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TELNO 338

OF 200800Z MAY 86

INFO PRIORITY AMMAN, TEL AVIV, WASHINGTON

INFO ROUTINE DAMASCUS, JERUSALEM, RIYADH, UKHIS NEW YORK

MY TELNO 331: EGYPT/MIDDLE EAST

SUMMARY

1. THE EGYPTIAN FOREIGN MINISTER HOPES THAT, WHEN MRS THATCHER VISITS ISRAEL, SHE WILL REFER PUBLICLY AS WELL AS PRIVATELY TO THE NEED FOR THE PALESTINIANS TO BE GIVEN THE RIGHT TO SELF-DETERMINATION, WITHIN A CONFEDERATION WITH JORDAN, AND EXPRESS HER SUPPORT FOR THE HUSSEIN/ARAFAT AGREEMENT OF FEBRUARY 1985. MAGHD EMPHASISES THAT EGYPT IS NOT RESPONSIBLE FOR THE FAILURE SO FAR TO REACH AGREEMENT WITH ISRAEL OVER TABA. HE ALSO EXPRESSES DOUBTS ABOUT KING HUSSEIN'S EFFORTS TO BRING ABOUT A RECONCILIATION BETWEEN SYRIA ON THE ONE HAND AND IRAQ AND EGYPT ON THE OTHER. MEANWHILE, HE REITERATES EGYPT'S DISAPPOINTMENT OVER THE RESULTS OF THE TOKYO SUMMIT FOR THE THIRD WORLD. ON TERRORISM, HE SUGGESTS THERE SHOULD BE CONTACT BETWEEN OUR TWO MISSIONS IN NEW YORK.

*[At your  
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reference]*

DETAIL

2. WHEN HE CALLED ON THE EGYPTIAN FOREIGN MINISTER ON 19 MAY, HE CONFIRMED THAT PRESIDENT MUBARAK WOULD BE SENDING A FORMAL REPLY TO THE PRIME MINISTER'S MESSAGE BEFORE MRS THATCHER LEFT FOR ISRAEL. MAGHD SAID THAT THE SITUATION IN THE MIDDLE EAST WAS DETERIORATING AND, IF THERE WAS NO SIGN OF MOVEMENT TOWARDS PEACE, COULD BECOME VERY DANGEROUS. MRS THATCHER'S VISIT TO ISRAEL CAME AT AN IMPORTANT TIME. HE HOPED THAT, BOTH PUBLICLY AND IN HER PRIVATE DISCUSSIONS WITH PERES, SHE WOULD STRESS THE NEED TO WORK FOR A SETTLEMENT WHICH INCLUDED THE RIGHT OF SELF-DETERMINATION FOR THE PALESTINIANS, WITHIN A CONFEDERATION WITH JORDAN.

3. MAGHD HOPED THAT MRS THATCHER WOULD ALSO FIND IT POSSIBLE TO EXPRESS HER SUPPORT FOR THE JORDANIAN/PALESTINIAN AGREEMENT OF FEBRUARY 1985. DESPITE THE CURRENT DIFFICULTIES BETWEEN KING HUSSEIN AND ARAFAT, EGYPT BELIEVED IT WAS IMPORTANT TO KEEP THIS AGREEMENT ALIVE. AS A FRIEND, HE WOULD LIKE TO TELL US THAT IT WAS NOT IN THE INTERESTS OF THE UK TO SUPPORT KING HUSSEIN 100 PER CENT AGAINST THE PLO: BY DOING SO, WE WERE ALIENATING OPINION IN THE WEST BANK AND GAZA, WHERE THE PLO ENJOYED WIDESPREAD SUPPORT. MAGHD'S ADVICE WAS THAT WE SHOULD NOT TAKE SIDES BETWEEN THE KING AND ARAFAT, BUT CONCENTRATE ON HELPING TO BRING THE TWO OF THEM TOGETHER SO THAT EVENTUALLY THEY WOULD BE ABLE TO SORT AT

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THE CONFERENCE TABLE WITH ALL THE OTHER PARTIES CONCERNED. WHEN ASKED WHETHER THE EGYPTIANS HAD DETECTED ANY CHANGE IN KING HUSSEIN'S ATTITUDE TOWARDS ARAFAT, MAGHD (WHO ACCOMPANIED MUBARAK ON HIS RECENT VISIT TO AQABA) REPLIED THAT THE KING HAD SAID HE HAD NO OBJECTION TO EGYPTIAN EFFORTS TO EFFECT A RECONCILIATION, ALTHOUGH HE WAS SCEPTICAL OF THEIR CHANCES OF SUCCESS.

