be a relaxation in the remaining restrictions but that it will not be announced for a month or two after his visit.

I am copying this letter to Richard Mottram (Ministry of Defence), Michael Gilbertson (Department of Trade and Industry) and Michael Stark (Cabinet Office).

(C.D. Powell)

Peter Ricketts, Esq.,
Foreign and Commonwealth Office

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CCPC 0

Foreign and Commonwealth Office

London SW1A 2AH

9 December 1985

Prime Minister
On the question of defence sales, option (d) seems enough for the Israelis. We tell Mr. Peres privately that we will relax restrictions but leave an announcement until later. Agree?

Yes

Dear Charles,

Visit of the Prime Minister of Israel: 21/26 January 1986

CDP 9/XII

Thank you for your letter of 25 November in which you recorded the Prime Minister's wish that the visit of Mr Peres should be used to mark an advance in our relations with Israel and asked that we should look again at a relaxation of our policy on the sales of defence equipment to Israel.

Mr Peres's visit will be only the second official visit to Britain by an Israeli Prime Minister. We know that the Israelis attach the highest importance to the way in which he is received and will be particularly sensitive to any hint of less than first-class treatment. They will see the visit itself and the resumption of political dialogue at the highest level as a symbol of progress in restoring warmth to our relationship. They will be especially pleased that in the absence from London of The Queen, the Prince of Wales has agreed to give lunch to Mr Peres. If the Prime Minister were also able to announce during the visit plans for her own early return visit to Israel (the first by a Prime Minister while in office) Sir Geoffrey Howe believes that the Israelis would be well satisfied.

There are four bilateral issues on which Israel's supporters in this country have been pressing for substantive changes in our policy: the supply of defence equipment and North Sea oil, the Arab boycott, and a research and technology agreement. We are urgently reviewing the scope for modification of our policy in the first three cases, and find we have limited room for manoeuvre. Mr Renton, who will be visiting Israel from 12 to 16 December, will have an opportunity to assess how much importance the Israeli Government attach to these symbolic irritants. Lack of interest by British firms, and a fear of complications with the Arab Boycott Office, are the main constraints on the fourth subject mentioned.

/As

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As my letter of 4 November made clear, we have in fact already relaxed our restrictions on defence sales to Israel. But we have not announced this publicly. Sir Geoffrey Howe continues to have reservations about any change in the public presentation of our policy. The options are:

(a) No change in our policy.

(b) Announcement in Parliament before Christmas of a relaxation of our restrictions.

(c) Announcement during the visit of Mr Peres of a relaxation.

(d) An understanding to Mr Peres during his visit to study the question again with a view to early relaxation to take account of the substantial reduction in the Israeli presence in Lebanon.

Option (b) would improve the atmosphere for the visit of Mr Peres but would certainly sour the atmosphere for Sir Geoffrey's own visit to the Gulf in January. Our Ambassadors in Arab countries assess that option (c) would risk a particularly adverse reaction in the Arab world because of extensive media coverage during Mr Peres's visit. Sir Patrick Wright believes on balance that the Saudis would not take any concrete action against our interests, eg over the Tornado deal, although they would be likely to join in any condemnation by the Arab League. Nevertheless, he considers that it would be prudent to postpone any announcement as long as possible to allow memories of the Israeli raid on Tunis to fade, and until negotiations on Tornado have made greater progress. The 14 detailed contracts have to be signed by 31 March, unless both sides agree to a further delay.

Sir Geoffrey therefore prefers option (d) which would allow postponement of any announcement until a somewhat less sensitive time before the Prime Minister's own visit to Israel.

I am copying this letter to Richard Mottram (MOD), Michael Stark (Cabinet Office) and Michael Gilbertson (DTI).

Yours ever,

Peter Ricketts

(P F Ricketts)
Private Secretary

C D Powell Esq
PS/10 Downing Street

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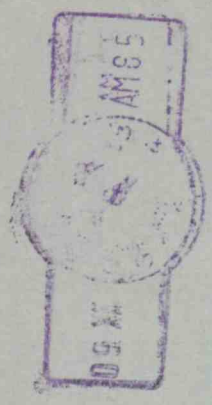

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be: PC

10 DOWNING STREET

From the Private Secretary

29 November 1985

VISIT OF MR. PERES

I wrote to you on 25 November with some comments about the programme for this visit and mentioned the Israeli proposal for establishing a Bi-National Foundation for Research and Development in Industry. I now attach a note which the Israeli Embassy have let me have on this subject which may be some help in your consideration of it.

Charles Powell

Peter Ricketts, Esq.,
Foreign and Commonwealth Office.

CONFIDENTIAL

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10 DOWNING STREET

From the Private Secretary

25 November 1985

VISIT OF MR. PERES

The Prime Minister has been giving some preliminary thought to Mr. Peres's visit in January. She would like to use the visit to mark some sort of advance in our relations with Israel. You will no doubt have some ideas. But a possible area which occurs to her would be a relaxation in the arms embargo. She would like some consideration given to this even though it will not be possible to reach any firm conclusions until very much nearer the time. The Prime Minister's reluctance to consider a change in existing policy when this was last considered stemmed largely from a desire not to unsettle King Hussein following the rebuff he received from the Americans on arms sales. That factor will of course be more distant by late January.

For their part, the Israelis have mentioned to us the idea of establishing a bi-national foundation for research and development in industry. Apparently they have similar institutions with the United States and Germany. As I understand it, each Government puts up a certain amount of money, of which it retains ownership, for investment in research and development in Israel. I have made clear that it is most unlikely to be possible to find money from public funds for such a body, though it might be worth exploring the possibility of tapping the private sector. I mention it to you only because I suspect the Israelis will pursue their idea further.

(C.D. Powell)

Peter Ricketts, Esq.,
Foreign and Commonwealth Office

CONFIDENTIAL

SLHAIG

(1)

CDP 25/11

PRIME MINISTER

MR PERES' VISIT IN JANUARY

I had a talk today with the Israeli Ambassador about Mr Peres' visit.

He was very keen that you should attend a return dinner at the Israeli Embassy on the second evening of the visit. You cannot in fact do this as you are giving an NSPCC dinner. You may like to consider, as an alternative, appearing with Mr Peres at some Jewish community event.

The Israelis are very keen to see some concrete result from the visit. Their aims are:

(i) an end to the arms embargo,

(ii) a statement that Israel will be treated as a normal customer for North Sea oil; and

Not possible

(iii) agreement to set up a bi-national foundation for research and development in industry (in Israel) with an initial working capital of some £20 million. Apparently they have similar foundations with the United States and Germany.

I said that I did not entirely exclude some change on (i) depending on events in the mean time but there was absolutely no prospect of a change on (ii). (A change would make our position vis-a-vis South Africa more difficult.) I thought it would be hard to raise the money from Government sources for (iii).

Would you like me to pursue the arms embargo and foundation points further with the Foreign Office?

CDP

Yes no

C D POWELL

22 November 1985

The National Archives

DEPARTMENT/SERIES PREM 19 PIECE/ITEM 3055 (one piece/item number)	Date and sign
Extract details: Ricketts to Powell dated 7 October 1985	X
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10 DOWNING STREET

From the Private Secretary

27 September 1985

I have had some discussion on a personal basis with the Israeli Ambassador about Mr. Peres' visit here in January. I would not want this fact quoted back to him.

Two particular points which he mentioned about the visit were, first, whether the Prime Minister would as an exception agree to attend the return dinner at the Israeli Embassy. I pointed out all the difficulties of this but shall have to consult the Prime Minister in due course. The second was to ask whether there was any possibility of Mr. Peres being received by The Queen. I said that I thought this would be very difficult since the rule was that she saw only Heads of State or Commonwealth Heads of Government. I could do no more than take note of the idea and reflect on it.

I thought you might find it helpful to be warned of this if you have not heard of it already. It may be something which you will wish to raise with the Palace in due course.

(Charles Powell)

Colin Budd, Esq.,
Foreign and Commonwealth Office.

CONFIDENTIAL

SPW

File

10 DOWNING STREET

From the Private Secretary

27 July 1985

VISIT BY THE ISRAELI PRIME MINISTER

I note that Mr. Peres has accepted for 22 January. We propose the Prime Minister should have talks with him from 11.00-12.30 on that day and a dinner on the evening of 22 January.

(C. D. POWELL)

Peter Ricketts, Esq.,
Foreign and Commonwealth Office.

lo

MR POWELL

VISIT OF THE ISRAELI PRIME MINISTER

WEDNESDAY 22 JANUARY 1986

I assume that what we discussed previously, ie. talks at 11 o'clock to 1230 and a dinner at No. 10 in the evening is what would be acceptable.

CR

CAROLINE

26 July 85

CONFIDENTIAL

Foreign and Commonwealth Office

London SW1A 2AH

25 July 1985

Dear Charles,

Israel: Visit by Mr Peres

In your letter of 5 June you asked us to offer the Israelis a choice between 15 January or 22 January 1986 for Mr Peres' visit to Britain. This was put to Mr Peres' office by our Embassy in Tel Aviv who said that we envisaged a programme of two days, of which Mrs Thatcher would be available on one.

Mr Peres has now accepted 22/23 January. Could you confirm that 22 January is still suitable for the Prime Minister? I suggest we plan for at least one session of talks and a meal. When we know what times are reserved for Mr Peres in the Prime Minister's diary we will make recommendations for the rest of the programme.

Yours ever,

Peter Ricketts

(P F Ricketts)
Private Secretary

C D Powell Esq
10 Downing Street

CONFIDENTIAL

ISRAEL : Refs

Jan 87



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CDS

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GRS 50
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FM FCO 241500Z JULY 1985
PRIORITY TEL AVIV
TELEGRAM NUMBER 109 OF 24 JULY
VISIT BY ISRAELI PRIME MINISTER
1. THE ISRAELI AMBASSADOR TOLD FERGUSSON DURING A CALL ON 22 JULY THAT PERES HAD ACCEPTED 22/23 JANUARY AND THAT THE ISRAELI AUTHORITIES WOULD INFORM YOU SEPARATELY.

HOWE

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From the Private Secretary

5 June 1985

BRITAIN/ISRAEL: PRIME MINISTERIAL VISITS

Thank you for your letter of 3 June about a possible visit to the United Kingdom by Mr. Peres.

As you know, the Prime Minister did not in the event mention this to Mr. Shamir. She has, however, confirmed that she would be content for us to discuss dates for a possible visit by Mr. Peres in January 1986. Dates which might be proposed are 15 or 22 January. I should be grateful if these dates could be put to Mr. Peres' office through our Embassy in Tel Aviv.

(Charles Powell)

Peter Ricketts, Esq.,
Foreign and Commonwealth Office.

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Prime Minister

In the event, you did not raise this with Mr. Shamir.

Agree that we may discuss dates for a visit by Mr. Peres to the UK in January 1986?

CDP 4/6

Foreign and Commonwealth Office

London SW1A 2AH

[Prime Minister It is suggested that you call Shamir that we look forward to welcoming Mr. Peres before long.]

CDP 3/6

3 June 1985

Dear Charles,

Britain/Israel: Prime Ministerial Visits

During his visit to Israel last October Sir Geoffrey Howe issued an invitation to Mr Peres, the Israeli Prime Minister, to pay an official visit to Britain. It was understood that this would not take place until after Mr Shamir, the Israeli Vice Premier and Foreign Minister, had returned Sir Geoffrey's visit: dates were left for later discussion.

Mr Shamir will call on the Prime Minister on 4 June in the course of his official visit here. The Israelis are therefore focussing on the timing of Mr Peres' visit. His office have expressed to our Ambassador in Tel Aviv a preference for dates before the end of the year and mentioned November of December. They also enquired whether the Prime Minister might be able to visit Israel before October 1986, when according to the current coalition agreement Mr Shamir is due to replace Mr Peres as Prime Minister. Mr Squire recommends that we should propose a visit by Mr Peres by January 1986 and aim to arrange any return visit by the Prime Minister by mid-May 1986.

