

SUBJECT

cc Master Records

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CONVERSATION BETWEEN THE PRIME MINISTER AND THE PRESIDENT OF THE UNITED STATES ON MONDAY 12 OCTOBER AT 1850 HOURS WHILE THE PRIME MINISTER WAS IN BLACKPOOL

RR I'm just fine, and how are you?

MT We're just starting our Party Conference, which is always a feat of endurance.

RR Oh Lord, and I'm interrupting you.

MT Quite alright.

RR First of all, let me express my sympathy. I saw you this morning in the paper here in the New York Times visiting the hospital - one of the young soldiers that was wounded in that terrorist....

MT It was terrible, wasn't it. One of them was only 17½. And there were 2 children.

RR It looked like just a young boy. The world's going to have a little more of that.

MT It's an incident of terrorism that we have to try and stamp out.

RR Yes, yes. Listen, I'm going to be a pest again, and speak to you if I can about our request if you could provide a communication unit to that multinational force.. I've been talking to Al Haig. He got back from Cairo, and with the situation over there now, I just have a feeling that without your contribution we can't get anyone else from Europe. We do have as a Commander that General from Norway is going to command the entire unit, but so far we're only able to get some minor country forces, and I just believe that right now the increased instability in the Middle East - we can be helpful if we had something that looked like more nations of Europe and ourselves that were going to lend a hand there. I know that I'm asking something that you'd run into some opposition on.

/ MT

MT Well we run into a good deal of opposition, but I've just had a letter from Malcolm Fraser saying that he won't take part unless I do, and I'm rather cross because I don't think anyone has a right to try to hinge the whole thing on Britain's position. Indeed I think it's quite wrong because there are two things why we are different. First, the Balfour Declaration on a homeland for the Jews in Israel is of course British, and puts us at odds partly with other people. Secondly, we are the authority which has the mandate over Palestine, and carried out the mandate, and eventually left in 1948 as you know, and therefore to some extent the whole of the Arab world blames us for what happened. So when I thought the request might come, because I know that you asked Malcolm Fraser first, I saw Crown Prince Fahd myself - I had him to lunch at No. 10 - and asked him flat out what would be the effect in the Arab world if we were invited to take part in the Sinai force and he was totally clear about this. He thought it would be very adverse indeed, and would do us harm in the Arab world. Now that is going to put me in double difficulty because I simply cannot afford to lose the business.

RR Who said this to you?

MT Crown Prince Fahd,

RR Well that does put a different slant on it. Let me take that word to Al Haig.

MT You see, I asked him because we do a lot of business with the Arab countries. We need it because we've got a lot of unemployment. And I know it was advice he gave in the greatest possible friendliness. And I'm sure it was right.

RR It is unfair, but the answer that we get from all these other countries is if you'll do it, yes they will. But that is unfair of them.

MT Grossly unfair. I would have thought Australia and Canada could do it if either or the other would do it. That was my understanding.

/ RR

RR Malcolm Fraser indicated that it was his own domestic political situation that was militating against the and showed me a poll where his people had ruled against

MT He couldn't possibly do it alone. He would have to have someone else, and I thought Canada would be enough because neither of them are in the position we are. That was I thought the understanding when we left but I had a letter handed to me just a couple of hours ago indicating he was making our cooperation a condition. But as I say, for the reasons I've given it puts me in an acutely difficult position, and I cannot afford to lose the business. It was just beginning to get - and particularly at this - France would then get the whole lot, and I'd get the unemployment. Which is the last thing I want. And of course, as I say, we were the mandating authority in Palestine in days gone by, and we've just got back to retrieve our reputation. I would discuss it in Europe, but that is an acutely difficult position for us, and I feel very cross that they're attempting, as so frequently they do, to put the whole burden on our shoulders.

RR Well that is the answer we keep getting, that someone else has to do it first. Well, I'm not going to ask you again under these circumstances to do it, and I understand your position very well, and we'll just keep digging here ...

MT Well we'll keep in touch. ... Further discussions in Europe, but I'm not optimistic because of the reasons I've given. They really ought not to put it onto me.

RR All right. Have a good meeting.

(Farewells)



10 DOWNING STREET

U.B.
M. G. Cart

cc with MAP's agreement
to Sir N. Henderson by Fed.

From the Principal Private Secretary

12 October 1981

Dear Borna,

Sinai Multinational Force

President Reagan spoke to the Prime Minister at 1830 this evening about a British contribution to the Sinai Multinational Force.

After expressing sympathy over the Chelsea Barracks terrorist incident, the President got down to brass tacks on a slightly defensive note by saying that he was "being a pest again". He had been talking to Mr. Haig on the latter's return from President Sadat's funeral in Cairo. He believed that with the increase in instability in the Middle East, it would be more helpful than ever if not only American forces were on the ground in Sinai but European nations as well. So far the US had secured the participation of only minor countries in the Multinational Force. All the other countries who had been asked to contribute had made it clear that they were ready to do so only if Britain took part, and he was therefore asking the Prime Minister to agree to provide a communications unit, though he knew that this would not be easy for her.

The Prime Minister said that the President's request put her in an acutely difficult position. The fact was that Britain's position in the Arab world was different from that of any other country. First, we had been responsible for the Balfour Declaration; and second, it was Britain who had exercised the mandate over Palestine until 1948 when we had withdrawn. To some extent the Arab world still blamed the United Kingdom for the present situation in the Middle East. We had gone a long way to retrieve that position but Arab confidence in Britain was still fragile. When Crown Prince Fahd had been in London in the middle of September, she had asked him outright what would be the effect if the United Kingdom accepted an invitation to participate in the Sinai Multinational Force and his response had been absolutely clear. He had said that it would do Britain harm in the Arab world. The fact was that we had a lot of trade with the Arab countries and, in view of our present level of unemployment, we could not afford to see that trade damaged in any way. These considerations did not apply to some of the other countries which could reasonably be expected to contribute to the Multinational Force. She had just had a letter from Mr. Malcolm Fraser saying that Australia could not take part unless Britain and Canada did.

/ In her view

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In her view it was unfair of him to make this kind of condition. There was no reason why Australia and Canada should not contribute to the Force without any participation from the United Kingdom. She accepted, however, that because of his domestic political situation, Mr. Fraser could contribute only if Canada or a major European nation did so too.

President Reagan said that he saw that the attempt by other countries to make their contribution to the Force conditional upon a British contribution was unfair. Moreover, what Prince Fahd had said to the Prime Minister about a possible British element put a different slant on the matter, and he would discuss this with Mr. Haig. He understood the British position very well, and he would not ask the Prime Minister again for a contribution from the United Kingdom. Instead he would "keep digging".

The Prime Minister said that she would arrange for the question of possible contributions to the Force from European countries to be discussed in the European Community, but she had to warn the President that she was not optimistic about the outcome. She would keep in touch with him.

The Prime Minister would be grateful if the Foreign Secretary would now raise the matter with his colleagues in the Community.

I am sending a copy of this letter to David Wright (Cabinet Office).

Yours etc,

Sheila Whinnery.

Brian Fall, Esq.,
Foreign and Commonwealth Office.