

## Foreign and Commonwealth Office

## London SW1A 2AH

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M O'D B Alexander Esq 10 Downing Street

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Bauxpours on the homeland question ) Pans.

MIDDLE EAST: POLICY TOWARDS THE PALESTINIANS

Thank you for your letter of 14 September. In view of the Prime Minister's comments the Foreign and Commonwealth Secretary does not wish to proceed with a discussion in OD at this stage.

The Prime Minister asked when HMG became committed to the inclusion of the right to a homeland among the Palestinian rights to be taken into account. Perhaps I could recall some of the history. Security Council Resolution 242 treated the Palestinian problem as essentially a refugee question. then the attitude of successive British Governments has developed as a result of British national decisions and, since we joined the Community, through the evolution of thinking in the Nine. The Conservative Government of the day made a deliberate step forward in Sir Alec Douglas Home's speech to the Yorkshire Area Council of the Conservative Party at Harrogate on 31 October 1970, when he said "we must not ignore the political aspirations of the Palestinian Arabs and their desire to be given a means of selfexpression. We cannot support any political programme which would involve the disappearance of the state of Israel; this is what the Palestinian resistance organisations at present But we must work for a settlement which will attract the agreement of all the peoples of the area, including the Palestinians, and which takes account of their legitimate aspirations". Although these aspirations were not spelled out by Sir Alec Douglas Home, they have of course long included the establishment of a Palestinian state. In this and other respects the Harrogate speech remained the basis of British policy until the General Election of 1974.

The British position developed further during the following 5 years when Labour was in power. At the United Nations General Assembly on 5 October 1976 Mr Crosland said that "one essential element in a settlement will be a land for the Palestinians, not



necessarily a sovereign state but a place where they will be free to look after their own affairs". The most important of the various statements by the Nine was the London declaration of 29 June 1977 where the Heads of Government agreed as follows. "The Nine have affirmed their belief that a solution to the conflict in the Middle East will be possible only if the legitimate right of the Palestinian people to give effective expression to its national identity is translated into fact, which would take into account the need for a homeland for the Palestinian people". On 26 March this year the Nine put out another statement emphasising the need for any settlement "to translate into fact the right of the Palestinian people to a homeland".

The concept of a Palestinian right to a homeland thus has its roots a long way back. Since then the LPS has said in the House of Commons "the Government's objective is a just, lasting and comprehensive settlement based on Security Council Resolutions 242 and 338 and the need for a land of the Palestinian people". Sir Ian Gilmour avoided the word "homeland" because it may for some have echoes of what the South African Government have been doing.

Some of the Nine have of course gone further than this both on the question of a homeland and on other aspects of Palestinian rights. President Carter, for his part, has referred to the need for "the Palestinians to participate in the determination of their own future" and has said that "there has to be a homeland provided for the Palestinian refugees who have suffered for many many years".

On the question of whether such a homeland should be an independent sovereign state or should be linked in some way with Jordan, we have generally remained neutral, though Mr Callaghan, like President Carter, expressed a personal preference for some federal or other solution falling short of independence. As the Prime Minister will recall from her discussion with King Hussein in June, the Jordanians are in favour of Palestinian self-determination and clearly accept that this might but need not necessarily mean full independence. Lord Carrington had noted that at that time (in Bryan Cartledge's letter of 18 June to Paul Lever) the Prime Minister had said that she would be prepared to ask President Carter to exert pressure on Mr Begin to accept the principle of Palestinian sovereignty for the West Bank, and had taken account of this in proposing the subject for discussion by OD.

The Prime Minister also asks whether a solution based on Palestinian self-determination would be viable. A good deal of work, albeit rather hypothetical, has been done on the subject,



and I will send you an account of this separately. We believe that a separate Palestinian state would attract considerable financial support from the Arab world, expatriate Palestinians and other foreign donors. Given the high level of education and ability of the Palestinians, its economy need not present insuperable problems, though, like Israel and Jordan, it would need to rely upon considerable outside assistance, perhaps indefinitely. But the problems would be formidable, as was recognised in other FCO papers which the Prime Minister has seen. For example, the circumstances in which a Palestinian homeland might be negotiated would almost certainly be such that it would lack some important attributes of most states: it would have to be demilitarised; its borders with Israel would probably be subject to a special regime limiting its economic freedom of action; and the freedom of its citizens to return to their homeland would in practice be limited.

The Foreign and Commonwealth Secretary has also seen Lord Hailsham's comments in Arnold's letter to Lever of 12 September. On the specific point of Israel's security and Resolution 242 Lord Carrington is aware that these are the terms in which the problem is seen by many Israelis. The Israeli Government has argued for many years that the 1967 borders are unacceptable because they would be difficult for Israel to defend, and also that the expression "secure and recognised borders" in Resolution 242 should be interpreted to mean, so far as Israel is concerned, that these borders must be defensible in military terms. own interpretation has consistently been different. The Harrogate speech of October 1970 said that a definitive agreement on territorial questions would be the answer both to Israel's fear for her existence and, at the same time, to Arab fear of Israeli expansionism. It added that between Israel and Jordan, Resolution 242 implied that "secure and recognised boundaries should be based on the armistice lines which existed before the war of 1967, subject to minor changes which might be agreed between the two countries".

I am sending a copy of this letter to Martin Vile (Cabinet Office).

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