#### TABA

4. MAGHD SPOKE ON FAMILIAR LINES ABOUT THE TABA ISSUE (SEE MY TELNOS 320 AND 329). THE TASK OF THE ARBITRATORS WAS NOT TO GO INTO THE WIDER QUESTIONS, BUT SIMPLY TO CONFIRM WHERE THE INTERNATIONAL BOUNDARY LINE LAY. ONCE THIS MANDATE WAS ACCEPTED, EGYPT WAS READY TO SIGN THE ARBITRATION DOCUMENT IMMEDIATELY. IT WAS NONSENSE TO SUGGEST, AS THE ISRAELIS WERE ALLEGING, THAT EGYPT DID NOT WANT TO REACH AGREEMENT WITH ISRAEL OVER TABA AND WAS GIVING HIGHER PRIORITY TO RELATIONS WITH OTHER ARAB STATES. MUBARAK WAS NOT THE SORT OF MAN TO BE INTIMIDATED AND, IF THIS HAD BEEN HIS AIM, HE WOULD NOT HAVE UPHELD THE CAMP DAVID AGREEMENTS. AS SOON AS THE MANDATE OF THE ARBITRATION PANEL WAS AGREED, THE EGYPTIAN AMBASSADOR WOULD RETURN TO TEL AVIV AND ONE OF HIS FIRST TASKS WOULD BE TO DISCUSS ARRANGEMENTS FOR A PERES/MUBARAK MEETING. THE EGYPTIANS SHARED PERES' WISH THAT THIS MEETING SHOULD TAKE PLACE WITH HIM, BEFORE ROTATION: BUT THEY COULD NOT SACRIFICE THEIR POSITION OVER TABA AND BE SEEN TO BE RELINQUISHING PART OF EGYPT'S NATIONAL TERRITORY IN ORDER TO ACHIEVE THIS.

#### GAZA

5. REFERRING TO RECENT DISCUSSIONS THEY HAD HAD WITH BOTH SHAWWA AND KING HUSSEIN ON GAZA, MAGHD SAID THE EGYPTIANS WERE READY TO DISCUSS WITH THE PEOPLE OF GAZA WHAT COULD BE DONE TO PROMOTE THEIR POLITICAL RIGHTS, AS THEY WERE WITH THE INHABITANTS OF THE WEST BANK. IT WAS IMPORTANT TO DIFFERENTIATE BETWEEN POLITICAL RIGHTS AND THE QUALITY OF LIFE: MEASURES TO IMPROVE THE QUALITY OF LIFE SHOULD NOT BE SEEN AS AN END IN THEMSELVES AND MUST BE ACCOMPANIED BY POLITICAL PROGRESS. SHAWWA HAD BEEN CAREFUL TO AVOID SPEAKING OF AUTONOMY, WHICH HAD BECOME SOMETHING OF A DIRTY WORD BECAUSE OF ITS CAMP DAVID CONNOTATIONS, AND APPEARED TO FAVOUR THE RETURN OF AN EGYPTIAN ADMINISTRATION TO GAZA. BUT THIS RAISED DIFFICULT ISSUES AND THE EGYPTIANS WOULD CERTAINLY NOT AGREE TO IT UNLESS BOTH KING HUSSEIN AND ARAFAT WERE IN FAVOUR AND A CLEAR UNDERSTANDING HAD BEEN REACHED WITH THE ISRAELIS ON ARRANGEMENTS FOR ADMINISTERING THE AREA AND THE DEGREE OF FREEDOM TO BE GRANTED TO THE INHABITANTS, PARTICULARLY WITH REGARD TO TRADE AND FOREIGN CONTACTS. WHEN THE EGYPTIANS HAD DISCUSSED GAZA WITH ARAFAT, HE HAD NOT OBJECTED TO ISRAELI WITHDRAWAL, AS THIS WOULD BE AN IMPROVEMENT ON THE PRESENT SITUATION.