Sir Geoffrey Howe believes that November 1985 is a bit early for the next step in the measured tempo of our high-level exchanges with the Israelis. December is a difficult month with a number of international meetings. Sir Geoffrey therefore concludes that dates in mid to late January would be most suitable. As for the possibility of an outward visit by the Prime Minister, which Mr Peres is likely to see as a major prize and therefore of great advantage to him if it takes place some time before the "changeover", Sir Geoffrey does not consider that this should be broached with Mr Shamir.

It would not be appropriate to enter into detailed discussion about Mr Peres' visit in our talks on 4 June with Mr Shamir, his political rival. Sir Geoffrey therefore proposes

/that

C D Powell Esq
10 Downing Street

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that we should say to Mr Shamir that we look forward to welcoming Mr Peres to Britain before long and that our Ambassador in Tel Aviv will shortly be instructed to propose possible dates to Mr Peres' office. I should be grateful to know whether the Prime Minister agrees and if it is possible for you at this stage to identify one or two possible dates in January 1986.

Yours ever,

Peter Ricketts

(P F Ricketts)
Private Secretary

vb

Israel

11 November 1982

Mr. Begin

Thank you for your letter of 9 November. As I told you on the telephone yesterday, the Prime Minister agrees with the arrangements you propose to make for meeting Mr. Begin during his brief stay-over in this country today.

AJC

R.B. Bone, Esq.,
Foreign and Commonwealth Office.

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Foreign and Commonwealth Office

London SW1A 2AH

9 November 1982

Prime Minister

Agree that it will be sufficient for a Special Representative of the Foreign Secretary to greet Mr. Begin during this transit? A.J.C. 9/11

Dear John.

Mr Begin

The Israeli Prime Minister will be making a refuelling transit stop at the US airbase at Mildenhall on 11 November on his way to the United States.

The Israeli Embassy have told us that his plane will arrive between 1130 and 1200 and leave again at 1.30 pm. The Israelis have not put in a request for any particular facilities for Mr Begin. There are no established protocol rules for such fleeting visits by foreign Prime Ministers. Mr Pym thinks that it would be sufficient for a Special Representative to be in attendance at Mildenhall during the stopover (this would follow the pattern set when President Sadat made a similar refuelling stopover at Mildenhall in 1980).

Would you let me know whether the Prime Minister agrees with this suggestion.

Yours ever.

(R B Bone)
Private Secretary

A J Coles Esq
10 Downing Street

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NOV 1980

Israel

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GRS 30
R E S T R I C T E D
FM TEL AVIV 310900Z JULY
TO ROUTINE F C O
TELNO 327 OF 31 JULY.

MYTEL 320: BEGIN.

1. BEGIN'S PRESS OFFICER HAS NOW TOLD ME THAT BEGIN DOES NOT PROPOSE TO VISIT THE UK AS SUGGESTED.

R O B I N S O N

THIS TELEGRAM WAS NOT ADVANCED

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SIR J GRAHAM
MR J C MOBERLY
CABINET OFFICE

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GRS 140
RESTRICTED
FM TEL AVIV 290900Z JULY
TO ROUTINE F C O
TELNO 320 OF 29 JULY.

RESTRICTED

POSSIBLE VISIT BY BEGIN TO UK.

1. ASKED THE ISRAELI FOREIGN MINISTRY ABOUT A REPORT IN THE JEWISH CHRONICLE OF 25 JULY THAT BEGIN HAD OFFERED TO ADDRESS A DINNER IN THE UK IN THE AUTUMN TO MARK THE JABOTINSKY CENTENARY.

2. GREVILLE JANNER APPARENTLY ASKED BEGIN A MONTH AGO TO STOP OFF IN THE UK FOR AN OCCASION OF THIS KIND ON HIS RETURN FROM THE UNITED STATES IN NOVEMBER. BEGIN DID NOT TURN THE SUGGESTION DOWN, BUT GAVE NO COMMITMENT.

3. BEGIN PLANS A FAIRLY LONG VISIT TO THE U S IN NOVEMBER ROUND A JABOTINSKY ANNIVERSARY IN NEW YORK ON OR ABOUT 11 NOVEMBER. SO IF HE DID ACCEPT JANNER'S INVITATION IT WOULD BE FOR SOME TIME IN THE LAST TEN DAYS OF NOVEMBER. BEGIN'S PRESS OFFICER TOLD ME LAST NIGHT THAT HE DOUBTED BEGIN WOULD INCLUDE THE UK, BUT THE PROSPECTS MAY BE CLEARER NEXT WEEK.

ROBINSON

THIS TELEGRAM WAS NOT ADVANCED

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SIR E. YOUDE
SIR J. GRAHAM
MR J. C. MOBERLY
CABINET OFFICE

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Israel

10 DOWNING STREET

From the Private Secretary

24 May 1979

The Prime Minister would be very grateful if you could convey to your Prime Minister, Mr. Menachem Begin, her warm thanks for the delightful gift which Mr. Begin was kind enough to send her and which she greatly appreciated.

B. G. CARTLEDGE

His Excellency Mr. Abraham Kidron.

To Israel

10 DOWNING STREET

From the Private Secretary

24 May, 1979.

Prime Minister's discussion with Mr. Begin on 23 May, 1979

My note of the Prime Minister's discussion over lunch with Mr. Begin, which I sent to you with my letter yesterday, contains a reference to the translation of the judgement of the Supreme Court of Israel concerning settlements on the West Bank which Mr. Begin left with the Prime Minister. I now enclose this in case it is of interest to the Department. The passage which Mr. Begin quoted to the Prime Minister is the last paragraph on page 8.

B. G. CARTLEDGE

Paul Lever, Esq.,
Foreign and Commonwealth Office.

I summed up saying that those considerations had ly that, considerations and I stated : "They were such e ect the undisputed fact that Jewish settlement involves a security of the territories and the State." Sev and, like every opinion, that one, too, may not i re-examined from time to time. But despite the of Mr. Khoury I have seen no reason to change my t

First, it should be remembered that where the law empowers an authority to perform an act for a defined purpose and the act is in fact performed, truly and honestly, for that purpose, the act does not lose its legality by reason only that the purpose defined by law is accompanied by an additional purpose. The additional purpose may raise a doubt whether the act was in fact performed for the purpose defined by law, but it need not be concluded that the additional purpose was the only one that prompted the authority to exercise its power and that the purpose defined by law was alleged merely for camouflage. We not infrequently come across a situation where an authority, e.g. a local council, in granting or refusing to grant a citizen a licence, bases its act on two reasons, of which one is within and the other outside the scope of the enabling law. If the reason justifying the act is advanced honestly and is found to be confirmed by the evidence, I shall not consider the other, irrelevant reason as a ground to invalidate the act.

But the main thing is that, as regards the pure security aspect, it cannot be doubted that the presence in occupied territory of settlements - even "civilian" ones - of citizens of the occupying power, contributes appreciably to security in that territory and makes it easier for the army to carry out its task. One does not have to be a military and security expert to realise that terrorist elements operate more easily in an area inhabited only by a population that is indifferent or is sympathetic towards the enemy than in an area where there are also persons likely to look out for them and to report any suspicious movement to the authorities. Such persons will offer them no hideout, assistance or supplies.

The matter is simple and needs no elaboration. Let us mention only that, according to the affidavits of the Respondents, the settlers are subject to army control, either formally or by the force of circumstances. They are there as of right and with the permission of the Army. I therefore still adhere to the view I held in the Rafiah Approach case that, as long as a state of belligerency exists, Jewish settlement in occupied territory serves actual security purposes.

The Position According to International Law

So much for the question of the legality of the acts of the Respondents from the point of view of municipal law, i.e. the military law existing in the occupied territory. But, as stated, the Petitioners based their Petitions also (and perhaps mainly) on the international law dealing, on the one hand, with the rights and duties of the occupying power in occupied territory, and on the other, with the rights and duties of the inhabitants of such territory. The reference is to two international conventions: the 1907 Hague Convention Concerning the Laws and Customs of War on Land (Fourth Convention), articles 23(g) and 46, and the 1949 Geneva Convention Relative to the Protection of Civilian Persons in Time of War, articles 49 and 53. It is not in dispute that the Petitioners are protected persons within the meaning of this term in international law.

But the first question we have to attend to is whether the Petitioners, as protected persons, may themselves claim their rights under those conventions in a municipal court of the occupying power or whether, perhaps, only states, parties to those conventions, are competent to claim the rights of protected persons, and this, of course, only on the international level. The answer to this question depends, as is known, on the answer to another question, viz., whether the provision of the international convention which it is desired to enforce has become part of the municipal law of the state whose court is asked to deal with the issue or whether, perhaps, that provision has remained a mere clause of an agreement between states and has not been incorporated into the municipal law. In the first case, we speak of customary international law, recognised by the municipal court so long

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Israel.

VB.

cc Master Set
cc Middle East Situation.

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,

Bryan Cartledge.

PL

Paul Lever, Esq.,
Foreign and Commonwealth Office.

CONFIDENTIAL

NOTE OF A DISCUSSIONG 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
The Foreign and Commonwealth Secretary
Mr. Douglas Hurd (Minister of State, FCO)
Sir Anthony Parsons (FCO)
Mr. Ron Mason (HM Ambassador, Tel Aviv)
Mr. B.G. Cartledge

Mr. Menachem Begin
HE The Israeli Ambassador
Dr. Rubin Hecht
Mr. Yehuda Avner

* * * * * * * * * * * *

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

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

CONFIDENTIAL / 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 settlementswere 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

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.

23 May 1979

PRIME MINISTER

Your Lunch for Mr. Begin, 23 May 1979

I attach briefs for your discussion over lunch tomorrow with Mr. Begin. I also attach a copy of the guest list and seating plan. We have been told by the Israeli Embassy that Mr. Begin will arrive at No. 10 at 1305; it would be appreciated if you could meet him at the front door. If you agree, there will be a photocall in the front hall.

The only point which the F.C.O. suggest you might take the initiative in raising is the question of Israel's tariff discrimination against the U.K., Ireland and Denmark (the so-called Article 22 Negotiations). The rest of the briefing material is designed to help you respond to Mr. Begin's presentation of Israeli policies.

You should be aware of an intelligence report to the effect that a Palistinian terrorist attack would take place during Mr. Begin's visit here (see the Home Office letter immediately below this minute). Precautionary measures were taken at Heathrow today; there have so far been no incidents.

You should also see the letter at Flag C (under "Bilateral issues") about North Sea Oil for Israel.

22 May 1979

Prime Minister
has seen

LIST OF GUESTS ATTENDING THE LUNCHEON TO BE GIVEN BY THE PRIME MINISTER IN HONOUR OF HIS EXCELLENCY MR. MENACHEM BEGIN, PRIME MINISTER OF THE STATE OF ISRAEL ON WEDNESDAY, 23 MAY 1979 AT 1.00 PM FOR 1.15 PM AT 10 DOWNING STREET

The Prime Minister	
His Excellency Mr. Menachem Begin	
His Excellency the Israeli Ambassador	
Dr. Rubin Hecht	Adviser to the Prime Minister of Israel
Mr. Yehuda Avner	Adviser to the Prime Minister of Israel
The Rt. Hon. Lord Carrington	
The Hon. Douglas Hurd	
Mr. John Mason	H.M. Ambassador, Tel Aviv
Sir Anthony Parsons	
Mr. Bryan Cartledge	

DRAFT SEATING PLAN FOR LUNCHEON ON WEDNESDAY, 23 MAY 1979

Mr. John Mason	The Hon. Douglas Hurd
Mr. Yehuda Avner	HE Mr. Menachem Begin
The Rt. Hon. Lord Carrington	The Prime Minister
HE The Israeli Ambassador	Dr. Rubin Hecht
Sir Anthony Parsons	Mr. Bryan Cartledge

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The National Archives

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Foreign and Commonwealth Office

London SW1A 2AH

22 May 1979

Dear Bryan,

North Sea Oil for Israel

I sent you with my letter of 18 May briefing for the Prime Minister's working lunch with Mr Begin on 23 May. This included a separate defensive brief on the possible sale of North Sea oil to Israel.

