Subject filed on



FINE MINISTER'S
ERSONAL MESSAGE
FET ERIAL No. 7/33/81

10 DOWNING STREET

THE PRIME MINISTER

30 September 1981

Um Con.

Over the past fortnight I have had long talks, first, with Crown Prince Fahd of Saudi Arabia, who called on me in London, and then, during visits to Bahrain and Kuwait, with the Rulers, Prime Ministers and other senior figures of both countries.

Peter Carrington has, of course, already given Al Haig an account of our talks with Fahd. But I wanted in addition to let you have my personal impressions of these exchanges, especially since the Ruler of Bahrain implored me to draw your attention to the extreme importance of a successful outcome to the AWACS problem.

I have been profoundly impressed and, I must admit, disturbed by the current mood of these Arab leaders - men, as you know, of conservative instincts, good sense and real moderation (and I include in that definition the Amir of Kuwait in spite of the somewhat ostentatious non-alignment that he feels it politically necessary to flaunt). Two points particularly struck me.

First, the dominant strand in all they said to me was of grave disappointment with and alienation from the United States. I found this most upsetting but felt that I must let you know. I have the feeling that these moderate Arabs hesitate to express the strength of their feelings directly to you and your Government. You may, therefore, not have the whole picture.

/ Those to whom

Those to whom I talked argue that your Government is so wholly committed to Israel that it ignores the rightful claims of the Palestinians. It thereby creates acutely difficult problems for the moderate Arab leaders. There are large numbers of Palestinians in their countries. The longer the Palestinians have an unassuaged grievance and nowhere to go, the more trouble they are going to cause. This is a consideration which weighs particularly heavily with the younger Arab leaders.

I naturally emphasised in all my discussions the very considerable efforts you are making to get an Arab-Israel settlement. Nevertheless, the feeling still is that the United States is unready to display the necessary fairness in its approach.

Secondly, I hesitate to underline to you the crucial and indeed symbolic importance that a successful conclusion of the AWACs affair has acquired throughout the Gulf and more widely. You have shown by the determined way you are handling it how well you understand this. But I felt that it would strengthen your own hand if I relayed to you the appeal I mentioned earlier by the Bahrainis, which was in effect endorsed by all the others I spoke with. As you may have heard, I was insistent both in my private talks with the Arab leaders and in public at my press conferences that we were wholeheartedly in favour of the AWACs deal going through and believed it would. But the Arabs are sceptical and suspicious and their pride is hurt. I fear that if your efforts fail, real damage may result for the United States' relations with them.

I am afraid this is rather a discouraging letter and I was reluctant to write. But I felt I had to pass on views which so impressed me. And I can at least end on a slightly more heartening note. In one respect I was really encouraged by my visit. This is over the way the Gulf Co-operation Council looks like developing.

I found a much greater head of steam behind it than I had expected and a real desire to give it a security as well as an economic and political content. This must be a helpful trend and one we should discreetly encourage. Of course, there have been many false dawns before in the progress of Arab unity. But I think that in the GCC we may be witnessing the beginning of a process - like that of ASEAN further to the East - which could strengthen the cohesion of moderate forces in the area and, if only a settlement of the Arab/Israel dispute can reasonably soon be found, prove of real long-term value to Western and free world interests generally.

Commence

Mayarer

The President of the United States of America