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THE EGYPTIANS HAD ALSO DISCUSSED SHAWWA'S IDEAS WITH THE JORDANIANS. KING HUSSEIN HAD NOT EXPRESSED A VIEW, BUT ZAHID RIFAH HAD BEEN SCEPTICAL. THE EGYPTIANS WERE ANXIOUS TO DO NOTHING OVER GAZA WHICH WOULD UPSET OR EMBARRASS KING HUSSEIN. THEY HAD THEREFORE SUGGESTED TO SHAWWA THAT HIS NEXT STEP SHOULD BE TO GO TO AMMAN IN ORDER TO TALK THINGS OVER WITH THE JORDANIANS. MEANWHILE PERES WANTED TO PRESS AHEAD AND ~~THE EGYPTIANS WERE KEEPING~~ IN TOUCH WITH THE ISRAELIS

ON ALL THIS.

#### SYRIA/IRAQ

6. KING HUSSEIN WAS TRYING TO BRING ABOUT A RAPPROCHEMENT BETWEEN SYRIA AND IRAQ. EGYPT DID NOT BELIEVE THAT HE COULD SUCCEED, BECAUSE OF THE DEEP DIFFERENCES BETWEEN THEM. NOR DID MAGID THINK THAT THE KING COULD DO MUCH FOR SYRIAN/EGYPTIAN RELATIONS: AS MAGID HIMSELF HAD RECENTLY SAID PUBLICLY, EGYPT HAD NOTHING AGAINST THE SYRIAN PEOPLE BUT THERE WERE NO CONTACTS AT PRESENT BETWEEN EGYPT AND THE SYRIAN REGIME. MAGID THOUGHT ASAD'S POSITION WAS GROWING MORE DIFFICULT AND THAT IMPROVED RELATIONS WITH KING HUSSEIN WOULD BENEFIT HIM MUCH MORE THAN THE KING. THE EGYPTIANS HAD NO DOUBT WHATEVER ABOUT SYRIAN INVOLVEMENT IN TERRORISM: THE MAIN DIFFERENCE BETWEEN ASAD AND QADHAFI WAS THAT ASAD WAS MORE CUNNING. HIS SHREWDNESS SEEMED TO HAVE DESERTED HIM OVER THE EL-AL CASE IN LONDON, HOWEVER, AND HIS ACTIVITIES HAD BEEN EXPOSED.

#### TERRORISM

7. THE EGYPTIANS WOULD LIKE TO CONSULT WITH US ABOUT HOW TO DEAL WITH THIS DIFFICULT SUBJECT FROM WHICH THEY TOO HAD SUFFERED GREATLY. MAGID RECOGNISED THAT A PROBLEM EXISTED OVER WHAT WAS LEGITIMATE FOR LIBERATION MOVEMENTS (I.E. WITHIN THE OCCUPIED TERRITORIES), BUT BELIEVED AN AGREEMENT COULD BE REACHED WHICH TOOK ACCOUNT OF THIS. THE EGYPTIANS HAD NOT SOUGHT TO CREATE PROBLEMS WHEN THEY HAD SUGGESTED THAT THE SUBJECT SHOULD BE DISCUSSED AT THE UNITED NATIONS. ALTERNATIVE IDEAS WOULD BE WELCOME. IT WOULD BE USEFUL IF OUR TWO MISSIONS IN NEW YORK COULD DISCUSS THE MATTER FURTHER.

#### MIDDLE EAST DEVELOPMENT PLAN

8. HE SPOKE AS INSTRUCTED IN YOORTELNO 163 (NOT TO ALL). MAGID THANKED ME FOR THE INFORMATION, BUT SAID THAT HE WISHED TO CONVEY TO YOU PERSONALLY EGYPT'S DISAPPOINTMENT WITH THE OUTCOME OF THE TOKYO SUMMIT: THE RESULTS HAD BEEN VERY MEAGRE FOR THE DEVELOPING COUNTRIES. BY SUGGESTING THAT THE DEVELOPMENT PLAN SHOULD BE DISCUSSED IN TOKYO, EGYPT HAD SOUGHT TO EMPHASISE THE GRAVITY OF THE ECONOMIC PROBLEMS FACED BY A NUMBER OF MIDDLE EAST STATES AND THEIR IMPACT ON THE PEACE PROCESS. HE DID NOT UNDERESTIMATE THE IMPORTANCE OF DEALING WITH TERRORISM, BUT REGRETTED THAT THE ATTENTION PAID TO IT SEEMED TO HAVE PREVENTED DISCUSSION OF THE EVEN MORE SERIOUS