When the Israeli Ambassador called on Mr Hurd on 21 May, he confirmed that Mr Begin would again wish to raise the question of the sale of oil to Israel by the UK. Mr Kidron claimed that Mr Callaghan and Mr Benn had replied in the past that Britain's oil was being sold only to the Nine. Mr Kidron had himself done some research into this, and "had been surprised to discover that Britain was selling oil to South Africa." He did not wish to interfere with Britain's trade with South Africa; but this did not square with the reply the Israeli Government had been given. Mr Hurd commented that this was an important and difficult question. Oil supplies were tight, and the new government wished to be able to look at the issue as a whole.

If Mr Begin raises this tomorrow, the Prime Minister may wish to draw on the following additional points in reply:

(i) BNOC does not supply any crude oil to South Africa;

(ii) Shell and BP jointly own the Durban refinery and have a contractual obligation to supply their South African subsidiaries with crude to meet the Durban refinery's requirements. But neither Shell nor BP supply North Sea oil to South Africa. (Shell supplies from Brunei and BP from a variety of other sources).

(iii) Both Shell and BP have confirmed that they will continue to abide by the 31 January guideline which set out the government's expectation that in present circumstances oil companies exporting North Sea crude would do so only to the markets of our IEA and EEC partners or to countries where patterns of trade had already been established. Neither South Africa nor Israel falls into this category.

Yours ever

Paul

P Lever

B G Cartledge Esq
10 Downing Street

22 MAY 1979

SECRET

Israel (May 79)
'Visits to UK by Begin'

Top copy filed on Pakistan (May 79) 'Pakistan's Nuclear Programme.'

2

10 DOWNING STREET

From the Private Secretary

21 May, 1979.

BF 22.5.79

Pakistan's Nuclear Programme

I told you on the telephone on 18 May that Mr. Begin had sent the Prime Minister a message concerning Pakistan's Nuclear Programme, and asked that this point should be covered in the briefing for the Prime Minister's meeting with Mr. Begin on 23 May.

I now enclose the text of Mr. Begin's message, with its enclosure, which the Prime Minister has seen. The Prime Minister has asked, in particular, whether the statements in paragraph 8 of the memorandum enclosed with Mr. Begin's letter, concerning the Emerson Electric Corporation, are well founded. I should be grateful for advice on this point, and on the response which the Prime Minister might send to Mr. Begin's message (her substantive reply need not, I suggest, be given to Mr. Begin on 23 May, but she will wish to be in a position to promise one soon.)

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

B. G. CARTLEDGE

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

SECRET

Foreign and Commonwealth Office

London SW1A 2AH

18 May 1979

P.L.
23/5

Prime Minister's Lunch for Mr Begin:
23 May

I enclose with this letter briefs for the Prime Minister's use with Mr Begin on Arab/Israel and on Bilateral Issues. There is only one bilateral point on which we suggest the Prime Minister should take the initiative; this concerns Article 22 Negotiations. The remainder of the brief provides defensive material on points which Mr Begin is on past form likely to raise.

A further brief on Pakistan's Nuclear Programme will follow separately.

I also enclose personality notes on Mr Begin and Dr Burg.

Mr Begin will be meeting Secretary Vance on 24 May. His other engagements include meetings with a number of Jewish organisations in this country, a courtesy call on the Leader of the Opposition and a press conference.

Verity Hilton

P.P. P Lever

B G Cartledge Esq
10 Downing Street

18 MAY 1979



19 BEGIN Menachem

Prime Minister since June 1977

Born Poland 1913. Law degree Warsaw Univeristy 1931-5. Active in Betar (youth movement of Zionist Revisionist Party). Political prisoner in Siberia 1940-1. Released under Stalin-Sikorsky aggrement and joined Polish Army. Came to Palestine 1942. Commander, Irgun Zvai Leumi 1943-8. Founding member of Herut Party 1948. Member of Knesset (Gahal) since 1949. Minister without Portfolio 1967-70. Chairman Gahal 1965-73. Chairman Likud since its formation in 1973.

Mr Begin's career has been characterised throughout by his unswerving faith in the right of the Jewish people to the entire "Land of Israel". His hero is Jabotinsky, the founder of the Revisionist Movement. Throughout his long years in opposition, during which he fought and lost eight successive elections, he could always be relied upon to take the maximalist stand, regarding even the hiving off of Trans-Jordan in 1922, and still more the acceptance of partition in 1947, as a betrayal of trust. He opposed the second Sinai agreement in 1975, and would certainly have sought to obstruct negotiations with Egypt had he been still in opposition.

Since he became Prime Minister Mr Begin has both surprised by his flexibility, as in negotiations over Sinai, and infuriated by his stubbornness. The real test has still to come, when the long-term future of the West Bank, to him indisputably part of Eretz Israel, has to be settled. It is too early to say how he will then react, but he may well count on leaving public life before the crunch actually arrives.

/It is

It is easy to underestimate Mr Begin's political skills. His speeches seldom contain a new thought, or indeed phrase, and he can drive people to distraction by his obsession with legalism. But he kept a tight grip on his own party throughout nearly 30 years in opposition, displaying a good deal of ruthlessness when his leadership was challenged, and most of his Ministers, however much they may joke about him privately, retain a healthy respect for him.

He has elaborately courteous manners, and it is hard to believe that he could ever have been responsible for violence, still less terrorism. His unshakeable belief in the rightness of the Irgun struggle against the British is accompanied by a sentimental attachment to Britain and British political traditions. He is religious, but not obsessively so.

He speaks excellent English. His wife, who is as nice a woman as one could meet, looks after him as a hen looks after its chicks. She is said to be at least as hard-line as he, and with increasing influence over him. He seems to have recovered from his heart condition, but there remains a large question-mark about his health, and in particular his strength to withstand a major and prolonged crisis.

BURG Dr Shlomo Yosef

Minister of the Interior since 1970

Born Dresden 1909. Studied at Berlin University and took doctorate at Leipzig, 1933. He also gained a Rabbinical diploma at Berlin. Active in religious Zionist Organisations in 1930s.

Came to Palestine 1939 (his entry was faciliated by his wife's Palestinian citizenship). Teacher in Tel Aviv 1940-5. Member of Knesset (National Religious Party) 1949. Minister of Health 1951-2. Minister of Posts 1955-8. Minister of Social Welfare 1959-70.

A dedicated Minister who did much to improve Israel's social services on a limited budget. He has been less successful at the Ministry of the Interior. Scholarly, with a lively sense of humour, he loves philosophical discussions, but any subject will get him going. He regards himself as a liberal progressive among the Orthodox, although his attitude to Israel's political problems is tough enough to remind his listeners of Dr Paisley. He knows London well, having worked there on behalf of Jewish organisations after the Second World War.

As leader of the second-largest coalition party he carries weight in the Cabinet, though his age makes it likely that he will yield the leadership of the NRP by the time of the next elections.

German is his mother tongue but he also speaks English and French fluently. Married. A daughter.

THE PRIME MINISTER'S LUNCH FOR MR BEGIN, 23 MAY

BRIEF NO I: ARAB/ISRAEL

SPEAKING NOTES

1. Britain attaches great importance to its links with Israel and is committed to Israel's survival. But good relations with the Arab states are vitally important to us too. Shall speak frankly where we disagree with Israel's policies.

2. Support Camp David process and believe in a step by step approach. But our aim is to see full implementation of resolution 242.

3. Further progress towards a comprehensive settlement is essential if the Egypt/Israel Treaty is not to be a blind alley. Palestinian question must be addressed squarely.

4. West Bank/Gaza talks should produce full and genuine autonomy as a step towards determining the final status of these areas. If Israel is perceived to be inflexible, there is a serious danger that the peace process will break down.

5. Continuing expansion of Israeli settlements is major cause of Arab distrust of Israeli good faith. Agreement to halt new settlements, at least while negotiations are going on, would be great boost to peace process.

6. Contacts with the PLO (if raised by Mr Begin). Abhorrence of terrorism is clear. But need to study the question of how the PLO can most effectively be influenced.

Lebanon

7. Harrassment of UNIFIL by the Christian militias must stop. Not in Israel's interests for UNIFIL to collapse.

THE PRIME MINISTER'S LUNCH FOR MR BEGIN, 23 MAY

BRIEF NO I: ARAB/ISRAEL

ESSENTIAL FACTS

Mr Begin's aims

1. Mr Begin will be keen to claim a close identity of views between Britain and Israel, and British endorsement for his policies. Tel Aviv telegram 220 (attached) sets out the background.

2. Mr Begin's strategy has been to negotiate a separate peace with Egypt, thus in effect neutralising the Arab world's most powerful country, without conceding any of Israel's security or settlement claims to the West Bank, Gaza or the Golan Heights. The Camp David agreements (annexed) commit Israel and Egypt to negotiate autonomy for the West Bank and Gaza. Many key points were left vague in the agreements, however, particularly the question of control over public land and water resources. Mr Begin and his party believe that Israel has a historic right to the West Bank (which he refers to as Judea and Samaria), and have no intention of surrendering Israeli control over it. They see autonomy as a limited measure of local self-government. They also regard it as a permanent status for the West Bank, rather than as a transitional step leading to Israeli withdrawal. They are also determined that Jerusalem shall remain united and the capital of Israel, and that there shall never be an independent Palestinian state.

3. These views are fundamentally incompatible with the Egyptian claim that Camp David should lead to the eventual full withdrawal of Israel from the occupied territories, self-determination for

for the Palestinians and the restoration of East Jerusalem and the Old City to Arab control. They also conflict with the positions adopted by successive British Governments. Britain recognised Jordan's de facto sovereignty over the West Bank (but not Jerusalem) in 1950. Like the US and the Nine we have never accepted Israel's claim to East Jerusalem. Sir Alec Douglas-Home's Harrogate speech of 1970 spelled out the need for Israel to withdraw to its pre-1967 frontiers, with only minor adjustments as the basis for a lasting peace. The Declaration of 29 June 1977 by the Heads of Government of the Nine also recognised the Palestinians' right to a homeland of their own (though the Nine have never said whether this should be an independent state or affilitated to Jordan), and the need for Palestinian representatives to take part in peace negotiations.

Autonomy Negotiations

4. Press leaks from the Ministerial committee preparing the Israeli position for the coming negotiations suggest that the Israelis will also propose that security and public order remain in Israeli hands, together with control over water resources and public land. Israel's right to continue settlements in the West Bank will be explicitly stated. Settlers and settlement land will be exempt from the jurisdiction of the Self-Governing Authority. East Jerusalem will be excluded from the autonomy arrangements. The Israelis are also likely to claim explicitly that final sovereignty within the autonomous area should rest with Israel. The Israeli position may be adopted formally by the Israeli Cabinet shortly before Mr Begin comes to London.

5. While the plan represents a maximalist position, Mr Begin's

views (para. 2 above) mean that the Israelis will defend it stoutly, though they may be more flexible over Gaza (which Israel has never claimed) than the West Bank. - In its present form, it will be entirely unacceptable to Arab opinion in the Occupied Territories and more widely. An early deadlock in the negotiations, requiring the intervention of President Carter by the autumn, seems likely. The credibility of President Sadat's claim that Egypt's Peace Treaty with Israel will be balanced by important gains for the Palestinians will be further weakened.

Settlements

6. Israeli settlement policy is also likely to bedevil the negotiations. Since signature of the Peace Treaty, new settlements on the West Bank have been announced. The Arabs regard the settlements as proof that Israel has no intention of withdrawing from the Occupied Territories. The UK and the international community as a whole have consistently taken the view that the settlements are clearly in contravention of the Fourth Geneva Convention on the behaviour of occupying powers and constitute a major obstacle to peace. (Israel denies the applicability of the Geneva Convention on the grounds that the Occupied Territories were never under Jordanian sovereignty). A moratorium on new settlements might induce the West Bank inhabitants to take a more positive view of the negotiations.

