## CONFIDENTIAL CONFIDENTIAL

FM JEDDA 311002Z OCT 81 TO PRIORITY FCO TELNO 718 OF 31 OCTOBER 1981 INFO ROUTINE WASHINGTON, CAIRO, TEL AVIV, AMMAN, KUWAIT, ABU DHABI, UKMIS NEW YORK.

## AWACS

- 1. THE BBC REPORTS THAT THE BRITISH PRESS IS FULL OF CONGRATULATIONS TO PRESIDENT REAGAN ON HIS SUCCESS WHICH WILL WIN SAUDI GOODWILL AND PROVE THAT HE CAN DEFEAT THE ZIONIST LOBBY. THE SAUDI PRESS, UNDER INSTRUCTIONS, IS TAKING A SIMILAR LINE. THE KING HAS SENT A MESSAGE OF THANKS TO THE PRESIDENT AND PRINCE SULTAN HAS ISSUED A FRIENDLY STATEMENT.
- 2. BUT THIS DOES NOT REPEAT NOT REFLECT PUBLIC OPINION HERE. THE PRESIDENT'S LETTER TO SENATOR BAKER SHOWS WHAT A PRICE HE HAS PAID IN THE PUBLIC HIMILIATION OF THE SAUDIS. THE SAUDI GOVERNMENT HAVE ACCEPTED THE TERMS WITH A BRAVE FACE. BUT THERE ARE THOSE INSIDE THE FAMILY AND THE GOVERNMENT, AND VERY MANY OUTSIDE, WHO WOULD HAVE PREFERRED TO REJECT THE DEAL, WHO INDEED WISH THE VOTE HAD GONE THE OTHER WAY.
- 3. IN TRUTH, THIS IS A BATTLE WHICH NOBODY HAS WON. THE LOBBY HAS LOST THE VOTE. ISRAEL HAS TO SUBMIT TO THE PRESENCE OF AWACS ON HER BORDERS. THE SAUDIS WILL BE CRITICISED AND SCORNED AT HOME AND ABROAD AND THE CHANCES OF THEIR GAINING ARAB SUPPORT FOR THE EIGHT POINTS WILL BE DIMINISHED. FINALLY, REAGAN HAS FAILED IN HIS MAIN PURPOSE, TO WIN THE SAUDIS' HEARTS AND MINDS.

CRAIG

STANDARD

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CABINET OFFICE

ADDITIONAL DISTRIBUTION ARAB/ISRAEL DISPUTE

> THIS TELEGRAM WAS NOT ADVANCED

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