



10 DOWNING STREET

3 October 1985

THE PRIME MINISTER

Dear Mr. Polynux.

Thank you very much for your letter of 27 September telling me of the feelings of the North London Area Council of the Conservative Friends of Israel about the sale of arms to Saudi Arabia and Jordan and the decision to invite a Jordanian/Palestinian delegation to London. I know that you will be coming to see me on Thursday and we can discuss these issues then. But I thought it might be helpful to your members if I were to let you have a reply to your letter in advance of that meeting.

Let me deal first with the question of arms supplies for Jordan and Saudi Arabia. And let me stress at the outset that I remain absolutely committed to Israel's right to security and measure any proposal for arms sales in the region against that yardstick. So far as Jordan is concerned, it is indeed the case that a memorandum of understanding covering the purchase of defence equipment was signed during my recent visit there. It is not the practice to reveal details of such arrangements but I can assure you that they covered the supply of a number of relatively small and uncontroversial items and did not include any significant new weapons system. I do not consider that the agreement could conceivably pose an increased threat to Israel's security.

The order placed by Saudi Arabia for the purchase of Tornado and Hawk aircraft is of course much more substantial

SM

and I considered the implications very carefully before agreeing to it. My conclusion was that it would not alter the strategic balance in the region. This assessment is shared by the United States. We have never excluded selling arms to moderate Arab countries. Indeed, we have seen this as one means of helping to sustain them in their moderate policies. Moreover, Saudi Arabia faces a number of external threats against which it needs and is entitled to defend itself.

You expressed particular concern at the decision to invite a joint Jordanian/Palestinian delegation to London. While I can understand this concern I do honestly believe it to be misplaced for the reasons set out in a letter which I wrote to Michael Fidler on my return from Jordan. I enclose a copy of that letter and I hope that you will make it available to your members.

I look forward to being able to discuss this in more detail when I see you and some of your colleagues on Thursday. In the meantime, I send my best wishes to you and to all your members.

Yours sincerely
Margaret Thatcher

E.A. Molyneux, Esq.

Charles Powell

The attached letter has come in from Eddie Molyneux who is one of those coming to see the Prime Minister on Thursday.

Do you have a draft reply which we could send to him before he comes in to see the Prime Minister, or should we simply acknowledge his letter and wait for one to be drawn up?

Either way, the Prime Minister should see this before she sees him. Would you like to deal?

TESSA
1.10.85

North London Area Council of the Conservative Friends of Israel

R1100



President: The Rt. Hon. Mrs. Margaret Thatcher MP

Vice-Presidents: The Rt. Hon Peter Thomas. QC. MP, John Gorst MP, Sydney Chapman MP,
Sir Hugh Rossi, MP, **M. Portillo MP**, John Marshall, MEP, Councillor John Bull, JP.

Please reply to:

58 Talbot Crescent,
London NW4 4HP

27th September 1985

The Rt. Hon. Margaret Thatcher, MP
The Prime Minister
10, Downing Street
London SW1A 0AA

Dear Mrs Thatcher,

As Chairman of the above Council, I am writing to you as our President as well as MP for Finchley and Friern Barnet, to express the deep concern and dismay of the members of the said Council on two points. One, the sale of arms to Saudi Arabia and Jordan, and two, the decision to invite two members of the PLO.

With the greatest respect, I cannot see how the sale of arms to two of the protagonists in the Middle East, while enforcing an embargo on the sale, not only of arms, but also of oil to the other protagonist, Israel, can aid the course of peace in the area. I would earnestly ask you, in order to maintain a balance in the Middle East and to prevent a new outbreak of hostilities, to lift the embargo. In this connection I would urge you to instruct the Foreign Office to abandon forthwith the prevailing odious system whereby the F.O. gives tacit approval of the Arab boycott by giving certification of the signatures of Notaries Public on negative certificates of origin where British commercial firms wish to trade with Arab countries. This practice is nothing less than blackmail and is eschewed by the leading E.E.C. countries and the U.S.A., in fact in the latter country, it involves offenders receiving heavy fines.