The PLO

7. Mr Begin may press the Prime Minister to continue the policy of the last British Government that Ministers would not meet representatives of the PLO until the PLO accept Resolution 242 and Israel's right to exist within secure and recognised boundaries. (Officials have occasional contacts with the PLO).

8. There is little doubt that the PLO represent the views of the great majority of Palestinians inside and outside the occupied territories. They will have to be involved eventually in a peace settlement. Most of our major European partners have had Ministerial contacts with the PLO; and it is arguable that a fuller dialogue might encourage moderate elements within the organisation. But their increasing resort to terrorism makes such a move harder to justify at present. Until Ministers have had time to consider the problem more fully, the Prime Minister will wish to avoid foreclosing any options.

Lebanon

9. Israel regards Lebanon as a haven for PLO terrorists and reserves the right to strike at them at any time. Recent heavy retaliatory raids bring with them the risk of a clash with Syrian forces in Lebanon and have raised the level of tension. A recent offer by Mr Begin to conclude a peace treaty with Lebanon was angrily rejected by the Lebanese Government. Israel does not regard the UN Force in South Lebanon (UNIFIL) as an effective barrier to Palestinian infiltration and has been supplying and supporting the Christian militas in South Lebanon as an additional buffer. The militias are preventing the United Nations Interim Force (UNIFIL) from carrying out its mandate. There is a danger that UNIFIL will in consequence collapse. Most Israelis recognise that this would not be in their interests, but despite diplomatic and Security Council pressure there is no sign of change in Israeli policy.

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FM TEL AVIV 170930Z MAY 79
TO PRIORITY FCO
TELEGRAM NUMBER 220 OF 17 MAY
INFO WASHINGTON CAIRO

MY TELEGRAM NO 216: MR BEGIN'S VISIT

1. WHEN MR BEGIN CALLS ON THE PRIME MINISTER HE WILL BE BOTH ANXIOUS TO CREATE A GOOD IMPRESSION AND CONFIDENT OF DOING SO. HE WILL ALSO WISH TO DISCOVER WHETHER THE NEW GOVERNMENT IS, IN THE CLASSIC PHRASE, ''GOOD FOR THE JEWS''.

2. MR BEGIN WILL WISH TO PUT HIMSELF OVER WELL IN ORDER TO LAY THE FOUNDATIONS OF THE SAME RELATIONSHIP OF CONFIDENCE AND FRIENDSHIP WITH THE PRIME MINISTER WHICH HE PERSUADED HIMSELF AND HIS COLLEAGUES (THOUGH HIMSELF MORE THAN THE LATTER) THAT HE HAD ACHIEVED WITH MR CALLAGHAN. HE ATTACHES IMPORTANCE TO A CLOSE RELATIONSHIP WITH THE BRITISH PRIME MINISTER FOR THREE MAIN REASONS: FIRST, BECAUSE HE THINKS US LIKELY TO BE THE MOST UNDERSTANDING IN THE COMMUNITY OF ISRAEL'S PROBLEMS AND POLICIES: SECOND, BECAUSE HE THINKS THAT WE PROVIDE HIM WITH A SECOND DOORWAY INTO UNITED STATES POLICY MAKING: AND THIRD, BECAUSE, LIKE MANY ISRAELIS, HE BELIEVES THAT OUR PAST HISTORY CONTINUES TO SOME WAY TO GIVE US A SPECIAL ROLE IN THE MIDDLE EAST, PARTICULARLY OF COURSE WITH JORDAN. I BELIEVE THERE TO BE A FOURTH ELEMENT: THE THE BRITISH PRIME MINISTER PROVIDES FOR HIM A SOUNDING BOARD, AND PERHAPS EVEN A SOURCE OF ADVICE, OUTSIDE HIS NORMAL TREADMILL OF ISRAEL AND UNITED STATES PARTY POLITICS. AND OF COURSE HE MUCH ADMIRES THE BRITISH POLITICAL WAY OF LIFE.

3. MR BEGIN WILL BE CONFIDENT OF CREATING A GOOD IMPRESSION, FIRST BECAUSE AT PRESENT HE STANDS HIGH IN HIS OWN, AND HE THINKS THE WORLD'S, OPINION: SECOND, BECAUSE HE IS CONFIDENT THAT HIS POLICIES ARE CORRECT, AND NEED ONLY TO BE EXPLAINED TO CONVINCE: AND, THIRD, BECAUSE HOWEVER MUCH HE ADMIRED MR CALLAGHAN, I AM TOLD THAT HE FELT TO SOME EXTENT UNEASY AT DEALING WITH SOMEONE WHOM HE REGARDED AS A ''SOCIALIST''. IDEOLOGICALLY, HE WILL EXPECT TO FIND HIMSELF MORE AT HOME WITH MRS THATCHER, AND SHE WITH HIM.

4. MR BEGIN IS RIDING HIGH AS ONE OF THE MAIN ARCHITECTS, IN HIS OWN EYES, OF THE EGYPT/ISRAEL PEACE TREATY, AND THE MAN WHO MADE THE GREATEST SACRIFICES TO ACHIEVE IT. HE IS CONVINCED THAT

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/HIS

HIS POLICY ON SETTLEMENTS IN THE WEST BANK IS JUSTIFIED, ON BOTH HISTORICAL AND SECURITY GROUNDS. HE WILL BE PREPARED TO DEMONSTRATE TO HIS OWN SATISFACTION, THAT THE SETTLEMENTS ARE NOT ILLEGAL. HE IS SIMILARLY CONVINCED THAT IN SOUTH LEBANON HE HAS SAVED THE CHRISTIANS FROM ANNIHILATION AND, BY OFFERING LEBANON ''PEACE'', DONE ALL THAT CAN BE EXPECTED OF HIM. AND THE IMPOSSIBILITY OF ANYONE DEALING WITH THE PLO IS SO SELF-EVIDENT TO HIM AS TO NEED NO EXPLANATION. ON ALL THREE SUBJECTS, IT IS TO BE EXPECTED THAT IN DISCUSSION HE WILL REVERT OT HIS WELL WORN PHRASES ABOUT ''MORTAL DANGER'', ''CHILD MURDERERS'', ETC.

5. I WOULD EXPECT MR BEGIN TO BE LESS DOGMATIC ABOUT THE FORTHCOMING NEGOTIATIONS ON AUTONOMY. HIS LATEST PLAN MAY BE HIS DECLARED STANCE AT THE MOMENT, BUT ONLY AS AN OPENING POSITION AND THEREFORE NATURALLY EXTREMELY HARD-LINE. I WOULD NOT EXPECT HIM TO ARGUE WITH CONVICTION THAT HE EXPECTS IT TO BE THE END RESULT OF THE NEGOTIATIONS. HE MORE LIKELY TO REHEARSE TO THE PRIME MINISTER WHATEVER IT IS HE HAS IT IN MIND TO SAY TO MR VANCE IN LONDON ON 24 MAY.

6. BENEATH A CONFIDENT EXTERIOR, HOWEVER, I BELIEVE MR BEGIN TO BE IN A MOOD OF MUCH UNCERTAINTY. THIS IS NOT, AS IT SHOULD BE, BECAUSE HE IS WORRIED THAT ISRAEL'S FORECAST INFLATION RATE FOR THE YEAR IS NOW 90%. THAT DOES NOT INTEREST HIM. IT IS RATHER THAT THE SIGNATURE OF THE PEACE TREATY WITH EGYPT REPRESENTS IN HIS OWN MIND THE HIGHEST PRACTICABLE PEAK OF HIS LIFE'S ACHIEVEMENT. BY MAKING PEACE WITH EGYPT, AS NO OTHER CONTEMPORARY ISRAELI COULD HAVE DONE, MR BEGIN BELIEVES THAT HE HAS SHOWN HIMSELF TO BE THE EQUAL OF BEN GURION IN THE HISTORY OF THE STATE SO FAR. HE IS, INDEED, AT PRESENT TRYING TO REWRITE HISTORY TO SHOW THAT IT WAS HIS ORGANISATION, THE IRGUN, AND NOT, AS WAS THE CASE, BEN GURION'S HAGANAH, WHICH PLAYED THE LEADING PART IN ACHIEVING ISRAEL'S INDEPENDENCE. FROM THIS PEAK OF ACHIEVEMENT, THE WAY AHEAD MUST LOOK TO HIM ALL DOWNHILL.

7. HE MUST KNOW THAT ISRAEL IS NOT GOING TO OBTAIN INTERNATIONALLY ACCEPTED SOVEREIGNTY OVER THE WEST BANK. HE EQUALLY KNOWS THAT FROM NOW ON HE IS GOING TO COME UNDER INCREASING PRESSURE TO MAKE CONCESSIONS OVER AUTONOMY WHICH WOULD BE MORE DEEPLY WOUNDING TO HIM THAN THE SURRENDER OF THE SETTLEMENTS AT YAMIT. IN A VERY REAL SENSE, THE FUTURE FOR HIMSELF, AND FOR HIS CONCEPT OF ISRAEL, LOOKS UNPALATABLE TO HIM. INDEED, IF HE COULD SEE, EVEN ON THE HORIZON, A SUCCESSOR WHO HE THOUGHT COULD LEAD BOTH HIS OWN HERUT PARTY.

/OF

OF WHICH HE IS THE VERY SPECIAL PROPRIETOR, AND THE COUNTRY, THEN I BELIEVE THAT HE WOULD BE CONTENT TO RESIGN, TO WRITE HIS OWN ACCOUNT OF HISTORY, BUT THERE IS NONE SUCH TO BE FOUND AT PRESENT, AND FOR THE FORESEEABLE FUTURE, SO LONG AS HIS HEALTH HOLDS OUT; HE IS STUCK.

8. AS I HAVE SAID, MR BEGIN WILL BE ON HIS BEST BEHAVIOUR IN LONDON, AND ANXIOUS TO MAKE THE BEST OF IMPRESSIONS. IF HE CANNOT RESIST MOMENTS OF EITHER DOGMATISM OR GALLANTRY, I HOPE THAT IT WILL BE CHARITABLY UNDERSTOOD THAT BOTH ARE DEEPLY ROOTED IN HIS NATURE.

MASON

FILES
NENAD
PS/PUS
SIR A PARSONS
MR J.C. MOBERLY

A FRAMEWORK FOR PEACE IN THE MIDDLE EAST AGREED AT CAMP DAVID

Muhammad Anwar Al-Sadat, President of the Arab Republic of Egypt, and Menachem Begin, Prime Minister of Israel, met with Jimmy Carter, President of the United States of America, at Camp David from September 5 to September 17, 1978, and have agreed on the following framework for peace in the Middle East. They invite other parties to the Arab-Israeli conflict to adhere to it.

PREAMBLE

The search for peace in the Middle East must be guided by the following:

-- The agreed basis for a peaceful settlement of the conflict between Israel and its neighbors is United Nations Security Council Resolution 242, in all its parts. (Footnote: The texts of Resolution 242 and 338 are annexed to this document.)

-- After four wars during thirty years, despite intensive human efforts, the Middle East, which is the cradle of civilization and the birthplace of three great religions, does not yet enjoy the blessings of peace. The people of the Middle East yearn for peace so that the vast human and natural resources of the region can be turned to the pursuits of peace and so that this area can become a model for coexistence and cooperation among nations.

-- The historic initiative of President Sadat in visiting Jerusalem and the reception accorded to him by the Parliament, Government and people of Israel, and the reciprocal visit of Prime Minister Begin to Ismailia, the peace proposals made by both leaders, as well as the warm reception of these missions by the peoples of both countries, have created an unprecedented opportunity for peace which must not be lost if this generation and future generations are to be spared the tragedies of war.

-- The provisions of the Charter of the United Nations and the other accepted norms of international law and legitimacy now provide accepted standards for the conduct of relations among all states.

