



10 DOWNING STREET

From the Private Secretary

3 October 1985

Dear Peter,

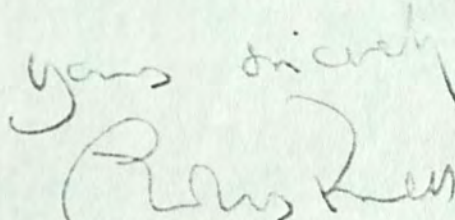
PRIME MINISTER'S MEETING WITH THE CONSERVATIVE  
FRIENDS OF ISRAEL

The Prime Minister had a meeting this evening with a delegation from the Conservative Friends of Israel. I enclose a list of those who took part. The delegation made clear their unhappiness with the decision to invite a joint Jordanian/Palestinian delegation, including two prominent members of the PLO's Executive Committee, to London. They were in particular suspicious as to whether the two Palestinian representatives would in fact make the promised statement. They quoted recent statements by Mr. Milhem declining to renounce violence and claiming that the British Government's invitation to the Joint Delegation was a significant step towards recognition of the PLO. If the two were equivocal in their renunciation of terrorism and recognition of Israel's right to exist, the Prime Minister would be put in a very invidious position. They suggested that the promised statement should be made prior to Mr. Milhem and Bishop Khoury's departure for the United Kingdom and be a precondition for their being received here.

The Prime Minister said that she did not think it would be feasible to impose such a precondition. To do so, would only increase the danger which Mr. Milhem and Bishop Khoury already faced. We had an undertaking from King Hussein that they would make a clear statement of their commitment to a peaceful settlement in accordance with the relevant UN resolutions and of their renunciation of terrorism. She had to rely on the good faith of the Jordanian government in this and on the fact that the text which she had used at her press conference in Aqaba to announce the invitation had been cleared by the Jordanian Prime Minister with Mayor Milhem. She agreed that if the proposed statement was, after all, unsatisfactory, the Government would be in a difficult position. In the circumstances she did not think she could do other than make clear our view that the statement was inadequate and that our support for King Hussein's initiative and for contacts

with moderate Palestinians would be affected.

The members of the delegation said that it would be very helpful in dealing with members of the Jewish community if the Prime Minister were to send them a further letter confirming that the Government's attitude to the PLO as such had not changed and repeating her view that the PLO could not be involved in peace negotiations until it renounced terrorism and accepted Israel's right to exist. The Prime Minister undertook to write in this sense and I should be grateful if you could let me have a draft which goes as far as possible in the direction desired.

Yours sincerely  
  
(C.D. Powell)

Peter Ricketts, Esq.,  
Foreign and Commonwealth Office

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10 DOWNING STREET

THE PRIME MINISTER

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

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.

E.A. Molyneux, Esq.

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MIPT SECURITY COUNCIL: ISRAELI ATTACK ON TUNISIA.

1. THE FOLLOWING IS THE TEXT OF MY STATEMENT IN THE COUNCIL TODAY  
2 OCTOBER:

MR PRESIDENT,

THIS IS A DISTINGUISHED BODY BUT YOU BRING ADDED DISTINCTION  
TO IT. THOUGH YOU DID NOT BEGIN AS A CAREER DIPLOMAT YOU HAVE  
NEVERTHELESS HAD A WEALTH OF DIPLOMATIC EXPERIENCE MOSTLY AT THE  
HIGHEST LEVELS WHICH FEW DIPLOMATS POSSESS. WE SHOULD ALL BENEFIT  
FROM YOUR WISDOM.

IT WAS WITH DEEP CONCERN THAT MY DELEGATION HEARD THE NEWS  
OF THE ATTACK CARRIED OUT BY THE ISRAELI AIRFORCE IN TUNISIAN  
TERRITORY ON 1 OCTOBER. WE LISTENED, WITH ATTENTION AND SYMPATHY  
TO THE CHARACTERISTICALLY RESTRAINED STATEMENT BY THE  
DISTINGUISHED FOREIGN MINISTER OF TUNISIA. WE HAVE ALSO TAKEN  
CAREFUL NOTE OF THE PUBLIC STATEMENTS MADE BY THE ISRAELI  
GOVERNMENT IN EXPLANATION OF THEIR ACTION, INCLUDING THE  
ELOQUENT STATEMENT JUST MADE BY THE DISTINGUISHED AMBASSADOR  
OF ISRAEL. WE HAVE STUDIED THE FACTS OF THE CASE AS THEY  
HAVE BECOME WIDELY KNOWN. IN SUM, THERE CAN BE NO QUESTION BUT  
THAT THE RAID CONSTITUTES A SERIOUS VIOLATION OF TUNISIAN  
SOVEREIGNTY: AND THAT THIS HAS BEEN THE CAUSE OF THE UNDISCRIMINATE  
KILLING AND WOUNDING OF MANY INNOCENT CIVILIANS.