My Committee held an emergency meeting last night to discuss the whole situation. I have to tell you that we are deeply disappointed and very, very worried at the decision to invite two members of the PLO, an organisation convalidated to the destruction of the State of Israel. We have seen statements that they have "renounced violence". We have not seen a statement from them that they also admit the right of the State of Israel to exist behind secure borders and that they unequivocally accept

contd.....

Conservative Friends of Israel

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The Lord Sieff of Brimpton

Chairman: Sir Charles Johnston, TD

Treasurer: Victor Lucas

National Director: Michael Fidler, JP

National Projects Director: Sylvia Sheff, JP, BA

Parliamentary Group:

Chairman: Michael Latham, MP

Vice Chairmen: Sir John Biggs-Davison MP
Hugh Dykes, MP

Hon. Treasurer: Dr. John G. Blackburn, MP

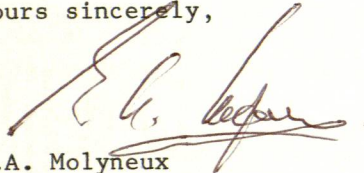
Hon. Secretary: Ivan Lawrence, QC, MP

UN Resolutions 242 and 338. Just as you refuse to discuss the sovereignty of the Falkland Islands, do you not consider this to be a prerequisite of the acceptability of any delegate? We would also like to know how many Palestinians do the two men represent? If they are not delegates for an identifiable and substantial body of opinion, then their presence would be purposeless, except as the thin edge of an unacceptable wedge.

Because of our personal connection with you, we do not wish to jump to incorrect conclusions. On the contrary, the tenor of our discussion last night indicated that our members are willing to form an unprejudiced judgment, but, of course, we can only do so when in possession of essential and hitherto unpublished facts.

Therefore before attitudes begin to harden, we would be very grateful for your reply to the above points.

Yours sincerely,

A handwritten signature in dark ink, appearing to read 'E.A. Molyneux', written over a horizontal line.

E.A. Molyneux
Chairman.

PRIME MINISTER

JORDANIAN/PALESTINIAN DELEGATION

Quite a number of letters are coming in from Jewish organisations on this subject. The attached one from Michael Fidler is the most substantial so far.

I have tried my hand at a draft reply which might serve as a basic model for further correspondence. You might also circulate it to some of your Cabinet colleagues to help them deal with Jewish organisations in their constituencies. (Sir Keith Joseph has already asked). The text has been checked by the Foreign Office.

Two further points:

- (i) I have not used the Camp David argument where it might naturally come (in paragraph 3). The Israelis did accept the right of Palestinians to choose their own representatives, but only the right of West Bank/Gaza Palestinians not the Diaspora. This rather weakens the argument, and I think it is better to use the Peres point.
- (ii) Michael Alison tells me that Peter Thomas has recommended against seeing Michael Fidler and a delegation. If you none-the-less want to offer this, you could put it in manuscript at the end.

Agree to sign attached letter?

CDP

Yes. excellent.

Charles Powell

May Day have passed

25 September 1985

Copies - we are concerned with letters.



10 DOWNING STREET

THE PRIME MINISTER

Thank you for your letter of 23 September about the decision to invite a joint Jordanian/Palestinian delegation to visit London. I am glad that you told me about the Conservative Friends of Israel's concern over the invitation. I hope my letter will show that there is no need for this.

Last February King Hussein issued a brave challenge to the Palestinians to join him in seeking a negotiated settlement of the Arab-Israel dispute and outlined a step-by-step approach to achieve this. We thought that the initiative deserved our support because it represented a genuine and courageous attempt by moderate Arab governments to move towards peace, which is of course Israel's goal also.

Peace itself will only come through direct negotiations within whatever framework is agreed between the parties. It is not for others to choose who will speak for the Palestinians in those negotiations. Indeed Mr. Peres himself has recently called for involvement in the negotiations of authentic representatives of the Palestinians. What we can do is to help and encourage those whom the Palestinians see as their representatives to take the essential steps of renouncing terrorism and of recognising Israel's right to exist. We shall never get to the negotiating table until there is a moderate Palestinian leadership which has the confidence of the majority of Palestinians and is prepared to take these steps.