-- To achieve a relationship of peace, in the spirit of Article 2 of the United Nations Charter, future negotiations between Israel and any neighbor prepared to negotiate peace and security with it, are necessary for the purpose of carrying out all the provisions and principles of Resolutions 242 and 338.

-- Peace requires respect for the sovereignty, territorial integrity and political independence of every state in the area and their right to live in peace within secure and recognized boundaries free from threats or acts of force. Progress toward that goal can accelerate movement toward a new era of reconciliation in the Middle East marked by cooperation in promoting economic development, in maintaining stability, and in assuring security.

-- Security is enhanced by a relationship of peace and by cooperation between nations which enjoy normal relations. In addition, under the terms of peace treaties, the parties can, on the basis of reciprocity, agree to special security arrangements such as demilitarized zones, limited armaments areas, early warning stations, the presence of international forces, liaison, agreed measures for monitoring, and other arrangements that they agree are useful.

FRAMEWORK

Taking these factors into account, the parties are determined to reach a just, comprehensive, and durable settlement of the Middle East conflict through the conclusion of peace treaties based on Security Council Resolutions 242 and 338 in all their parts. Their purpose is to achieve peace and good neighborly relations. They recognize that, for peace to endure, it must involve all those who have been most deeply affected by the conflict. They therefore agree that this framework as appropriate is intended by them to constitute a basis for peace not only between Egypt and Israel, but also between Israel and each of its other neighbors which is prepared to negotiate peace with Israel on this basis. With that objective in mind, they have agreed to proceed as follows:

A. West Bank and Gaza

1. Egypt, Israel, Jordan and the representatives of the Palestinian people should participate in negotiations on the resolution of the Palestinian problem in all its aspects. To achieve that objective, negotiations relating to the West Bank and Gaza should proceed in three stages:

(A) Egypt and Israel agree that, in order to ensure a peaceful and orderly transfer of authority, and taking into account the security concerns of all the parties, there should be transitional arrangements for the West Bank and Gaza for a

period not exceeding five years. In order to provide full autonomy to the inhabitants, under these arrangements the Israeli military government and its civilian administration will be withdrawn as soon as a self-governing authority has been freely elected by the existing inhabitants of these areas to replace the existing military government. To negotiate the details of a transitional arrangement, the Government of Jordan will be invited to join the negotiations on the basis of this framework. These new arrangements should give due consideration both to the principle of self-government by the inhabitants of these territories and to the legitimate security concerns of the parties involved.

(B) Egypt, Israel, and Jordan will agree on the modalities for establishing the elected self-governing authority in the West Bank and Gaza. The delegations of Egypt and Jordan may include Palestinians from the West Bank and Gaza or other Palestinians as mutually agreed. The parties will negotiate an agreement which will define the powers and responsibilities of the self-governing authority to be exercised in the West Bank and Gaza. A withdrawal of Israeli armed forces will take place and there will be a redeployment of the remaining Israeli forces into specified security locations. The agreement will also include arrangements for assuring internal and external security and public order. A strong local police force will be established, which may include Jordanian citizens. In addition, Israeli and Jordanian forces will participate in joint patrols and in the manning of control posts to assure the security of the borders.

(C) When the self-governing authority (Administrative Council) in the West Bank and Gaza is established and inaugurated, the transitional period of five years will begin. As soon as possible, but not later than the third year after the beginning of the transitional period, negotiations will take place to determine the final status of the West Bank and Gaza and its relationship with its neighbors, and to conclude a peace treaty between Israel and Jordan by the end of the transitional period. These negotiations will be conducted among Egypt, Israel, Jordan, and the elected representatives of the inhabitants of the West Bank and Gaza. Two separate but related committees will be convened, one committee, consisting of representatives of the four parties which will negotiate and agree on the final status of the West Bank and Gaza, and its relationship with its neighbors, and the second committee, consisting of representatives of Israel and representatives of

Jordan to be joined by the elected representatives of the inhabitants of the West Bank and Gaza, to negotiate the peace treaty between Israel and Jordan, taking into account the agreement reached on the final status of the West Bank and Gaza. The negotiations shall be based on all the provisions and principles of UN Security Council Resolution 242. The negotiations will resolve, among other matters, the location of the boundaries and the nature of the security arrangements. The solution from the negotiations must also recognize the legitimate rights of the Palestinian people and their just requirements. In this way, the Palestinians will participate in the determination of their own future through:

1) The negotiations among Egypt, Israel, Jordan and the representatives of the inhabitants of the West Bank and Gaza to agree on the final status of the West Bank and Gaza and other outstanding issues by the end of the transitional period.

2) Submitting their agreement to a vote by the elected representatives of the inhabitants of the West Bank and Gaza.

3) Providing for the elected representatives of the inhabitants of the West Bank and Gaza to decide how they shall govern themselves consistent with the provisions of their agreement.

4) Participating as stated above in the work of the committee negotiating the peace treaty between Israel and Jordan.

2. All necessary measures will be taken and provisions made to assure the security of Israel and its neighbors during the transitional period and beyond. To assist in providing such security, a strong local police force will be constituted by the self-governing authority. It will be composed of inhabitants of the West Bank and Gaza. The police will maintain continuing liaison on internal security matters with the designated Israeli, Jordanian, and Egyptian officers.

3. During the transitional period, representatives of Egypt, Israel, Jordan, and the self-governing authority will constitute a continuing committee to decide by agreement on the modalities of admission to persons displaced from the West Bank and Gaza in 1967, together with necessary measures to prevent disruption and disorder. Other matters of common concern may also be dealt with by this committee.

B. Egypt-Israel

1. Egypt and Israel undertake not to resort to the threat or the use of force to settle disputes. Any disputes shall be settled by peaceful means in accordance with the provisions of Article 33 of the Charter of the United Nations.

2. In order to achieve peace between them, the parties agree to negotiate in good faith with a goal of concluding within three months from the signing of this framework a peace treaty between them, while inviting the other parties to the conflict to proceed simultaneously to negotiate and conclude similar peace treaties with a view to achieving a comprehensive peace in the area. The framework for the conclusion of a peace treaty between Egypt and Israel will govern the peace negotiations between them. The parties will agree on the modalities and the timetable for the implementation of their obligations under the treaty.

C. Associated Principles

1. Egypt and Israel state that the principles and provisions described below should apply to peace treaties between Israel and each of its neighbors -- Egypt, Jordan, Syria and Lebanon.

2. Signatories shall establish among themselves relationships normal to states at peace with one another. To this end, they should undertake to abide by all the provisions of the Charter of the United Nations. Steps to be taken in this respect include:

(A) Full recognition;

(B) Abolishing economic boycotts;

(C) Guaranteeing that under their jurisdiction the citizens of the other parties shall enjoy the protection of the due process of law.

3. Signatories should explore possibilities for economic development in the context of final peace treaties, with the objective of contributing to the atmosphere of peace, cooperation and friendship which is their common goal.

4. Claims commissions may be established for the mutual settlement of all financial claims.

5. The United States shall be invited to participate in the talks on matters related to the modalities of the implementation of the agreements and working out the timetable for the carrying out of the obligations of the parties.

6. The United Nations Security Council shall be requested to endorse the peace treaties and ensure that their provisions shall not be violated. The permanent members of the Security Council shall be requested to underwrite the peace treaties and ensure respect for their provisions. They shall also be requested to conform their policies and actions with the undertakings contained in this framework.

FOR THE GOVERNMENT OF THE ARAB REPUBLIC OF EGYPT:

FOR THE GOVERNMENT OF ISRAEL:

WITNESSED BY:

Jimmy Carter, President of the United States of America

ANNEX

Text of United Nations Security Council Resolution 242 of November 22, 1967, adopted unanimously at the 1382nd meeting.

The Security Council,

expressing its continuing concern with the grave situation in the Middle East,

emphasizing the inadmissibility of the acquisition of territory by war and the need to work for a just and lasting peace in which every state in the area can live in security,

emphasizing further that all member states in their acceptance of the Charter of the United Nations have undertaken a commitment to act in accordance with Article 2 of the Charter,

1. affirms that the fulfillment of Charter principles requires the establishment of a just and lasting peace in the Middle East which should include the application of both the following principles:

(I) withdrawal of Israeli armed forces from territories occupied in the recent conflict;

(II) termination of all claims or states of belligerency and respect for and acknowledgment of the sovereignty, territorial integrity and political independence of every state in the area and their right to live in peace within secure and recognized boundaries free from threats or acts of force;

2. affirms further the necessity

(A) for guaranteeing freedom of navigation through international waterways in the area;

(B) for achieving a just settlement of the refugee problem;

(C) for guaranteeing the territorial inviolability and political independence of every state in the area, through measures including the establishment of demilitarized zones;

3. requests the Secretary-General to designate a special representative to proceed to the Middle East to establish and maintain contacts with the states concerned in order to promote agreement and assist efforts to achieve a peaceful and accepted settlement in accordance with the provisions and principles of this resolution.

4. requests the Secretary-General to report to the Security Council on the progress of the efforts of the special representative as soon as possible.

TEXT OF UNITED NATIONS SECURITY COUNCIL RESOLUTION 338 adopted by the Security Council at its 1747th meeting on 21/22 October 1973

The Security Council

1. calls upon all parties to the present fighting to cease all firing and terminate all military activity immediately, no later than 12 hours after the moment of the adoption of this decision, in the positions they now occupy;

2. calls upon the parties concerned to start immediately after the cease-fire the implementation of Security Council Resolution 242 (1967) in all of its parts;

3. Decides that, immediately and concurrently with the cease-fire, negotiations start between the parties concerned under appropriate auspices aimed at establishing a just and durable peace in the Middle East.

DECLARATIONS ISSUED BY THE EUROPEAN COUNCIL ON 29-30 JUNE 1977

The Middle East

1. At the present critical stage in the Middle East, the Nine welcome all efforts now being made to bring to an end the tragic conflict there. They emphasise the crucial interest which they see in early and successful negotiations towards a just and lasting peace. They call on all the parties concerned to agree urgently to participate in such negotiation in a constructive and realistic spirit: at this juncture in particular all parties should refrain from statements or policies which could constitute an obstacle to the pursuit of peace.

2. The Nine set out on many occasions in the past, for example, in their statements of 6 November 1973, 28 September 1976 and 7 December 1976, their view that a peace settlement should be based on Security Council Resolutions 242 and 338 and on: (i) the inadmissibility of the acquisition of territory by force: (ii) the need for Israel to end the territorial occupation which it has maintained since the conflict in 1967: (iii) respect for the sovereignty, territorial integrity and independence 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. It remains their firm view that all these aspects must be taken as a whole.

3. The Nine have affirmed their belief that a solution to the conflict in the Middle East will be possible only if the legitimate right of the Palestinian people to give effective expression to its national identity is translated into fact, which would take into account the need for a homeland for the Palestinian people. They consider that the representatives of the parties to the conflict, including the Palestinian people, must participate in the negotiations in an appropriate manner to be worked out in consultation between all the parties concerned. In the context of an overall settlement, Israel must be ready to recognise the legitimate rights of the Palestinian people: equally, the Arab side must be ready to recognise the right of Israel to live in peace within secure and recognised boundaries. It is not through the acquisition of territory by force that the security of the States of the region can be assured: but it must be based on commitments to peace exchanged between all the parties concerned with a view to establishing truly peaceful relations.

4. The Nine believe that the peace negotiations must be resumed urgently, with the aim of agreeing and implementing a comprehensive, just and lasting settlement of the conflict. They remain ready to contribute to the extent the parties wish in finding a settlement and in putting it into effect. They are also ready to consider participating in guarantees in the framework of the United Nations.