THE UNITED KINGDOM HAS FOR MAY YEARS ENJOYED EXCELLENT AND  
FRIENDLY RELATIONS WITH TUNISIA. IT IS ESPECIALLY SAD THAT THIS  
ACT OF VIOLENCE SHOULD HAVE BEEN DIRECTED AGAINST A COUNTRY KNOWN  
FOR ITS PEACEFUL AND MODERATE STANCE IN INTERNATIONAL RELATIONS,  
AND ONE WHICH HAS CONSISTENTLY PLAYED AN IMPORTANT AND CONSTRUCTIVE  
PART IN THE HISTORY OF THIS ORGANISATION FROM THE EARLIEST YEARS.  
TUNISIA DESERVES THE SUPPORT AND SOLIDARITY OF THE ENTIRE  
INTERNATIONAL COMMUNITY IN THE FACE OF THE VIOLATION OF HER  
SOVEREIGNTY. MY GOVERNMENT OFFERS THIS WHOLE-HEARTEDLY. WE ALSO  
OFFER OUR DEEP SYMPATHY TO THE GOVERNMENT AND PEOPLE OF TUNISIA,  
WHO HAVE BEEN THE VICTIMS OF THIS OUTRAGE, AND TO THE FAMILIES  
OF THOSE, BOTH TUNISIAN AND PALESTINIAN, WHO HAVE BEEN KILLED OR  
WOUNDED IN THE RAID.

THE BRITISH FOREIGN SECRETARY, IN A STATEMENT YESTERDAY, EXPRESSED  
HIS UNDERSTANDING FOR THE DEEP FEELINGS OF REVULSION AND ANGER  
IN ISRAEL AT RECENT TERRORIST ATTACKS. THE UNITED KINGDOM'S  
ABHORRENCE OF INTERNATIONAL TERRORISM IS WELL KNOWN. MY  
GOVERNMENT CONDEMNS ANY TERRORIST ACT ANYWHERE IN THE WORLD BY

/ WHOMSOEVER

WHOMSOEVER COMMITTED. BUT MY DELEGATION CANNOT ACCEPT AS VALID THE REASONS PUT FORWARD BY THE GOVERNMENT OF ISRAEL FOR THEIR ACTION. MEMBER STATES OF THE UNITED NATIONS, IN ACCORDANCE WITH ARTICLE 2 OF THE CHARTER, COMMIT THEMSELVES TO SETTLE THEIR INTERNATIONAL DISPUTES BY PEACEFUL MEANS. ARBITRARY AND DISPROPORTIONATE VIOLENCE OF THIS SORT EVEN IN RETALIATION IS IN CLEAR BREACH OF THIS OBLIGATION. WE ARE MOREOVER NOT SATISFIED THAT THE ACCUSATIONS LEVELLED AGAINST THE PLO CONCERNING THE DEPLORABLE MURDER OF THREE ISRAELI CITIZENS IN CYPRUS ON 25 SEPTEMBER ARE VALID. WE TAKE NOTE OF THE STATEMENT ISSUED IN NICOSIA THAT DAY BY THE PALESTINE LIBERATION ORGANISATION WHICH EXPLICITLY DENIED INVOLVEMENT AND CONDEMNED THE ACTION. BUT EVEN IF THERE HAD BEEN DEMONSTRABLE RESPONSIBILITY BY THE PLO, THIS WOULD NOT HAVE JUSTIFIED THE RETALIATION TAKEN AGAINST TUNISIA ON 1 OCTOBER.

IN A STATEMENT ISSUED YESTERDAY THE FOREIGN MINISTERS OF THE TEN, AND OF SPAIN AND PORTUGAL, MEETING IN THE FRAMEWORK OF EUROPEAN POLITICAL COOPERATION, STRONGLY CONDEMNED THE BOMBARDMENT, BY THE ISRAELI AIRFORCE, OF THE HEADQUARTERS OF THE PLO, IN TUNIS, WHICH HAS VIOLATED THE SOVEREIGNTY OF A FRIENDLY, PEACEFUL AND MODERATE COUNTRY AND CONSTITUTES A FURTHER ELEMENT IN THE CYCLE OF VIOLENCE AND COUNTER-VIOLENCE IN THE NEAR EAST. WHILE CONDEMNING EQUALLY THE ACTS OF TERRORISM COMMITTED AGAINST ISRAELI CITIZENS, THE MINISTERS WERE OF THE OPINION THAT THESE DID NOT JUSTIFY SUCH AN ACTION.

