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10 DOWNING STREET

THE PRIME MINISTER

PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. 7. 152/81

31 October 1981

to And

Then Ron.

First may I congratulate you most warmly on the outcome of the vote on AWACS in the Senate. This is good news for all the West's friends in Saudi Arabia and the Gulf. And I am sure they will all appreciate your fantastic personal efforts which led to this result.

The immediate purpose of this note is to tell you of my talks with King Hussein this week. I know he is visiting you in Washington on Monday next. He is a deeply worried man though he speaks, as always, in low key and with the utmost courtesy. You may find it useful before you see him to have a brief account of the main points we covered in our talks.

Hussein told me that one of his worries is that
Egyptians may be misled into concluding an agreement with
the Israelis, about the West Bank, over the heads of the
Palestinians, which the latter would be bound to reject.
He himself very much hopes that Egypt will be able to return
to the Arab fold, although he recognises the difficulties
for many Arabs, not least because of the process of normalisation
of relations between Egypt and Israel; but an agreement in the
current automony talks that was rejected by the Palestinians
would set back the prospects very severely. He said he had
written to Mubarak in these terms.

We discussed also Fahd's eight-point plan. We had not at that time of course seen your helpful comment that they could form a beginning point for negotiations. He said that he doubted whether it would be possible for the Arabs to endorse Fahd's points as they stand at the Summit meeting in Fez if only because of Syrian opposition. Nevertheless, it might be possible for the Arabs to agree on something that was effectively the same, although expressed in different words. There could be dangers in this if the proposals came to be regarded as the irreducible minimum Arab demand; but if as you have said they can be presented as a negotiating position, it would be valuable.

In a survey of the Arab world ranging from Morocco and Mauritania in the West to the Iran/Iraq war in the East, Hussein expressed anxiety about the spreading problems that afflict so many countries in the area. He has of course no time for Quadhafi, but does not see the Libyan Army as a threat either to Egypt or indeed to the Sudan - Chad was another matter. Nearer home he himself is clearly worried by the current Israeli tendency to arguethat the Palestinians, if they want a state, should seek it in Jordan, to the east of the River Jordan. This, of course, is a position which no Arab country could accept, and we have made it clear that it is not the Western position. Western countries have always taken the view that Resolution 242 calls for peace and withdrawal from occupied territory to be negotiated together, and that must mean withdrawal on the West Bank.

The one ray of hope, I believe, is that more and more Arabs are coming to see, and indeed acknowledge in public, the need for genuine negotiations with Israel. This movement will be Sadat's memorial, whatever other Arabs may say. Hussein of course has long believed in the need and now Fahd's proposals point in the same direction. If only the Palestinians could be brought to make clear their readiness to negotiate and live with the outcome and if, in their turn, the Israeli Government could show sufficient flexibility to allow the Palestinians to engage

eventually in negotiations, whether direct or indirect, we might have some hope of bringing about a comprehensive peace in the region. It will require much ingenuity and patience and I can assure you that we will try to play our part.

Livery good with to you and Nancy.

Your even

Mayard

The President of the United States of America

(For favor of onward transmission 6, 50 1/11/81