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PRIME MINISTER'S LUNCH FOR MR BEGIN, 23 MAY

BRIEF NO 2: BILATERAL ISSUES

SPEAKING NOTES

1) EEC - ISRAEL - ARTICLE 22 NEGOTIATIONS

Israel's tariff discrimination against the three is illegal and should be ended. The UK has been Israel's stoutest supporter in trying to persuade the Community to grant a further tariff concession on citrus. /If Mr Begin mentions adverse consequences of enlargement for Israel/ Willing to consider sympathetically Israeli proposals to mitigate the consequences, provided Israel lifts tariff discrimination.

2) NORTH SEA OIL FOR ISRAEL (Defensive)

Sea Flag C.

FCO to BGC 22.5.79

Given current world supply difficulties Britian's first obligation as an exporter of North Sea Oil is to our EEC and IEA partners. Prefer to look again at the question of supplying Israel when our own supply position is stronger.

3) ARAB BOYCOTT

Deplore the Boycott but a Select Committee has considered the problem in depth and decided that legislation is not appropriate. /If asked to take an initiative in the EEC/ This would be unlikely to achieve anything since it is clear that there is no general wish in the Community to discuss the matter.

4) EEC ENLARGEMENT: POLITICAL ASPECTS (Defensive)

Share hope that Greece and Spain will establish diplomatic relations with Israel. Both wish to play a constructive part it political cooperation, and are aware of the problems arising from their lack of relations with Israel.

5) JEWS IN IRAN (Defensive)

Ability to influence events in Iran is limited. But the Government has made its views known privately about excesses to Mr Bazargan.

6) JEWS IN SYRIA (Defensive)

The issue needs to be handled tactfully if outside representations are to be effective. The Syrians have been made aware of Britain's concern. Shall continue to watch the position closely.

PRIME MINISTER'S LUNCH FOR MR BEGIN, 23 MAY

BRIEF NO 2: BILATERAL ISSUES

ESSENTIAL FACTS

EEC - ISRAEL - ARTICLE 22 NEGOTIATIONS

1. Israel's request for a review of the operation of the 1975 EEC/Israel reciprocal Trade Agreement is being blocked by Community insistence, at UK prompting, that Israel should first end tariff discrimination against the three newer members of the EEC. It is up to the Israelis to make proposals to end the impasse.

2. Israel discriminates against the Three by applying higher tariffs to imports from these countries than it applies to imports from the original six. Before the 1975 Agreement different levels of Israeli tariffs applied as between the six and the three. Those of the six were lower as they and Israel had already reduced tariffs reciprocally under a 1970 Agreement. Since 1975 Israel has extended to the three the agreed tariff concessions but using the base lines applied to the three before 1975. All legal advice both to the UK government and to the EEC Commission is that this discrimination is illegal.

3. Israel is seeking two main improvements in the operation of the 1975 Agreement

(a) a two year postponement (from 1985 to 1987) of full tariff reductions on Israeli imports from the Community;

(b) further tariff concessions for Israeli citrus exports,

/which

which the Israelis consider they were promised by a declaration annexed to the Agreement.

The UK could agree to a) but it does not suit us to do so since in present circumstances it would mean prolonging tariff discrimination against us. We support the Israelis on the substance of b) although we think perhaps they ought, despite possible loss of face, to compromise on a lower figure than they are asking, so as to clear the decks for better relations with the Community. But we are adamant that the ending of tariff discrimination must be a prior condition of any concessions to the Israelis.

NORTH SEA OIL FOR ISRAEL

4. The Israelis have approached HMG at intervals over the past three years to seek supply of North Sea Oil. Mr Begin raised the subject with the then Prime Minister in December 1977 and again last March.

5. In the past Israel's main sources of supply have been Iran, Mexico, and occupied Sinai. Iran, which used to meet about 60 per cent of Israel's crude oil requirements, has cut off supply entirely. The Sinai oil fields are being returned to Egypt, although Israel will still be able to purchase oil from them. Israel has however, managed to obtain increased supplies from Mexico and other sources to meet her immediate needs. The US Government has recently publicly reconfirmed its commitment, first made under the Sinai II agreement, to furnish Israel should she be unable to obtain adequate supplies.

/6.

6. The quantity of oil which Israel seeks from the UK - 100,000 tons a year - is relatively modest. Her main motives are, first, to diversify her sources of supply and, secondly, to obtain the political commitment implicit in a decision to make oil available on a regular contractual basis.

7. Neither BP nor Shell, who have been hard hit by the loss of Iranian supplies are in a position to accept new customers. BNOC are fully committed until 1980. The then Secretary of State for Energy announced a guideline on 31 January 1979 to the effect that in present circumstances the Government expected all companies exporting North Sea crude to do so only to markets in EEC and IEA countries and, outside those regions, only where a pattern of trade has already been established. There are also political considerations. A contractual commitment to supply Israel would expose the UK to a real risk of Arab retaliation against our economic interests.

8. Against this background, HMG have avoided making any firm commitment to supply Israel, but have said only that we should be prepared to look at the matter later when the UK achieves self-sufficiency and when the world supply situation improves. Israeli officials have claimed a firm commitment by the then Prime Minister to provide Israel with 100,000 tons in 1980. This is not the case.

ARAB BOYCOTT

9. The Israeli Government regularly press Western governments to take measures, including legislation, to prevent companies from

/complying

complying with the requirements of the Arab Boycott. A House of Lords Select Committee examined the case for legislation in 1978 and reported against it. The then Government accepted this recommendation, and a number of others which would modify current practice in various ways eg advice to companies. In general British practice as regards the Boycott is very close to that of other European Governments. The US have recently made compliance with the Boycott illegal. It is too early to judge the effect on their trade with the Middle East. But they are less vulnerable than the Europeans.

EEC ENLARGEMENT - POLITICAL ASPECTS

10. The Israelis have for some months been lobbying members of the Nine to press Greece and Spain to enter full diplomatic relations with her, before they accede to full membership of the Community. Spain has no relations with Israel and Greece has only partial relations. The Nine have resisted Israeli requests because:

(a) Greece and Spain would resent it;

(b) harmonisation of foreign policies among the Member States is voluntary;

(c) The Greeks and Spaniards appear to be moving towards recognition but are loth to jeopardise their relations with the Arabs by moving too fast. There is still plenty of time before they become full members of the Community.

/11.

JEWS IN IRAN

11. Before the revolution, the Jewish community in Iran numbered between 50,000 and 80,000. Like the Baha'is, Freemasons and other minority groups they had done well under the Shah and were obvious targets for reprisal. Israeli relations with the Shah were close and there was cooperation in defence and intelligence.

12. After the Khomeini revolution, leading members of the Jewish community contacted the new regime and the PLO representative in Tehran to state that they backed the revolution and disowned Zionism. A large number of Jews decided to leave Iran fearing persecution but despite anti-Israeli propaganda there was no official call for persecution of the Jews in Iran. No more than 10/20 members of the Jewish community are thought to be in detention. The trial and execution on 9 May of Mr Habib Elghanian, the President of the Jewish community in Iran, shocked Israel and was condemned in the Knesset by Mr Begin. But the reason for the execution appears to have been Elghanian's immense fortune and the suspect methods he used to acquire it.

13. We have been in close touch with Lord Fisher and the Board of Deputies of British Jews, the Anglo-Jewish Association and the Agudas Israel World Organisation, as well as the Israeli Embassy. President Carter has asked the Prime Minister to join in a joint approach to the Iranian authorities to safeguard Iranian Jews. The Ambassador in Tehran believes that intervention by HMG is unlikely to be effective, but that joint representations with the EEC on behalf of all non-Islamic minorities might be considered.

JEWS IN SYRIA

14. Again the Israeli Government has asked on several occasions for HMG to intercede with the Syrian Government to alleviate the condition of the Syrian Jews and allow them to emigrate. Our Embassy in Damascus is tasked to monitor the condition of the Jewish community (which numbers only 5,000) and maintains contact with them. There is no evidence of systematic persecution though there are restrictions on travel and emigration. The Syrian Government would probably be glad to rid itself of the problem but is constrained by its own efforts to dissuade the Soviet Union from allowing the emigration of Soviet Jews to Israel. The Ambassador has recently informed the Syrian Government privately of HMG's hope that remaining restrictions on the Jewish community could be removed. But any publicity for this would be counter-productive.

THE PRIME MINISTER'S LUNCH FOR MR BEGIN, 23 MAY

BRIEF NO. 3: PAKISTAN NUCLEAR

Speaking Note

1. The Government attach great importance to avoiding the spread of nuclear weapons. We are seriously concerned about the existence in Pakistan of unsafeguarded plants capable of producing nuclear explosive materials.

2. We too have reviewed the evidence for Pakistani-Arab collusion in developing a nuclear bomb. This would indeed be a grave development.

3. None of the evidence currently available to us suggests that there is any arrangement to produce an "Islamic Bomb" or to transfer weapons-usable material for Pakistan to other Islamic states or organisations. But we shall keep this under careful review.

4. But non-proliferation is indivisible. It would be an equally serious development if Israel developed nuclear weapons. This would inevitably lead to determined Arab efforts to do the same.

5. The fact that Arabs have no nuclear weapons at present is no guarantee for the future. The risk of the spread of nuclear weapons into the Middle East can only grow with time. This is an additional and powerful reason why Israel should accordingly pursue the process of seeking accommodation with the rest of her Arab neighbours with all vigour.

6. We have tightened export controls on nuclear and nuclear related items in recent months and have urged other Governments to take similar action. We hope this will slow down the Pakistani programme. But in the long run a political solution to the problem of South Asia is the only stable basis for preventing the spread of nuclear weapons there.

Joint Nuclear Unit
22 May 1979

CONFIDENTIAL
TEL AVIV 17[illegible]Z MAY 79
TO PRIORITY FCO
TELEGRAM NUMBER 220 OF 17 MAY
INFO WASHINGTON CAIRO

NFR 026/11

(28)

MY TELEGRAM NO 216: (21) MR BEGIN'S VISIT

1. WHEN MR BEGIN CALLS ON THE PRIME MINISTER HE WILL BE BOTH ANXIOUS TO CREATE A GOOD IMPRESSION AND CONFIDENT OF DOING SO. HE WILL ALSO WISH TO DISCOVER WHETHER THE NEW GOVERNMENT IS, IN THE CLASSIC PHRASE, ''GOOD FOR THE JEWS''.

2. MR BEGIN WILL WISH TO PUT HIMSELF OVER WELL IN ORDER TO LAY THE FOUNDATIONS OF THE SAME RELATIONSHIP OF CONFIDENCE AND FRIENDSHIP WITH THE PRIME MINISTER WHICH HE PERSUADED HIMSELF AND HIS COLLEAGUES (THOUGH HIMSELF MORE THAN THE LATTER) THAT HE HAD ACHIEVED WITH MR CALLAGHAN. HE ATTACHES IMPORTANCE TO A CLOSE RELATIONSHIP WITH THE BRITISH PRIME MINISTER FOR THREE MAIN REASONS: FIRST, BECAUSE HE THINKS US LIKELY TO BE THE MOST UNDERSTANDING IN THE COMMUNITY OF ISRAEL'S PROBLEMS AND POLICIES: SECOND, BECAUSE HE THINKS THAT WE PROVIDE HIM WITH A SECOND DOORWAY INTO UNITED STATES POLICY MAKING: AND THIRD, BECAUSE, LIKE MANY ISRAELIS, HE BELIEVES THAT OUR PAST HISTORY CONTINUES TO SOME WAY TO GIVE US A SPECIAL ROLE IN THE MIDDLE EAST, PARTICULARLY OF COURSE WITH JORDAN. I BELIEVE THERE TO BE A FOURTH ELEMENT: THE THE BRITISH PRIME MINISTER PROVIDES FOR HIM A SOUNDING BOARD, AND PERHAPS EVEN A SOURCE OF ADVICE, OUTSIDE HIS NORMAL TREADMILL OF ISRAEL AND UNITED STATES PARTY POLITICS. AND OF COURSE HE MUCH ADMIRES THE BRITISH POLITICAL WAY OF LIFE.

