TRANSCRIPT OF A TELEPHONE CONVERSATION BETWEEN THE PRIME MINISTER AND LORD CARRINGTON ON SATURDAY 7 NOVEMBER

PM: Good morning, Peter.

FCS: Good morning, Margaret.

PM: Have you seen the front page of the Telegraph?

FCS: Yes.

PM: Outrageous isn't it?

FCS: Absolutely. Actually it went all right, didn't it?

PM: I'm not talking about Ireland, I'm talking about Haig referring to Mr. Carrington.

FCS: Oh, well, I mean the whole thing this is really what I rang you about. Can you bear to have a word about it all?

PM: Yes, sure. I just didn't want you to have to come in early tomorrow morning. Yesterday on the whole went all right I think.

FCS: I thought it was rather good.

PM: Ian wasn't terribly pleased, Ian Gow you know thinks we should do everything to strengthen the union.

FCS: I don't think you could have done less. I think he was quite right about support.

PM: Ian? Yes he was.

FCS: But I think that in the context that you did it it was perfectly all right.

PM: Yes, he got his word support in in the right context. I thought he looked a bit disappointed Gareth.

FCS: He did quite well on the television.

PM: Did he? I didn't see him.

FCS: Yes, he came over perfectly satisfied and rather nice. I think that given one is in an impossible position it wasn't too bad.

PM: No, no, good. And then we've got Monday. However, we've got other things to talk about at the moment.

FCS: I don't think Monday will be too difficult. And I think they want to help. I thought I'd better go in and meet them.

PM: I think it's an enormous help if you do because I met Mitterrand as you know at Northolt and who else But Helmut never comes out to the aircraft to meet one.

FCS: No, he doesn't.

PM: I think it's absurd.

FCS: Absolutely. But I thought they might contrast their if just Douglas went. On the multinational Sinai thing, the four Political Directors of the participant countries met last night. Have you seen what they said?

PM: No.

FCS: Well, what they have recommended is that we askthe four Ambassadors in Washington to go in to Haig and to explain to him that in the statement there is absolutely nothing new at all, that it is in point of fact a statement, a straight re-statement, of what we've always said, that we're not asking the Americans to agree to it. It's in no sense a condition and that it doesn't alter our position, or the Americans' position, one jot, and that if they could explain that to the Israelis, that it's merely a re-statement of our position which we find necessary for our own domestic consumption, we feel sure that that would be all right. If the Americans say "No", we would then suggest to them, either at that meeting or later on, that we should issue a statement the four of us - a very short statement saying that we are prepared to, subject to the necessary agreements, go in to do the multinational force. And at the same time, in our own national Parliaments, make that statement which they object to. Now this was, if you remember, something that Haig suggested

PM: ... Yes. I remember that

FCS: Well, from our point of view, that's perfectly all right. The French are rather unwilling to do it. I mean, they're being even tougher than saying the whole thing is intolerable. But I don't see any harm in that....

PM: What do you mean saying the whole thing is intolerable? They're saying that the idea that we can't make our own statement is intolerable?

FCS: Yes. And they won't change one word of it.

PM: Good Lord. They've turned tail - again.

FCS: Yes, again. I think they may do it again. But at the moment they're being absolutely adamant that there is no way in which the thing could be turned round. The Dutch are being, you know, we musn't offend the Americans, the Dutch are saying and therefore we must abandon the whole statement and just go in unconditionally. But I think the Dutch have been persuaded by the French and the Italians that that's not really a very sensible thing to do.

PM: Well, you saw Begin's loud noises, that no-one would be allowed to take part in Sinai Force unless it linked them in totally to Camp David.

FCS: But of course he's got himself a let-out. I mean what he said was that any statement which condemned Camp David which ours doesn't. I mean, really, the more you read that statement the more it's the least one can say.

PM: Well, I'm really cross with Haig, Peter, I really am. They've got everything they want and I think this is ridiculous and I cannot understand what is happening over there.

FCS: Well, what I find a little bit odd is that, I mean I talked to Al Haig in Cancun as you know and told him all our problems about joining the Force, and he said, you must do it, please do it, and so on. We go out of our way to do it and don't put them in any particular difficulty. I've not said anything - on my trip to Saudi Arabia or anywhere else - which could be construed as in the least bit difficult and he turned round and says that sort of thing, about adjectival pronouncements and so on.

PM: Well, it's ridiculous. He must be in a terrible state.

