

## RECORD OF A MEETING BETWEEN THE MINISTER OF STATE AND THE SAUDI FOREIGN MINISTER IN RIYADH AT 1530 ON 19 APRIL 1981

## Present:

The Hon. Douglas Hurd, CBE, MP

Sir John Graham, KCMG

Mr. J.W.D. Gray

Mr. C.T.W. Humfrey

Prince Saud

Sheikh Abdul Rahman Mansouri,  
Deputy Foreign Minister for  
Political AffairsSheikh Nasser Manqur, Saudi  
Ambassador in LondonSheikh Ma'amoun Qabbani, Head  
of Western Department, MFA

Prince Saud enquired about the Prime Minister's visit to India. Sir John Graham said that the Prime Minister had conveyed a message from President Zia saying that he wanted friendly relations with India. Mrs. Gandhi had replied that she too wanted friendly relations. But the Indians remained very suspicious of Pakistan and were concerned about it being armed. Mr. Rao was due to visit Pakistan the following month. And Mrs. Gandhi did say that she thought the Pakistanis might now want peace. But overall, we did not think that we had really made much headway in persuading the Indians to take a more relaxed view of Pakistani intentions. Prince Saud said that during his recent visit to India the Indians had likewise queried with him the need for a strong Pakistan. He had spoken of the Soviet threat to Pakistan and had pointed out the difference in strength between Pakistan and India which meant that Pakistan was no longer a threat to India. It was doubtful how far the Indians accepted these arguments. He had also told the Indians that other countries in the region did not understand their attitude to the Soviet Union since these countries all felt threatened by the Soviet intervention of Afghanistan. If India did not reflect this in her policy then these countries would inevitably be suspicious of India. Sir John Graham said that the Indians maintained that their objective was to secure a Soviet withdrawal from Afghanistan but held that military pressure to achieve this would be counter-productive. The Indians appeared to accept the Russian explanation for their invasion at face value.

/Prince Saud

Prince Saud said that India's relations with Bangladesh, Sri Lanka and Nepal, which he had also visited, were not good. The Indians were therefore feeling somewhat isolated and he hoped that Mrs Thatcher's talks would have had an influence on their thinking and led them to reassess their position. The Bangladeshis were suspicious that the Indians wanted to assist the return of the Awami League.

Prince Saud said that Mr. Haig, in his visit to Saudi Arabia, had maintained that he did not believe that the US should station troops in the region. The aim instead was to help their regional friends. The Saudis had told the Pakistanis that the US did not seem to be seeking commitments in return for its assistance, but the Pakistanis were still afraid of this. Sir John Graham noted that the US had given Pakistan just five days to make up its mind on US assistance in order to fit in to the Congressional timetable. This had proved impossible for the Pakistanis.

Asked about the Pakistani attitude to the Soviet Union over Afghanistan, Prince Saud confirmed that the Pakistanis wished to negotiate with the Russians. This was because they did not believe when the chips were down anyone else would come to assist them against the Russians. They thought they were in a period of maximum danger from the Russians and considered, with some past justification, that the Russians would use India to put pressure on them. They were therefore playing for time in the belief that the situation would improve in two or three years. The UK could help to comfort the Pakistanis through its commitment to Pakistan. Mr. Hurd said that we had tried to get closer to the Pakistanis and also encourage the US to win the Pakistanis' confidence. We thought that Pakistan, like the Gulf States, wanted a powerful US but did not want an American presence on their soil. Prince Saud said that Mr. Haig had stressed the US wish to strengthen its economical and military ties and to develop closer relations with Europe and its friends in the rest of the world. The threat to the Gulf was, however, different to that of Pakistan and the problem of cooperation with the US was also different because of the US relationship with Israel. Sir John Graham noted that the Pakistanis were also concerned by the US relationship with Israel and Prince Saud agreed that this was so since / they feared

they feared that the US wanted a strategic grouping including Israel, Egypt and Pakistan.

Sir John Graham noted that Mr. Haig had said firmly in London that the Palestinian problem and the Gulf security problem were inter-linked. We thought that the Americans realised the importance of the Palestinian issue. Mr. Hurd pointed out that they had nevertheless given us no idea of how they would tackle the problem. Prince Saud said that the US did not want to make any move before the Israeli election. When questioned, however, the Americans were not clear as to what they would ask of an Israeli Labour Government if it were elected. Sir John Graham said that there was a significant difference between Begin and Peres. Begin believed in Eretz Israel as a matter of principle whereas Peres did not but rather sought security assurances in relation to the West Bank. This difference allowed potential scope for negotiation with Peres. Moreover, Peres was concerned that Israel should not incorporate large numbers of Arabs and this implied favouring an Israeli withdrawal. Prince Saud said that it was true that the Israeli Labour Party wanted areas of Arab population not to be included in Israel, but they saw them becoming like South African Bantustans.