THE FOREIGN MINISTERS OF THE TEN AND OF SPAIN AND PORTUGAL WENT ON TO EXPRESS THE HOPE THAT THIS NEW ESCALATION OF VIOLENCE WILL NOT ENDANGER THE EFFORTS NOW BEING MADE WHICH AIM TO BRING A PEACEFUL SOLUTION TO THE ARAB/ISRAELI CONFLICT. THIS IS INDEED AN IMPORTANT POINT WITH POTENTIAL LONG TERM CONSEQUENCES. THIS YEAR HOPES HAVE BEEN RAISED BY FIRST STEPS TOWARDS NEGOTIATION ESSENTIAL FOR THE SOLUTION OF THE LONG-STANDING AND BITTER ISSUES RAISED BY THE DISPUTE. MY GOVERNMENT FROM THE START DECLARED ITS WARM SUPPORT FOR HIS MAJESTY KING HUSSEIN'S COURAGEOUS INITIATIVE, TOGETHER WITH THE CHAIRMAN OF THE PALESTINE LIBERATION ORGANISATION, MR YASIR ARAFAT, IN PROPOSING A PATH TOWARDS SUCH NEGOTIATIONS. IT WAS IN THE HOPE OF ENCOURAGING THIS PROCESS, WHICH HAS ALREADY BEEN DELAYED DANGEROUSLY LONG, THAT THE BRITISH PRIME MINISTER ANNOUNCED IN AQABA ON 20 SEPTEMBER AN INVITATION TO TWO DISTINGUISHED REPRESENTATIVES OF THE PLO EXECUTIVE COMMITTEE TO VISIT LONDON FOR A MEETING WITH THE BRITISH FOREIGN SECRETARY.

AS THE BRITISH FOREIGN SECRETARY, SIR GEOFFREY HOWE, SAID IN HIS STATEMENT YESTERDAY, THE URGENT NEED IS TO BREAK THE CYCLE OF VIOLENCE. MY DELEGATION URGES ALL THOSE WHO SUPPORT EFFORTS TO RESOLVE THE ARAB/ISRAELI DISPUTE IN A PEACEFUL AND JUST MANNER NOT

TO BE DETERRED BY THIS LATEST CHAPTER IN THE UNHAPPY HISTORY  
OF VIOLENT REPRISAL. WE CALL UPON THE ISRAELI GOVERNMENT,  
AND ALL THE PARTIES CONCERNED, TO REAFFIRM THEIR COMMITMENT TO  
SEEKING A PEACEFUL SOLUTION, AND TO ABSTAIN COMPLETELY FROM  
VIOLENT AND PROVOCATIVE ACTIONS WHICH IMPERIL THIS OBJECTIVE.

THOMSON

YYYY

FCO PLEASE PASS WASHINGTON

(REPEATED AS REQUESTED)

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MR DEREK THOMAS  
MR GOODALL  
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MR SAMUEL

ADDITIONAL DISTRIBUTION

ARAB/ISRAEL

PRIME MINISTERMEETING WITH CONSERVATIVE FRIENDS OF ISRAEL

I attach a list of those who are coming.

You are very familiar with all the arguments. The folder has your letters to Michael Fidler and to Mr. Molyneux (both of whom are on the delegation).

When you last saw a delegation in June you said (in my note of the meeting): "Our own attitude to a joint delegation remained to be settled .... there was no question of our seeing the sort of PLO representatives who were likely to go to France and Italy .... but there were now members of the PLO's Executive Committee who, at least on a personal basis, met the conditions of renouncing terrorism and recognising Israel's right to exist".

You will want to mention the Israeli raid on Tunis.

CDP

CHARLES POWELL

2 October 1985



PRIME MINISTER

MEETING WITH ISRAELI/JEWISH CORRESPONDENTS

Mr. Murray's note describes the arrangements. The main issues are likely to be as follows:

- Invitation to a joint Jordanian/Palestinian delegation. The arguments are set out in your letter to Mr. Fidler (which the correspondents will have seen) of which I attach a copy. You may be challenged with the assertion that both Milhem and Khoury have made statements in support of armed struggle. We can't monitor every word they say and one has to lay off a bit for traditional Palestinian rhetoric. The fact is that Milhem and Khoury are trying to move the PLO into the path of peaceful negotiation and have called for a peaceful settlement. They have committed themselves (through the Jordanians) to make this clear when they come to London. We look to them to honour their promise. You may also be challenged with the argument: if you are ready to talk to the PLO, why not the IRA? We are not of course going to talk to the PLO, only to two individual Palestinians who will be members of a joint delegation. There is no question of our having dealings with terrorists. The fact is that the PLO are widely regarded by most Palestinians as their spokesmen, and we cannot absolutely refuse any contact with people associated with them provided they are individuals who renounce terrorism and violence.
  
