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24

BRITISH EMBASSY,
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A B Urwick Esq
Near East and North Africa Department
FCO

Mr Williams s/v
Mr Wheeler
Mr. A. Duff
Mr. Wein
Research
Dept
M. Blatkin
As anquish
Shall

Dear Alan,

VISIT OF THE RIGHT HON MARGARET THATCHER MP

1. You may like to have a fairly full account of Mrs Thatcher's talk on 23 March with Mr Rabin, since he spoke in considerable detail of Israel's current relations with her neighbours.

2. Mrs Thatcher began the conversation by an enquiry about current initiatives to settle the Arab/Israel problem. In reply the Prime Minister gave, in his usual dry, quiet and analytical fashion, an account of Israeli motives in promoting the idea of seeking an "end to the state of war" with Egypt, Jordan and Syria. Much of what he said followed familiar lines (cf my letters of 3 and 10 March to you). However, he went on to make it clear that in his view present circumstances would inhibit a positive response from either Egypt or Jordan. In fact he spoke in relatively optimistic terms about the development of Israeli relations with Egypt, citing the gradual shift of Egyptian resources from military to civilian expenditure, and Mr Sadat's denunciation of the Egyptian/Soviet Treaty, as encouraging signs. Yet he made it clear that he still has reservations, unlike Mrs Thatcher, about Sadat's personal reliability; and he argued that the denunciation of the treaty had been simply a response to Soviet force majeure, since Sadat in effect had been forced to choose between the continuance of Soviet military supplies (which in Rabin's view he would much have liked) and the development of economic aid from the United States and the West.

/2.

CONFIDENTIAL



CONFIDENTIAL

-2-

2. Mr Rabin then spoke of the position of Jordan. Here too he ruled out the possibility at this stage of any real interest in Israel's proposals for an end of the state of war. Jordan was at present doing very well out of her rapprochement with Syria; in effect, in return for giving the Syrians an effective guarantee against the invasion of Syria from the south, she had been re-admitted, through Syria's good offices, into the comity of Arab nations. As a result her economy was thriving; and it was likely to develop still further now that a substantial number of Lebanese enterprises and entrepreneurs were moving to Amman from Beirut. In these circumstances King Hussein was not likely to be tempted by the prospect of explicit negotiations with Israel over the return of territory. Mr Rabin made it clear, on the other hand, that in his view Israel still had a useful though tacit understanding with King Hussein. The King knew that, so long as he prevented the PLO from re-establishing themselves in Jordan, Israel would pay a reasonable regard to his interests in the West Bank. Mr Rabin said that he thought that this arrangement would stick for the time being.

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Israel's military strength?

3. The discussion then turned to Syria. Mr Rabin listened carefully to Mrs Thatcher's account of her talks in January with President Assad and her estimate of Assad's shrewdness and sophistication, interjecting only from time to time that he concurred with her view that Assad was "shrewd". He himself spoke of Assad's attempts to stabilise the situation in the Lebanon, and (see my telegram no 76 to FCO) acknowledged his current alignment with the Lebanese Christians against Arafat and extreme Moslem and leftist forces within the country. He said that while Syria was so heavily involved in the Lebanese imbroglio Assad would find it difficult to work out his tactics on the question of the renewal of the UNDOF mandate; but added

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CONFIDENTIAL



CONFIDENTIAL

-3-

that he felt that the Syrians would eventually have no choice but renewal. Similarly, he believed that until the Lebanese situation was at least partly clearer, perhaps by the end of April, the Syrians would not give any serious thought to Israeli proposals about ending the state of war. It was true that Assad had so far responded negatively to this idea; but, Mr Rabin added, he knew enough of the ways of the Middle East not to take all public statements by Arab leaders at their face value. In general, he confirmed my impression that Senior Israeli Ministers now do not totally exclude the possibility of the development of indirect contacts with Assad. On this matter there has been a notable shift in their way of thinking since the UN Security Council debates of November and January.

(events in
Lebanon permitting)

4. The discussion then turned to domestic topics, on which I think it necessary to record only that Mr Rabin spoke with feeling about his problems in trying to win next year's elections while being obliged simultaneously to cut the Israeli standard of living by 2-3% and public consumption by 5-6%. He made no bones about the Government's domestic problems and weaknesses. In fact, by this stage of a conversation which lasted for well over an hour, he was much more relaxed than I have seen him on any other occasion. Mrs Thatcher's personality here, as elsewhere in Israel, produced remarkable results.

Yours ever,

Anthony Elliott

Anthony Elliott

Copies to: HM Ambassadors at Amman
Cairo
Damascus
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