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UNDERLYING PROBLEMS WHICH CREATED THE CLIMATE IN WHICH  
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HAD OBJECTED TO DISCUSSING THE SUBJECT IN THE TOKYO FORUM.  
HE DID NOT BELIEVE THAT DISCUSSION AT, FOR EXAMPLE, THE UNITED  
NATIONS WOULD BE LIKELY TO PROVE ANY MORE EFFECTIVE. NOR  
WOULD COUNTRIES SUCH AS EGYPT FARE BETTER BY DISCUSSING THEIR  
ECONOMIC PROBLEMS WITH THE IMF OR BILATERALLY WITH THEIR  
CREDITORS WHOSE ONLY RESPONSE AT PRESENT WAS THAT THE OBLIGATIONS  
TO THEIR PARTICULAR COUNTRIES MUST BE MET, EVEN THOUGH THEY  
WERE BEYOND THE CAPACITY OF THE DEBTORS. WHEN ASKED ABOUT  
JORDANIAN VIEWS ON THE DEVELOPMENT PLAN, MAGHD SAID HE FELT  
THAT JORDAN, AND SUDAN TOO, COULD BE BROUGHT ALONG.

COMMENT

9. MUCH OF THIS IS ALREADY FAMILIAR: IT REMAINS TO BE  
SEEN WHETHER MUBARAK'S REPLY TO THE PRIME MINISTER'S LETTER  
BREAKS NEW GROUND. THE EGYPTIANS HAVE ALMOST CERTAINLY  
ALREADY GOT WIND OF THE LINE WE TOOK IN THE EC POLITICAL  
DIRECTORS MEETING ON 14/15 MAY (THE HAGUE TELNO 301) AND  
THEY ARE OBVIOUSLY DISTURBED BY SPUUR RELUCTANCE TO GO ALONG  
WITH ALL OUR OTHER EC PARTNERS IN MAINTAINING PRESIDENCY  
CONTACT WITH ARAFAT AT MINISTERIAL LEVEL (ON THE GROUNDS THAT  
THIS WOULD INTERFERE WITH KING HUSSEIN'S EFFORTS TO PUT  
PRESSURE ON THE PLO). IN TAKING THIS LINE, WE ARE WORKING  
AGAINST EGYPTIAN EFFORTS TO KEEP THE PLO SAFELY WITHIN THE  
PEACE PROCESS AND TO ACHIEVE AN EVENTUAL RECONCILIATION BETWEEN  
JORDAN AND THE PLO. THE EGYPTIANS SIMPLY DO NOT BELIEVE  
THAT JORDAN NOW ENJOYS, OR CAN EVER CREATE, SUFFICIENT SUPPORT  
AMONG THE PALESTINIANS TO BE ABLE TO GO IT ALONE WITHOUT THE  
PLO: THEY ALSO POINT TO JORDAN'S ECONOMIC AND POLITICAL  
VULNERABILITY IN MUCH THE SAME ALARMIST TERMS AS JORDANIAN  
LEADERS SPEAK OF EGYPT'S PROBLEMS. THE EGYPTIANS ARE SCEPTICAL  
ABOUT SYRIAN INTENTIONS AND PARTICULARLY ABOUT KING HUSSEIN'S  
EFFORTS TO BRIDGE THE DIFFERENCES BETWEEN SYRIA ON THE ONE  
HAND AND IRAQ AND EGYPT ON THE OTHER. THEY ALSO BELIEVE  
ASAD IS LYING OVER HIS GOVERNMENT'S INVOLVEMENT IN TERRORISM  
AND THAT HE CANNOT BE TRUSTED. MAGHD WAS CLEARLY ANXIOUS TO  
REFUTE IN ADVANCE ANY ISRAELI SUGGESTION TO THE PRIME MINISTER  
(MADE TO ME DURING MY RECENT VISIT TO ISRAEL) THAT IT WAS  
EGYPT WHICH WAS BLOCKING AN AGREEMENT OVER TABA.

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