Mr. Hurd said that there were two possible ways forward that the Americans might take. The first was to try another round of Camp David talks, perhaps trying to agree something on Gaza first. This would not be a real step forward. The second way, which we were urging on them, was to move away and forward from Camp David so that the Palestinians and other Arabs could be brought into the peace process. In order to persuade the Americans to pursue the second path there needed to be some movement on the part of the Palestinians to accept Israel's existence, albeit conditionally. Our aim in the next few months should be to produce some PLO movement in this direction. Prince Saud said that the Palestinians were being offered too small a return for such a step. Why should they take it to achieve a headline in the New York Times? The important thing was to change US policy so that the US stated that a solution should be based on the 1967 borders

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and on Palestinian self-determination. It was necessary for the US to put pressure on Israel and for the Israelis to compromise. Mr. Hurd said that what we were asking of the Palestinians was a conditional move. Our problem, which had been illustrated recently in Questions in Parliament, was that the Israelis were able to point to, for example, a recent statement by Qaddumi that the PLO would never accept Israel's existence. Mr. Gray pointed to the importance of public opinion for US policy. Prince Saud disagreed that public opinion in the US was a problem. This was borne out by opinion polls which he had seen which showed a greater understanding of Middle East issues. Sir John Graham stressed that the PLO would not be making a major concession by making a conditional statement. But Prince Saud said that Palestinians could only accept such a step if the US was to say that if they did so then the US would bring about a settlement. The historical precedent was discouraging since Jordan had accepted a conditional statement in 1967 in Resolution 242 but that had brought about no movement. The only way to produce a movement in Israeli public opinion was through a change in US policy. Israeli public opinion had swung against the policy of settlements only after the US had made it clear that it was opposed to them. Israeli public opinion reacted when it saw that there was a price to be paid.

Mr. Hurd referred to the uncertain and deteriorating situation in the Lebanon and asked about Saudi views. Prince Saud said that the problem was the wide differences of view within Lebanon itself. There was no consensus which would provide a basis for a solution. Israel was a bad influence acting through the Christian extremists. These extremists were destroying the possibility of a solution by insisting on complete Syrian withdrawal. Given memories of the Christian attacks on the Muslim population in the past, the Syrians could not withdraw until there was an agreement between the Christians and the Muslims. The Phalangists were in a position to bring about such an agreement but were not prepared to do so. If there was a Lebanese consensus in favour of Syrian withdrawal then the Arabs would back it.

/Mr. Hurd

Mr. Hurd said that the Saudis had been very helpful in improving Syrian/Jordan relations. Prince Saud said that the reappearance of the missing Jordanian diplomat was a positive development on which he hoped more could be built. Mr. Hurd noted that when Mrs. Thatcher had seen King Hussein the King was still apprehensive and sore about Syrian propaganda. Prince Saud said that this soreness was justified. Recent developments were hopeful but progress depended on political will on both sides.

Mr. Hurd said that we were concerned about the finances of UNRWA. Despite both the UK and Saudi Arabia having increased their contributions to UNRWA its future seemed in jeopardy. He asked how much the Saudis valued the organisation and whether other Arabs could not do more to assist it. Prince Saud said that the Saudi position was based on the view that the Palestinian refugee problem was a result of the UN Resolution that created Israel and therefore those countries who voted for it should pay for the work of UNRWA. (It was noted that the UK had abstained on the vote!). UNRWA should get its money from the US, the Soviet Union and the other countries concerned. The Saudis were willing to contribute but wanted UNRWA to do more to make people in the countries concerned aware of the refugee problem and the causes of it. They were willing to increase their contribution to UNRWA further if this was done. He thought that the other Arab states had in fact made significant contributions. UNRWA should consider collecting money from the private sector in Western countries in the way that other UN agencies did through fund-raising activities. Mr. Hurd thought there might be something in this.

/Sir John Graham

Sir John Graham asked about the Non-Aligned Movement's activity in seeking a solution to the Iran/Iraq war. Prince Saud said that the NAM were trying to develop a working relationship with the Islamic countries. The Saudis and others, however, had strong reservations about this because of the Cuban role in the NAM. They constantly argued that Cuba should not be considered a non-aligned country and were concerned about the tendency to alignment in the NAM. The NAM would not achieve any breakthrough on the Iran/Iraq problem and they had not put any proposals to the two sides. In Iran itself the growth of Khomeini's support for Bani-Sadr was a new development but it remained to be seen whether this was a real change or whether Khomeini was supporting Bani-Sadr only to repudiate him later if he failed despite such support. Khomeini was clever at keeping people in check.

Mr. Hurd asked about the fighting. Prince Saud thought that the Iraqis were more capable than the Iranians of mounting a spring offensive. Mr. Hurd asked who had the best hope of finding a solution to the conflict. Prince Saud thought that it would be the Islamic countries working with Palme. They were able to talk more frankly to the Iranians than anyone else. Sir John Graham pointed to the danger that if the war dragged on the Russians might be brought in. Prince Saud agreed and said that was why the Islamic Committee had already presented a proposal to both sides. They had now received comments on this proposal. But they were still caught in the circle of which came first, the ceasefire and withdrawal, or negotiations. At least both sides were still in play.

