OO WASHINGTON

GRS 699
CONFIDENTIAL
FROM FCO 271210 OCT 81
TO IMMEDIATE WASHINGTON
TELEGRAM NUMBER 1603 OF 27 OCTOBER
AND TO LUXEMBOURG (FOR PRIVATE SECRETARY)



SINAI

1. THE US EMBASSY HERE DELIVERED A MESSAGE FROM HAIG TO ME ON 26 OCTOBER.

TEXT IS AS FOLLOWS:

DEAR PETER

AFTER THINKING OVER OUR DISCUSSION IN CANCUN ON THE MULTINATIONAL FORCE AND OBSERVERS (MFO), I MUST STILL CONCLUDE THAT IT IS ESSENTIAL THAT THE UK JOIN IN THIS UNDERTAKING IF IT IS TO BE SUCCESSFUL. WE HAVE BEEN TOLD DIRECTLY BY THE GOVERNMENTS OF FRANCE, ITALY AND THE NETHERLANDS THAT THEY ARE READY TO COME IN. BUT THEIR DECISION IS CLEARLY LINKED TO YOUR OWN. THE GOVERNMENT OF AUSTRALIA AND PROBABLY NEW ZEALAND AS WELL WILL JOIN IF BRITAIN AND ANOTHER MAJOR EC STATE ARE ALSO PRESENT.

ALTHOUGH I FULLY UNDERSTAND YORU MISGIVINGS, THE PROBLEM IS THE NATURE OF THE UK INTERCONNECTING VETO OVER THE PARTICIPATION OF THE OTHERS. THEREFORE IT IS IMPERATIVE THAT YOU MAKE IT CLEAR TO YOUR EC COLLEAGUES THAT YOU ARE PREPARED TO GO AHEAD WITH PARTICIPATION IN THE MFO IF A CREDIBLE FORCE IN SUPPORT OF THE TREATY OF PEACE IS TO BE ESTABLISHED. IT WOULD BE A MAJOR SETBACK TO THE WEST IF, FOLLOWING SADAT'S DEATH, WE WERE UNWILLING TO SUPPORT A TREATY OF PEACE FOR WHICH HE RISKED SO MUCH AND WHICH MANY THOUGHT COULD NEVER BE ACHIEVED. AS FOR YOUR CONCERNS ABOUT ARAB REACTIONS, CROWN PRINCE FAHD HIMSELF TOLD ME THAT NEITHER SAUDI ARABIA NOR OTHER MODERATE ARAB STATES WOULD RETALIATE AGAINST THOSE

1 CONFIDENTIAL STATES PARTICIPATING. HE FULLY UNDERSTANDS THE IMPORTANCE
OF THE FULL RECOVERY OF SINAI FOR THE EGYPTIAN LEADERSHIP
AND RECOGNISES THE CRITICAL ROLE THAT THE MFO PLAYS IN THIS.
OUR OWN SOUNDINGS IN THE PAST 48 HOURS IN THE CAPITALS OF
MODERATE ARAB STATES INDICATE THAT WHILE THE ARAB LEAGUE HAS
TRIED TO STIMULATE REACTIONS FROM ITS MEMBERS, MOST OF THE
MODERATES WOULD PREFER TO LOOK THE OTHER WAY ENTIRELY OR TO
CONFINE THEMSELVES TO VERY PRO FORMA REPRESENTATIONS ON THIS
ISSUE. CLEARLY, WHAT THEY DON'T WANT IS TO BE ASKED DIRECTLY
BY EUROPEAN STATES OR AUSTRALIA ABOUT THEIR POSITION SINCE,
IN SUCH CIRCUMSTANCES, THEY HAVE LITTLE CHOICE BUT TO RESPOND
IN A NEGATIVE VEIN WITHIN THE ARAB CONSENSUS. IF WESTERN
STATES MOVE RESOLUTELY TOGETHER ON THIS ISSUE THERE WILL BE
NO REPERCUSSIONS FROM THE ARAB STATES.

YOU SHOULD ALSO KNOW THAT THE SAUDIS HAVE LEARNED FROM
ARAFAT THAT THE SOVIETS ARE NOW VERY HOPEFUL THAT THE PEACE
PROCESS WILL BREAK DOWN. THEY ARE LOOKING FOR AN OPPORTUNITY
WHICH THEY CAP EXPLOIT TO FURTHER THIS GOAL. THUS, ANY
FURTHER WAVERING ON OUR PART CAN ONLY FURTHER ENCOURAGE THEM
IN THIS DIRECTION. LET ME ASSURE YOU, PETER, IN HANDLING
THIS ISSUE WE WILL BE VERY CAREFUL IN OUR PUBLIC AND PRIVATE
COMMENTS NOT TO CHARACTERIZE EC PARTICIPATION AS ANYTHING MORE
THAN SUPPORT FOR THE TREATY OF PEACE. WE CERTAINLY WILL NOT
CHARACTERIZE IT AS AN EC UNDERWRITING OF THE ENTIRE CAMP
DAVID PROCESS. LET US AGREE TO DISAGREE ABOUT THE
MOST APPROPRIATE FORUM IN WHICH TO ADDRESS THE PALESTINIAN ISSUE.
BUT WE SHOULD WORK TOGETHER TO CONSOLIDATE THE TREATY OF PEACE
REGARDLESS OF WHAT WE DO ELSEWHERE SINCE ITS VIABILITY IS ABSOLUTELY
ESSENTIAL IF THERE IS TO BE A PEACE PROCESS IN ANY FORM.

IN YOUR CURRENT DELIBERATIONS IN LUXEMBOURG, I HOPE YOU AND YOUR EC COLLEAGUES WILL FULLY TAKE THE FOREGOING INTO CONSIDERATION. IF YOU DO, I THINK YOU WILL FIND IT DIFFICULT NOT TO TAKE A POSITIVE DECISION FOR PARTICIPATION IN A MANNER THAT WILL PROVE ACCEPTABLE TO THE TREATY SIGNATORIES. AS I TOLD YOU AT CANCUN, IF ALL OTHERS AGREE TO PARTICIPATE WITHOUT BRITAIN, THIS WOULD BE FINE WITH US: BUT MY SOUNDINGS

SINCE OUR DISCUSSIONS AT CANCUN CLEARLY INDICATE THIS IS NOT POSSIBLE.

IN AN EFFORT TO CLARIFY ANY OTHER MATTERS RELATING TO THIS UNDERTAKING, WE HAVE AGREED WITH YOUR PEOPLE THAT NICK VELIOTES WILL ARRIVE IN LONDON LATER THIS WEEK. HE CAN GIVE YOU ANY FURTHER DETAILS YOU REQUIRE ABOUT THE FORMATION OF THE MFO AND WHAT WE HAVE LEARNED FROM OUR SOUNDINGS IN THE ARAB WORLD AND ELSEWHERE.

I LOOK FORWARD TO HEARING FROM YOU AFTER YOUR MEETINGS CONCLUDE IN LUXEMBOURG. WITH BEST REGARDS, ALEXANDER M HAIG, JR.

END OF TEXT.

CARRINGTON

STANDARD

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MAED ES & SD ERD ESID CONS D CONS EM UNIT CABINET OFFICE ADDITIONAL DISTRIBUTION ARAB/ISRAEL DISPUTE

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