FCS: He must. But, I mean, I'm not going to respond, of course. I shall just say that I think there must be a misunderstanding or something

PM: ... and we carry on ...

FCS: and we carry on. But I am a little bit worried about the consequences. I mean, if Al Haig is going on like this, the consequences to European-American relations, coupled with what he's doing about the nuclear thing, it's going to be quite serious. We don't want, you know we really don't want to fall out with the Americans or they with us I would have thought.

PM: No, this is why I just don't understand it.....

FCS: no, nor do I

PM: in any way. I haven't seen the telegrams, last night's telegrams. Do we know anything about how the Hussein visit went?

FCS: How what?

PM: Hussein's visit went.

FCS: Yes, it went rather well.

PM: Did he get his message over?

FCS: Well, who knows? He then came out in Washington in support of the Saudi 8 principles Hussein.....

PM: Hussein, yes, which was really rather good.

FCS: Very good. But you see what is so irritating about the whole thing is that I haven't come out in support of the eight principles. What I've come out and said is that this is a

movement on the part of the Arabs, and in particular the Saudis. They have in effect recognised Israel, they are prepared for a negotiated peace settlement which they never were before, and they've said so publicly, isn't this something on which we can build?

PM: Yes. And Prince Fahd made it perfectly clear that the seventh one referred to Israel.

FCS: That's right. I think that the problem is, I don't know, but I would think there were two problems. First, that the Americans had a very sharp reaction from the Israelis about the AWACS sale and that they've taken fright, that Begin is so unpredictable that he may do something which is either, you know, not give Sinai back or do something in the Lebanon, and that they must use every possible persuasion, go very calmly, to prevent him doing it. I think that maybe the first thing. The second thing which is only a suspicion of mine, and I have no evidence of it, is that when, you know, the Israelis didn't want European participation in the Sinai Force, there is a possibility I think that when Haig persuaded them to accept this he said, well look, if they come in to the Multinational Force, that means the end of Venice.

PM: Yes, that's quite possible.

FCS: And when we issue a statement saying it isn't, he can't sell it to the Israelis.

PM: Yes, but that's very strange because I'd understood that one of the arguments being used was unless we joined the Multinational Force Begin would probably not withdraw.....

FCS: That's right.

PM: from Sinai, and it's very strange then to have it said that he didn't want you to join.

FCS: Well, the Israelis certainly didn't want the Europeans to join.

PM: Why?

FCS: Because of Venice.

PM: Oh, I see. But you mean that without us joining he would still have withdrawn from Sinai?

FCS: Well, the Americans are arguing it both ways.

PM: Yes, I know. Yes, I saw the Henry Brandon note. It is all very worrying.

FCS: Well, it is worrying. And, unfortunately, he appears to have got it in for me.

PM: What Haig?

FCS: Yes. I mean we've heard from other nets that he's got it in for me. And I really don't know why.

PM: Has he? But, look, you practically got him what he wanted.

FCS: Yes, I know. I think he must be under terrific pressure, don't you?

PM: Yes. I mean the note that I saw from Henry Brandon indicated that he felt he was really rather isolated.

FCS: Yes. Anyway, I think what we must do is to be absolutely

PM: I think we must be quite firm and it's all a misunderstanding but if you don't like it with the Force, we'll do it in our own Parliament but done it will be.

FCS: And, also I think, at the same time, not join in any personal row about Mr. Carrington and adjectival pronouncements. I think just leave it alone. Don't you think?

PM: Oh, let's now get involved in any personal row. No, it's totally undignified to get involved in a personal row. All right.

FCS: I hope they've sent you the telegrams. I think they're quite sensible. They're very good and I've no doubt that you would agree with what's said as long as you agree with the line.

PM: Yes, I agree with the line.

FCS: OK. Well, I don't need to worry you any more.

PM: No. Oh, Peter, there was one thing I wanted to say. I looked at your Honours List and do you remember we had a letter from the Palace about Armand Hammer. Do you remember? To K Armand?

FCS: I'd forgotten that, yes.

PM: Well, I think we ought to do it. I'll raise it with Clive on Monday.

FCS: Could I just have a look at the correspondence. You know that there is some unease about his relations with the Soviet Union?

PM: Yes, I do, but he has done so much for this country.

FCS: Could I take it back with me and I'll talk to you on Monday.

PM: Yes, all right.

FCS: Have as restful weekend as you can and I'll see you tomorrow.

PM: All right, Peter. Thank you. Goodbye.