Mr. Hurd asked about the situation in the Yemen and how concerned we should be about it. Prince Saud said it remained confused both in the north and the south. There were continuing problems in YAR/Saudi relations though the YAR were now more aware of the implications of purchasing arms from the Soviet Union - they had found that they did not necessarily need these arms and the terms on which they got them were worse than they had bargained for. In the PDRY, internal repression and the Soviet presence was continuing. Kuwaiti and UAE Ministers had just returned from trying to persuade the PDRY to normalise their relations with Oman.

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The outcome was not clear but publicly the PDRY appeared negative. Mr. Hurd referred to the recent fighting which had taken place inside the Omani border. The Omanis were concerned about this. Sultan Qaboos had suggested to him last February that any steps which countries might make towards the PDRY should be reciprocated before they were taken any further in each case. Prince Saud asked whether the UK was making any step and Mr. Hurd noted that we were making a very small contribution to flood relief in the PDRY. We would like to keep in touch with the Saudis about policy towards the PDRY.

Mr. Hurd said that in the YAR we had been discussing the building of a naval facility. The Yemenis still seemed uncertain whether they wanted such a facility but we had sent out a team who had prepared a report. We saw this as a way, perhaps with Saudi help, of avoiding the Soviet Union getting in on the act. Sir John Graham noted that the YAR naval commander whom he had met was not at all pro-Russian despite having been trained there. Prince Saud said that there had been contacts from our Ambassador to the Saudi Ambassador in Sanaa about this but there had been no direct contact from the Yemenis to the Saudis. Saudi Arabia would in principle naturally prefer that any such Yemeni cooperation should be with the UK rather than the Soviet Union.

Prince Saud asked about his friend Dr. Hammadi's visit to London. Mr. Hurd said that the talks had gone better than we or probably Hammadi had expected. There were no real bilateral problems now better the UK and Iraq apart from the case of one British businessman in prison. The Iraqis had inevitably had some queries about our interpretation of our neutrality obligations in the Iran/Iraq war as regards defence equipment. We were grateful for all that Prince Saud might have done behind the scenes to help forward this relationship. Prince Saud said it was good that the Iraqis wished to expand contacts. They were seeking the chairmanship of the Non-Aligned Movement and it was healthy that they were truly non-aligned in their policies. They would also be holding the meeting of Islamic countries in Baghdad soon and had sent an invitation from the Islamic Secretary General to Iran to participate.

/ Mr. Hurd asked

Mr. Hurd asked about Iraq and Gulf cooperation. Prince Saud said that the future depended on the Iraqis. But their party system was an obstacle to their involvement with the Gulf countries. The Saudis were pleased with the solid progress being made in Gulf cooperation.

Mr. Hurd said that he wished to raise one bilateral point. This related to the dissolution of the Arab Organisation for Industrialisation which had left one British company, Westlands, with a substantial remaining problem about which they were still disappointed. We had urged Westlands to look to the future and we believed that they accepted this. But it would be a great help if Prince Sultan would agree to see Lord Aldington, the Chairman of Westlands, as had been earlier requested. There had been no response to this request. Prince Saud undertook to talk to Prince Sultan about this. He knew that there was a problem for the Saudis in looking at any single issue involved before there was an overall settlement to the AOI question.

Prince Saud asked after Lord Carrington and said that he was looking forward to <sup>Lord Carrington's</sup> role in the Presidency of the EC. Mr. Hurd stressed that the Presidency itself, as with the Arab League, did not automatically confer any additional power. Prince Saud said that nevertheless he expected much of Lord Carrington. He joked that if he did not solve the Palestinian question as he had done the Rhodesian, this would be an act of racism! Mr. Hurd said that in this context and that of the Ministerial Meeting of the Euro/Arab dialogue, it was very important that the Palestinians and the other Arabs should associate themselves with a peace process even if this was not Camp David. This would give Lord Carrington the ammunition he needed to try and advance the process. Prince Saud stressed that to agree to such a movement the Palestinians would first need a commitment from the US about the direction of its policy. Without such a commitment they would not be prepared to make a gesture just to obtain newspaper headlines. Sir John Graham noted that the previous December Arafat had come close to making a conditional statement. Prince Saud said that this was so but that soon afterwards the US had made a number of strongly anti-PLO statements thereby disappointing the Palestinians. Mr. Hurd said that he entirely agreed on the need to encourage an evolution in US policy.

One way to achieve this was to point out to the Americans that they could not get the strategic position which they wanted in the Middle East while the Arab/Israel problem festered. A second way was to persuade the US that the PLO was not committed to the destruction of Israel. We accepted that the Arabs could argue the reverse in relation to the Israeli Constitution but our aim should be to change the positions of both sides. We were afraid of missing what might be an opportunity to do this. Prince Saud said that all that it needed was for the US to take the Palestinians into their confidence. Mr. Gray wondered whether the US might not make a conditional statement. Prince Saud replied that the US had so far gone no further than saying that if the PLO renounced terrorism it would be willing to talk to them - but this did not amount to a commitment to a change in US policy.

Sir John Graham asked whether the PLO might not make a conditional commitment simply to a negotiated settlement. Prince Saud said that this was still putting the cart before the horse. The UK should get Arafat to come to London. Sir John Graham asked whether in this case Arafat would say what we wanted him to. Prince Saud asked why we did not try this out with Arafat.

The meeting finished at 1645.

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