3. MR BEGIN WILL BE CONFIDENT OF CREATING A GOOD IMPRESSION, FIRST BECAUSE AT PRESENT HE STANDS HIGH IN HIS OWN, AND HE THINKS THE WORLD'S, OPINION: SECOND, BECAUSE HE IS CONFIDENT THAT HIS POLICIES ARE CORRECT, AND NEED ONLY TO BE EXPLAINED TO CONVINCE: AND, THIRD, BECAUSE HOWEVER MUCH HE ADMIRED MR CALLAGHAN, I AM TOLD THAT HE FELT TO SOME EXTENT UNEASY AT DEALING WITH SOMEONE WHOM HE REGARDED AS A ''SOCIALIST''. IDEOLOGICALLY, HE WILL EXPECT TO FIND HIMSELF MORE AT HOME WITH MRS THATCHER, AND SHE WITH HIM.

4. MR BEGIN IS RIDING HIGH AS ONE OF THE MAIN ARCHITECTS, IN HIS OWN EYES, OF THE EGYPT/ISRAEL PEACE TREATY, AND THE MAN WHO MADE THE GREATEST SACRIFICES TO ACHIEVE IT. HE IS CONVINCED THAT

CONFIDENTIAL /HIS

HIS POLICY ON SETTLEMENTS IN THE WEST BANK IS JUSTIFIED, ON BOTH HISTORICAL AND SECURITY GROUNDS. HE WILL BE PREPARED TO DEMONSTRATE TO HIS OWN SATISFACTION, THAT THE SETTLEMENTS ARE NOT ILLEGAL. HE IS SIMILARLY CONVINCED THAT IN SOUTH LEBANON HE HAS SAVED THE CHRISTIANS FROM ANNIHILATION AND, BY OFFERING LEBANON ''PEACE'', DONE ALL THAT CAN BE EXPECTED OF HIM. AND THE IMPOSSIBILITY OF ANYONE DEALING WITH THE PLO IS SO SELF-EVIDENT TO HIM AS TO NEED NO EXPLANATION. ON ALL THREE SUBJECTS, IT IS TO BE EXPECTED THAT IN DISCUSSION HE WILL REVERT OT HIS WELL WORN PHRASES ABOUT ''MORTAL DANGER'', ''CHILD MURDERERS'', ETC.

5. I WOULD EXPECT MR BEGIN TO BE LESS DOGMATIC ABOUT THE FORTHCOMING NEGOTIATIONS ON AUTONOMY. HIS LATEST PLAN MAY BE HIS DECLARED STANCE AT THE MOMENT, BUT ONLY AS AN OPENING POSITION AND THEREFORE NATURALLY EXTREMELY HARD-LINE. I WOULD NOT EXPECT HIM TO ARGUE WITH CONVICTION THAT HE EXPECTS IT TO BE THE END RESULT OF THE NEGOTIATIONS. HE MORE LIKELY TO REHEARSE TO THE PRIME MINISTER WHATEVER IT IS HE HAS IT IN MIND TO SAY TO MR VANCE IN LONDON ON 24 MAY.

6. BENEATH A CONFIDENT EXTERIOR, HOWEVER, I BELIEVE MR BEGIN TO BE IN A MOOD OF MUCH UNCERTAINTY. THIS IS NOT, AS IT SHOULD BE, BECAUSE HE IS WORRIED THAT ISRAEL'S FORECAST INFLATION RATE FOR THE YEAR IS NOW 90%. THAT DOES NOT INTEREST HIM. IT IS RATHER THAT THE SIGNATURE OF THE PEACE TREATY WITH EGYPT REPRESENTS IN HIS OWN MIND THE HIGHEST PRACTICABLE PEAK OF HIS LIFE'S ACHIEVEMENT. BY MAKING PEACE WITH EGYPT, AS NO OTHER CONTEMPORARY ISRAELI COULD HAVE DONE, MR BEGIN BELIEVES THAT HE HAS SHOWN HIMSELF TO BE THE EQUAL OF BEN GURION IN THE HISTORY OF THE STATE SO FAR. HE IS, INDEED, AT PRESENT TRYING TO REWRITE HISTORY TO SHOW THAT IT WAS HIS ORGANISATION, THE IRGUN, AND NOT, AS WAS THE CASE, BEN GURION'S HAGANAH, WHICH PLAYED THE LEADING PART IN ACHIEVING ISRAEL'S INDEPENDENCE. FROM THIS PEAK OF ACHIEVEMENT, THE WAY AHEAD MUST LOOK TO HIM ALL DOWNHILL.

7. HE MUST KNOW THAT ISRAEL IS NOT GOING TO OBTAIN INTERNATIONALLY ACCEPTED SOVEREIGNTY OVER THE WEST BANK. HE EQUALLY KNOWS THAT FROM NOW ON HE IS GOING TO COME UNDER INCREASING PRESSURE TO MAKE CONCESSIONS OVER AUTONOMY WHICH WOULD BE MORE DEEPLY WOUNDING TO HIM THAN THE SURRENDER OF THE SETTLEMENTS AT YAMIT. IN A VERY REAL SENSE, THE FUTURE FOR HIMSELF, AND FOR HIS CONCEPT OF ISRAEL, LOOKS UNPALATABLE TO HIM. INDEED, IF HE COULD SEE, EVEN ON THE HORIZON, A SUCCESSOR WHO HE THOUGHT COULD LEAD BOTH HIS OWN HERUT PARTY.

CONFIDENTIAL

OF WHICH HE IS THE VERY SPECIAL PROPRIETOR, AND THE COUNTRY, THEN I BELIEVE THAT HE WOULD BE CONTENT TO RESIGN, TO WRITE HIS OWN ACCOUNT OF HISTORY, BUT THERE IS NONE SUCH TO BE FOUND AT PRESENT, AND FOR THE FORESEEABLE FUTURE, SO LONG AS HIS HEALTH HOLDS OUT; HE IS STUCK.

8. AS I HAVE SAID, MR BEGIN WILL BE ON HIS BEST BEHAVIOUR IN LONDON, AND ANXIOUS TO MAKE THE BEST OF IMPRESSIONS. IF HE CANNOT RESIST MOMENTS OF EITHER DOGMATISM OR GALLANTRY, I HOPE THAT IT WILL BE CHARITABLY UNDERSTOOD THAT BOTH ARE DEEPLY ROOTED IN HIS NATURE.

MASON

FILES
NEMAD
PS/PUS
SIR A PARSONS
MR J.C. MOBERLY

tmw

16 May 1979

I am writing on the Prime Minister's behalf to thank you for your letter of 15 May, with which you were good enough to enclose the original text of a message to the Prime Minister from the Prime Minister of Israel, Mr. Menachem Begin, dated 6 May.

As you know, the Prime Minister is looking forward to meeting Mr. Begin at No.10 on 23 May.

BGC

His Excellency Mr. Abraham Kidron

PRIME MINISTER

Israel.

Your Lunch for Mr. Begin, 23 May

You agreed to give a small lunch for the Israeli Prime Minister, Mr. Begin, on 23 May.

Would you be content with the following guest list?

Mr. Begin

Israeli Ambassador (Mr. Abraham Hidron)

and two other Israelis to be nominated

Prime Minister

Mr. Douglas Hurd

Sir Anthony Parsons

H.M. Ambassador in Tel Aviv (Mr. John Mason)

Mr. David Wolfson

Mr. B.G. Cartledge.

Government Hospitality will provide a kosher menu.

16 May 1979

PRIME MINISTER

1

Visit by the Prime Minister of Israel

The Israeli Prime Minister, Mr. Begin, is paying a private visit to London from 22 to 24 May, in order to attend various functions arranged by the Jewish community in the UK. Mr. Begin has expressed the strong wish that it might be possible for him to call on you.

You will see from the FCO letter below that Lord Carrington recommends that, if possible, you should receive Mr. Begin, and that Mr. Hurd might be present.

The best day from the point of view of your diary would be Wednesday, 23 May. One way of handling the call, which might spare you Mr. Begin's usual 30-minute lecture on the Middle East situation, would be to invite him to a small working lunch (in the small dining room) which could be attended on our side by Mr. Douglas Hurd, Sir Anthony Parsons, and myself (to take a note); and, on the Israeli side, Mr. Begin, the Israeli Ambassador, and one or two others.

Would you like to go ahead with this arrangement, or would you prefer to ask Mr. Begin to pay a normal call for talks at, say, 12 noon?

Agree small lunch arb.

15 May, 1979.

EMBASSY OF ISRAEL
2 PALACE GREEN
LONDON W8 4QB
Telephone: 01-937 8050

שגרירות ישראל
לונדון

15th May, 1979

Dear Prime Minister,

filed at 6 May

I have the honour to enclose the original personal letter to you from Prime Minister Begin, the text of which was sent to you on 7th May.

Yours sincerely,

A Kidron

Abraham Kidron
Ambassador of Israel

The Rt. Hon. Mrs. Margaret Thatcher, MP,
10 Downing Street,
London, S. W. 1.

Enc:

1

Prime Minister

Agree that the attached reply (sidelined below) to Mr. Begin should be telegraphed to Tel Aviv?

BHL 16/5

Foreign and Commonwealth Office

London SW1A 2AH

15 May 1979

Dear Bryan,

Message from Mr Begin

Your letter of 7 May asked for advice on how the Prime Minister should reply to Mr Begin's message of congratulations. As you will have seen from my letter of 14 May, Lord Carrington recommends that the Prime Minister should see Mr Begin while he is here. I enclose a draft reply to the message which assumes that the Prime Minister will do so, together with a draft reply to the accompanying message from General Yadin.

Yours ever

Paul

P Lever

B G Cartledge Esq
10 Downing Street

Agreed out.

FCO informed.

BHL 17/5

1475(H) M8S 427223 400M 5/77 A.G. 3640/4

XY 42

File No. .....

Department .....

Drafted by (Block Capitals) .....

Tel. Extn. .....

OUTWARD TELEGRAM

Security Classification
Unclassified
Precedence
Priority
DESKBY ..... Z

FOR COMMS. DEPT. USE	Despatched	(Date) ..... (Time) ..... Z	POSTBY ..... Z

PREAMBLE

(Time of Origin) ..... Z(G.M.T.)

(Security Class.) .....

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TO Priority (precedence) Tel Aviv (post) Tel. No. ..... of .....

AND TO (precedence/post) .....

AND SAVING TO .....

REPEATED TO (for info) .....

SAVING TO (for info) .....

Distribution:-

~~Dept~~
Tel Aviv
MENAD
MED
PCD
PS
PS/LPS
PS Mr Hurd

Copies to:- PS/PUS
Sir A Parsons
Mr Roberts

O.S.
No. 10.

[TEXT]

The Prime Minister has received a message of congratulations from Mr Begin (copy by bag). Please pass to Mr Begin the following reply:

QUOTE: I was delighted to receive your kind message of congratulations and warmly reciprocate your hope that the friendship between our countries can be further strengthened. I look forward to discussing the current Middle East situation with you during your visit to London. UNQUOTE

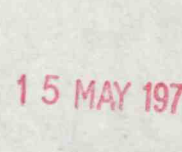
2. The Prime Minister has also received a brief message of congratulations from General Yadin. Please pass to him the following message from Mrs Thatcher:

/QUOTE

QUOTE: Thank you for your kind message of congratulations which I was very heartened to receive. UNQUOTE

NOTHING TO BE WRITTEN IN THIS MARGIN

15 MAY 1979



Foreign and Commonwealth Office

London SW1A 2AH

14 May 1979

Dear Bryan,

Visit of the Prime Minister of Israel

As the Israeli Embassy have informed you, Mr Begin plans to pay a private visit to London from 22-24 May and has expressed the hope that he will be able to meet the Prime Minister.