The purpose of inviting a joint Jordanian/Palestinian delegation to London is precisely to help and encourage that essential transformation to take place. We want to give confidence to those among the Palestinians who support a peaceful settlement and renounce violence, and encourage them to take the practical steps necessary if peace negotiations are to start. It is not an invitation to the PLO: and it does not signify any change in our attitude to that organisation. There is no question of that. On the contrary, it is a signal of the changes which we want to see in them.

It is for that reason that the members of the joint delegation have been chosen very carefully. Two of them are leading and distinguished members of Jordan's own government. The two Palestinian members, Bishop Khoury and former Mayor Milhem, have been chosen because they personally support a peaceful settlement and are opposed to terrorism and violence and are prepared to say so publicly when they come to London. They will be coming in their own right as individuals. I recall mentioning their names at my last meeting with the Conservative Friends of Israel, without any contradiction, as examples of moderate Palestinians with whom contact should be encouraged. Both are well known to Western governments: Mr. Milhem for instance has met Secretary of State Shultz as well as Richard Luce. The very fact that both of them have been threatened with death since being invited to London only underlines the importance of sustaining those among the Palestinians who are genuinely prepared to use peaceful means and say so publicly. So too do the vicious and despicable attacks which have just been made on an Israel-registered yacht and the British Airways office in Rome.

Of course I cannot guarantee that such a meeting will advance the peace process. But I do very strongly believe that we shall not get progress unless all concerned are ready to take risks for peace. We are taking the risk of this meeting in the hope that those who speak for the Palestinians will in turn be persuaded to take the risk of jettisoning the

tactics and the methods which have for too long been an obstacle to peace.

You may like to bring my letter to the attention of your members.

Michael Alison will contact you separately about my programme for Blackpool.

Michael Fidler, Esq., J.P.



10 DOWNING STREET

THE PRIME MINISTER

26th September 1985

Dear Michael,

Thank you for your letter of 23 September about the decision to invite a joint Jordanian/Palestinian delegation to visit London. I am glad that you told me about the Conservative Friends of Israel's concern over the invitation. I hope my letter will show that there is no need for this.

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Michael Alison will contact you separately about my programme for Blackpool.

Yours sincerely
Raymond

Michael Fidler, Esq., J.P.

Conservative Friends of Israel

45B Westbourne Terrace, London W2 3UR, England Telephone 01-262 2493



cc. *Charles Lower*

The Rt. Hon. Margaret Thatcher, MP
The Prime Minister,
10 Downing Street
London SW1A 0AA

23rd September 1985.

1204

My Dear Margaret

I cannot adequately describe the tremendous concern which is being expressed to me by CFI members throughout the U.K. following the announcement that you have sanctioned an invitation to two Executive Members of the PLO, the international terrorist organisation, to come to London and to meet with our Foreign Secretary Sir Geoffrey Howe.

We would, of course, have welcomed the formation of a Delegation to represent the Jordanian Government together with two representatives of Palestinians who live in Judea and Samaria (the West Bank) and are in no way connected with the PLO. We felt sure, however, by your many public statements, that there would never come a time when you would have agreed to invite any representatives of an infamous international terrorist group or indeed any terrorist group - to come to London to meet a senior Minister of H.M. Government. In the past contacts between any Government representatives and the PLO have been at a very low level indeed.

I enclose herewith copy of an editorial which appeared in today's issue of the "Daily Telegraph" which speaks for itself. I also enclose copy of an editorial which appeared in "The Sun".

CFI members are really deeply distressed as well as dismayed. We simply cannot understand why, in view of your well known attitude towards terrorists, you have apparently authorised this invitation. Even though you say that the invitation does not represent recognition of the PLO it is thought to be so by most people. The Government of the U.S.A. have of course refused to meet such a delegation.

We hope that it is not too late for second thoughts to be implemented, and that in fact no invitation will be issued.

It is not so long ago that a Top Leadership Delegation from our CFI Parliamentary Group had the privilege of calling on you and discussing British-Israel relations. During that interview reference was made to this matter of the PLO, and its non-acceptability. So strongly do we feel now that I am writing to ask you to be kind enough to meet another CFI Parliamentary Delegation so that we can discuss this distressing matter with you in more detail.