- Arms sales to Jordan. We don't announce details. But the Memorandum of Understanding signed during your visit covered a number of small items, and did not include any significant new weapons system. It

does not pose any conceivable threat to Israel's security.

- Tornado. You are absolutely committed to Israel's right to security and regard this as the yardstick against which you judge requests for arms by countries in the area. You recognise Israel's concern about Tornado and reflected very carefully before agreeing to the sale. You concluded that it would not affect the strategic balance in the region and were interested to see that the Americans share this assessment. Moderate Arab governments are entitled to our support and to be able to acquire arms for their defence (otherwise they may turn to the Soviet Union). Saudi Arabia faces a number of external threats, against which it must be able to defend itself. If you are asked about the possibility that the Tornados might be made available to other countries, you could say that certificates covering the non-transfer of the aircraft to third countries will be part of the final contract. You will want to reject any parallel with Israeli arms sales to Argentina. Saudi Arabia has not recently invaded Israel's territory nor is she remotely likely to do so.
  
- 'Embargo' on arms sales to Israel. We imposed restrictions at the time of Israel's invasion of South Lebanon but are always prepared to consider requests on a case by case basis. (The fact is that the Israelis don't want British arms).
  
- Peres' Visit. You are looking forward to this and are determined to make it a success. You hope to go to Israel, if the invitation is confirmed, in the first half of next year.

/- Peace

- Peace negotiations. We agree that there will have to be direct negotiations, but in a framework to be agreed.

C D P

CHARLES POWELL

27 September 1985

P.S. There is an allegation in the Israeli press that Khoury was expelled from the West Bank for arms smuggling.

The facts are that he was suspected by Israel in 1969 of arms smuggling and expelled. But he was never tried & no case was proven.

C D P

LOZAN

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MILHEM, Muhammad Hassan Abdul Rahman

Mayor of Halhoul (in Exile). - PLO Executive Committee member.

Born 1929 in Halhoul. Muslim. Now lives in Amman.

After studying in Jerusalem and Beirut he taught in Hebron, Saudi Arabia and Halhoul a small town near Hebron, in an area which has always been a flashpoint between settlers and the Arab population. He was elected Mayor in 1976. A Palestinian nationalist, who took a robust line vis-a-vis the Israeli Government on municipal affairs.

An intelligent man, he has frequently, in the past, found himself acting as spokesman for West Bank Mayors. This, however, is the result of his command of the English language and his skill in presenting a case; his qualities of leadership remain largely untested.

In 1980 following an armed attack on Jewish settlers in Hebron, Milhem and the Mayor of Hebron were accused of incitement (not actual involvement in the incident or its planning) and were deported. When he addressed the Security Council on 20 May 1980 immediately after his expulsion, he said that he was not committed to war or violence. His highly articulate interviews with the media made him a particular target for Israeli sanctions.

A frequent traveller in the West when in London has held talks with Ministers (Mr Luce 21 May 1984). He also met US Secretary of State George Shultz in Washington in November 1983. Elected to PLO Executive Committee (as an "Independent") in November 1984 with responsibility for Education.

We have no record of his ever having any military responsibilities. In July 1985: in an interview with 'Al Fajr' (a Jerusalem Weekly). He said "armed resistance" was an option and was sceptical about prospects of Jordan/PLO Agreement. Attended Liberal Party Conference (September 1985).

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KHOURY, Bishop Elia

Member of the PLO Executive Committee.

Assistant (Anglican) Bishop in Amman of the Diocese of Jerusalem. Head of the Anglican Church in Ramallah until deported by the Israelis in 1969 for alleged complicity in obtaining materials for bombings in Tel Aviv and Jerusalem. Khoury denied any conscious association with terrorism; he was neither charged nor sentenced. Served on the PLO Executive Committee 1974-77, having been elected in absentia. At the time he said that the PLO wanted to tell the West that Palestinian question was a Christian-Moslem cause. Does not appear to have been particularly active or outspoken. Re-elected at the Amman PNC November 1984.

Currently Director of the Ahlia Girls School in Amman. While in the West Bank had the reputation of being an outspoken Palestinian nationalist. Married to the sister of Kamal Nasser, former PLO spokesman murdered in 1973.

Was invited to visit UK by the Church Missionary Society in October 1984 but declined because of his wife's illness. He visited UK the following month under Arab League auspices for a 'Palestine Week'.

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