Lord Carrington's view is that the visit comes inconveniently early after the election; even so, the situation in the Middle East is very delicate and it would be useful to hear Mr Begin and to give him an indication of the Government's views. Lord Carrington recommends, therefore, that the Prime Minister should if possible receive Mr Begin for a talk while he is here. In that event, Lord Carrington would not propose to volunteer to see Mr Begin himself (though he recognises that if the Israelis press for a meeting it might be discourteous to refuse). He thinks it would be useful, however, if Mr Hurd were to attend the Prime Minister's meeting with Mr Begin.

We understand that Mr Begin's staff hope that he may be offered a lunch or some other official entertainment. If the Prime Minister wished to show him this mark of hospitality it would clearly be very much appreciated; but Lord Carrington does not think it strictly necessary.

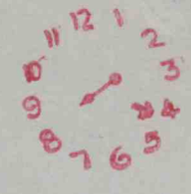
Yours ever

Paul

P Lever
Private Secretary

Bryan Cartledge Esq
10 Downing Street

15 MAY 1979



CONFIDENTIAL

Israel

P.A.
BM
9/5

GRS 130
CONFIDENTIAL
FM TEL AVIV 080630Z MAY
TO PRIORITY FCO
TELNO 198 OF 8 MAY.

YR TELELETTER OF 25/4/79: MR BEGIN'S VISIT TO LONDON.

1. YOU WILL BY NOW KNOW THAT MR BEGIN HAS WRITTEN TO THE PRIME MINISTER, SEEKING AN OPPORTUNITY TO PAY HIS RESPECTS TO HER ON HIS FORTHCOMING VISIT TO LONDON. HIS PRIVATE OFFICE HAVE LET ME KNOW, IN THE HOPE THAT I MIGHT PASS THE MESSAGE ON AS MY IDEA, NOT THEIRS, THAT IN ISRAEL, AND IN THEIR VIEW IN THE UNITED STATES, IN A SIMILAR SITUATION, A SMALL LUNCH OR OTHER SOCIAL GESTURE WOULD BE OFFERED TO THE VISITOR. I TOLD THEM THAT IN MY VIEW WHETHER TO MAKE SUCH A GESTURE WAS BETTER LEFT FOR THE PRIME MINISTER TO DECIDE, WITHOUT THE NEED FOR INTERVENTION FROM ME. NEVERTHELESS, I DO RECOMMEND THAT SUCH A GESTURE SHOULD BE EXTENDED, IF AT ALL POSSIBLE, AND OF COURSE IF THE PRIME MINISTER IS ABLE TO SEE MR BEGIN AT ALL.

MASON

[COPIES SENT TO NO 10 DOWNING STREET]

FILES
NENAD
MED
PS
PS | MR HURD
PS | PUS
SIR A. PARSONS
MR J.C. MOBERLY

COPIES TO
SIR J. HUNT, CABINET OFFICE
DIO CABINET OFFICE

CONFIDENTIAL

FILE

10 DOWNING STREET

From the Private Secretary

7 May 1979

I enclose a copy of a message which has been addressed to the Prime Minister by the Prime Minister of Israel, Mr. Menachem Begin, congratulating the Prime Minister on her appointment and expressing the hope that it will be possible for Mr. Begin to call at No.10 during his forthcoming private visit to London, which begins on 22 May.

I shall be grateful for early advice on how the Prime Minister should respond to Mr. Begin's message. The Prime Minister is heavily committed on Tuesday, 22 May but would in principle be free to receive Mr. Begin during the morning of Wednesday, 23 May.

It would be helpful if advice could reach me by noon on Friday, 11 May.

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

B. G. CARTLEDGE

Paul Lever, Esq.,
Foreign and Commonwealth Office.

10 DOWNING STREET

From the Private Secretary

7 May 1979

I am writing on the Prime Minister's behalf to thank you for your letter of 7 May, with which you enclosed messages to the Prime Minister from the Prime Minister of Israel, Mr. Menachem Begin, and from the Deputy Prime Minister, Professor Yadin.

I am of course bringing these messages to the Prime Minister's immediate attention.

B. G. CARTLEDGE

His Excellency Mr. Abraham Kidron

R45

EMBASSY OF ISRAEL
2 PALACE GREEN
LONDON W8 4QB
Telephone: 01-937 8050

שגרירות ישראל
לונדון

7th May 1979

Dear Madame Prime Minister,

I have the honour to enclose herewith the messages which the Prime Minister of Israel, Mr. Menachem Begin and the Deputy Prime Minister, Professor Yigael Yadin, have requested me to forward to you.

I wish to take this opportunity to add my own sincere congratulations and best wishes upon your appointment as Prime Minister.

Yours sincerely,

A Kidron

Abraham Kidron
Ambassador of Israel

The Rt. Hon. Mrs. Margaret Thatcher, M.P.
The Prime Minister,
10 Downing Street,
London, S.W.1.

ACTION

EMBASSY OF ISRAEL
2 PALACE GREEN
LONDON W8 4QB
Telephone: 01-937 8050

שגרירות ישראל
לונדון

PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. T2A/79T

7th May 1979

Dear Prime Minister,

Please accept my warmest congratulations on your victory in the general election and upon your assumption of the high office of Prime Minister.

I write to you in the knowledge of your friendship for Israel over many years, having stood by our people and country in difficult as well as in good times. It is my confident hope that this spirit of friendship will be sustained in the future.

Permit me to inform you, Madame Prime Minister, that the Jewish community of the United Kingdom has kindly invited me to visit London on May 22nd in celebration of the momentous development, indeed turning point in the Middle East. I refer, of course, to the signing, the ratification and the entry into force of the Treaty of Peace between Egypt and Israel which has brought to an end the thirty-one years state of war between our two countries. There is, indeed, much to rejoice about as our two nations, Israel and Egypt, build the peace and I believe will continue to work for this purpose.

I do hope, Madame Prime Minister, that during my stay in your country I will be afforded the opportunity and the pleasure of meeting with you so that I might personally inform you in detail of the current situation in our area and discuss with you issues associated with and emanating from the Egyptian-Israeli Peace Treaty. I also trust that we might use the occasion to review the relations between the United Kingdom and Israel with a view to strengthening further our mutual ties of friendship.

EMBASSY OF ISRAEL
2 PALACE GREEN
LONDON W8 4QB
Telephone: 01-937 8050

שגרירות ישראל
לונדון

I wish you, Madame Prime Minister, all success in the fulfilment of your great task as the elected leader of your nation.

Yours sincerely,

Menachem Begin
Prime Minister

EMBASSY OF ISRAEL
2 PALACE GREEN
LONDON W8 4QB
Telephone: 01-937 8050

שגרירות ישראל
לונדון

7th May 1979

COPY OF CABLE

Mrs. Margaret Thatcher
Prime Minister of Britain

My sincere congratulations and best wishes.

Yigael Yadin
Deputy Prime Minister

SUBJECT

PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. T2A/79T

ראש הממשלה
THE PRIME MINISTER

Jerusalem, May 6, 1979

Dear Prime Minister,

Please accept my warmest congratulations on your victory in the general election and upon your assumption of the high office of Prime Minister.

I write to you in the knowledge of your friendship for Israel over many years, having stood by our people and country in difficult as well as in good times. It is my confident hope that this spirit of friendship will be sustained in the future.

Permit me to inform you, Madame Prime Minister, that the Jewish Community of the United Kingdom has kindly invited me to visit London on May 22 in celebration of the momentous development, indeed turning point in the Middle East. I refer, of course, to the signing, the ratification and the entry into force of the treaty of peace between Egypt and Israel which has brought to an end the thirty-one years state of war between our two countries. There is, indeed, much to rejoice about as our two nations, Israel and Egypt, build the peace and I believe will continue to work for this purpose.

I do hope, Madame Prime Minister, that during my stay in your country I will be afforded the opportunity and the pleasure of meeting with you so that I might personally inform you in detail of the current situation in our area and discuss with you issues associated with and emanating from the Egyptian-Israeli peace treaty. I also trust that we might use the occasion to review the relations between the United Kingdom and Israel with a view to strengthening further our mutual ties of friendship.

I wish you, Madame Prime Minister, all success in the fulfilment of your great task as the elected leader of your nation.

Yours sincerely,

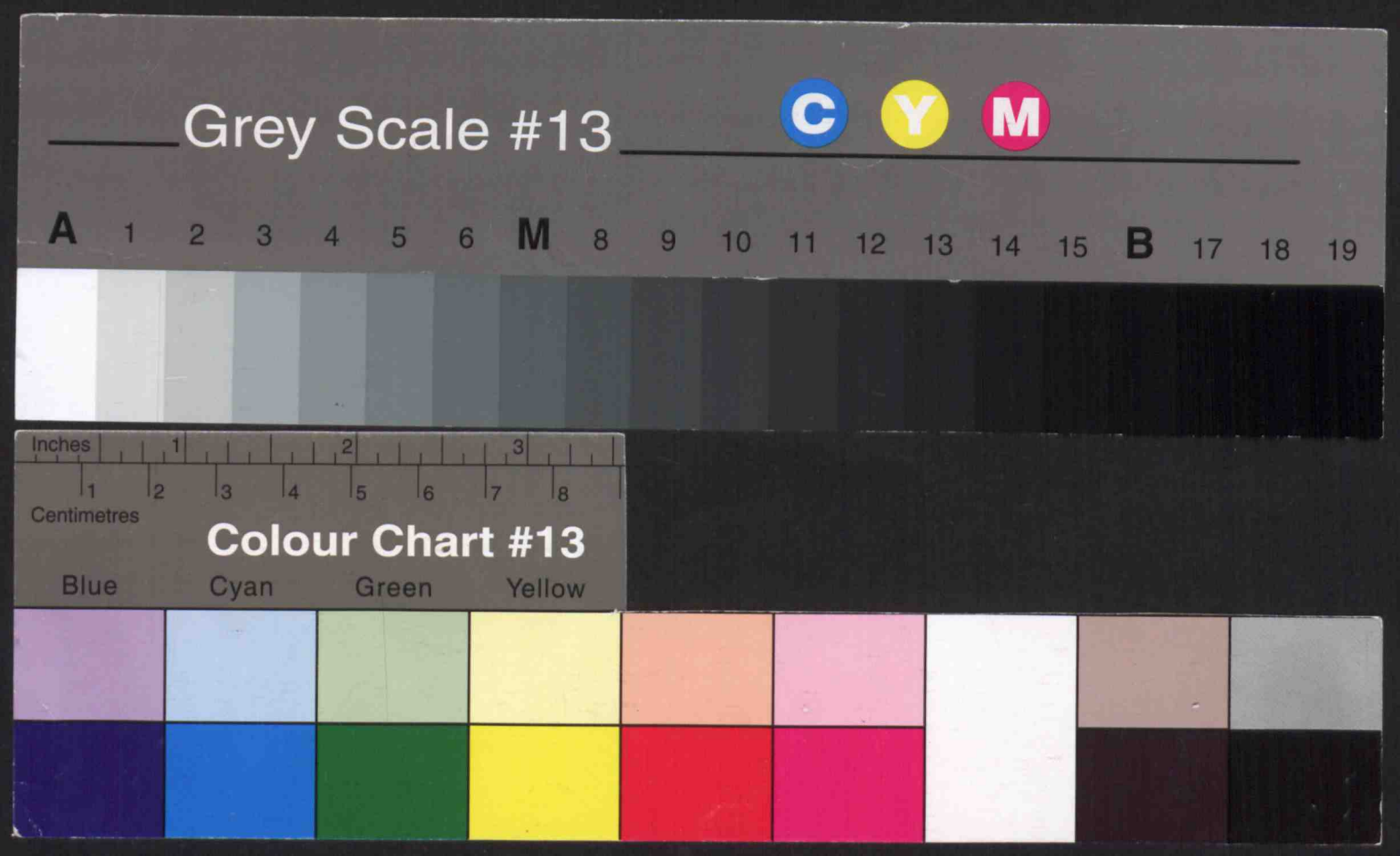
M. Begin

Menachem Begin

The Right Honourable
Margaret Thatcher, M.P.
10 Downing Street
London

16 MAY 1979

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