So deep is the concern felt that I wonder whether you would consider taking advantage of the opportunity afforded by our forthcoming CFI Top Leadership Lunch in Blackpool on Thursday 10th October in the Imperial Hotel. We have already sent you an

Cont....

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National Director: Michael Fidler, JP

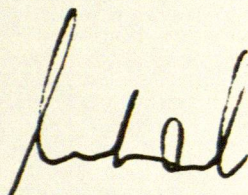
invitation to be present at the Lunch, and understand why you have not so far been able to indicate your ability to accept or not. However, in view of developments during the last few days this might be an ideal opportunity for you to come along to our Lunch, as our Guest of Honour, and make a "balancing" speech which might do much to achieve the same kind of atmosphere as was achieved by Sir Geoffrey Howe when he came to our similar Lunch last October in Brighton and also made a speech which was very well received in Israel - just prior to his departure for his official visit to Israel.

I do hope this idea commends itself to you. If you cannot be with us for the whole of the Lunch perhaps you could spare twenty minutes to be with us, during which time you could formally toast "The State of Israel" and then make the "balancing" speech to which I refer above.

Looking forward to your reply and with kindest regards,

I am,

Yours very sincerely,



Michael Fidler, JP
National Director.

Daily Telegraph

No. 40,515. LONDON, MONDAY, SEPTEMBER 23, 1985

Printed in LONDON and MANCHESTER

HOW LONG A SPOON?

MRS THATCHER'S Middle Eastern peregrinations have been noteworthy for an unusual, perhaps unique, combination of roles which would generally be considered incompatible, arms saleswoman and peace-maker. Her arms salesmanship has been successful. It is widely feared that her peace-making efforts will have proven counter-productive. The invitation to two leading members of the Palestine Liberation Organisation is not only an affront to Israel and the American Government—both of whom can fight their own battles—but has wider implications for the Western Alliance and the fight against international terrorism.

The Prime Minister set out for the Middle East determined to take an initiative for peace in this vexed and complex scene, where political minefields abound. She is on record as stating that Bishop FIJAJE PL-KHOURY and MOHAMMED MILHEM, the two PLO leaders who are to be received by the British Foreign Secretary, "support a peaceful settlement on the basis of the relevant United Nations resolution and are opposed to terrorism and violence." She will no doubt have accepted this in good faith from her advisers. Unfortunately, it does not fit known facts, barring some last moment reversal of these two personalities' stated views. Both have gone on record recently in favour of "armed struggle," denying that there can be any peaceful solution of the Palestine problem—which for them means the extinction of Israel—though both recognise political and diplomatic activity as a necessary auxiliary.

Both men are long-standing members of the PLO's highest bodies. The PLO is a terrorist organisation *ab initio*, closely aligned with Moscow—even to the extent of supporting the Soviet invasion of Afghanistan—and has served as a link between Moscow and other terrorist organisations including the IRA, the German Red Army Faction, the Armenians and Latin-American groups. True, neither the bishop nor Mr MILHEM have personally thrown bombs, but then neither has YASSER ARAFAT, for all his battle gear and pistol. Were Mrs THATCHER to write IRA for PLO and Sinn Fein for Palestine National Council, she could hardly have been pleased with arrangements which gave their spokesmen legitimation. Neither will the Americans, who will once again feel that their European allies are eroding their position, as they have done before in the Middle East and Latin America. This could not have been what Mrs THATCHER of all people intended.

By JAMES HAMILTON

THE SUN

Monday, September 23, 1985

18p

TODAY'S TV: PAGE 12

THE SUN SAYS

Not welcome

MARGARET Thatcher should not have invited two leaders of the Palestine Liberation Organisation to London.

She is genuinely anxious to promote a peace settlement in the Middle East. And the two men have specifically renounced violence.

But they are linked to an organisation that lives by the gun and the bomb.

In Ulster, members of Sinn Fein have also dissociated themselves from acts of terror. Yet they stand ready to profit from IRA murders.

What would be the Prime Minister's reaction if President Reagan spread out the red carpet for Sinn Fein?

The invitation to two members of a terrorist organisation to come to London is distasteful and should be cancelled.