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RECORD OF A CONVERSATION BETWEEN THE PRIME MINISTER AND THE PRIME MINISTER OF ROMANIA, MR. ILIE VERDET, OVER TEA IN THE PRIME MINISTER'S ROOM IN THE HOUSE OF COMMONS ON TUESDAY 14 APRIL AT 1530 HOURS

Present:

Prime Minister

Mr. M.O'D.B. Alexander

Mr. B.J.P. Fall

Mr. I. Verdet

Mr. A. Gheorghiu

Mr. N. Bujor

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Middle East

After courtesies during which Mr. Verdet expressed himself to be well satisfied with his visit, the Prime Minister raised the question of the Middle East. Before we could make steps forward we would have to wait to get a better idea of what the United States would do and for the results of the Israeli elections. She had met Secretary Haig on his return from his Middle East trip last week. It was very much a fact-finding mission and it was clear that Mr. Haig had not made up his mind on what should be done next. The Prime Minister thought that he realised the importance of the Palestinian question to the Arab countries and to the Gulf area as a whole. It was also encouraging that President Reagan and King Hussein got on well together - a great advance on the relations between Hussein and President Carter. Meanwhile, relations between Syria and Jordan were bad and it was important to find some solution to the problem of Lebanon.

Mr. Verdet emphasised Romanian interest in knowing about new initiatives from any quarter. Romania had been active in the search for a settlement and would continue to want to contribute. They did not condemn everything which had been done until now, but neither did they press it too much. Camp David had had a positive result in that Egypt had got back territory in Sinai but one should be careful not to over-estimate its contribution. The process would no doubt run its course whatever the result of the Israeli election, but it did not offer a general settlement,

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to which the Palestinian problem was the key. The Camp David framework was not appropriate to that. What was needed now was to look to the future and provide a new framework of negotiation, an international conference involving all the interested parties including the regional states, Israel, the PLO, the United States and the Soviet Union.

The Prime Minister said that it was generally recognised that Egypt and Israel would not be able to solve the Palestinian problem between them; but Sadat had been concerned not to give the impression that he was interested only in the return of Egyptian territory. One would have to get a greater degree of agreement among the states in the region before considering an international conference. A lot more work had to be done to discover what would be acceptable to Israel, to Jordan and to the Palestinian people, including the Palestinians living outside Palestine. Beyond that there was the question of access to the Holy Places of Jerusalem. It would take all our time to get this sorted out within the next two or three years. We and our European partners had been talking to the states concerned about the practical details, not about generalities and it was clear that a steady and continuous effort was required. The key was Israel, the West Bank and Jordan.

Mr. Verdet agreed. It was clearly hard to foresee a solution without the participation of the United States but another great power, the Soviet Union, also wanted to participate. We should work for a rapprochement of the countries in the region and use our influence in favour of peaceful settlement. Romania did not question the role of the great powers, but the problem should not be left to them alone. Romania had much to contribute and urged a peaceful solution in all her talks with the Arabs and with Israel. In response to a question from the Prime Minister, Mr. Verdet said that Romanian relations with Israel were normal although this did not mean that their views always coincided; and that Romanian relations with Egypt were also good. The Romanians did not condemn everything which Egypt had done in

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negotiation with Israel: they had used peaceful means and the results were not detrimental to other countries. But this process would not lead to an overall settlement. The <u>Prime Minister</u> said that it should be looked at as the first stage of Israeli withdrawal from territories acquired in 1967 and those in the implementation of Resolution 242. <u>Mr. Verdet</u> agreed but said that other parties should also be involved.

The <u>Prime Minister</u> said that we would have to wait until the Israeli elections which were not far off. <u>Mr. Verdet</u> agreed but said there might not be too much change in substance. The <u>Prime Minister</u> said that this might be right, but the Israelis knew that they would have to take some steps towards solving the problem. They could not go on doing nothing and the Camp David process had really stopped some time ago. All must now realise the urgency of taking some action. <u>Mr. Verdet</u> agreed and said it was important also to do nothing to aggravate the situation. Both parties and especially Israel should refrain from the use of force. The <u>Prime Minister</u> said that this was important for the PLO too and <u>Mr. Verdet</u> agreed.

Conclusion

In conclusion, <u>Mr. Verdet</u> said that he looked forward to seeing the Prime Minister in Bucharest and the <u>Prime Minister</u> confirmed that she looked forward to visiting Bucharest again at the appropriate time.

16 April 1981