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FM ABU DHABI 110750Z APRIL 83

TO IMMEDIATE FCO

TELEGRAM NUMBER 99 OF 11 APRIL 83

RPTD IMMEDIATE TO MEDDLE EAST POSTS (INCLUDING REYADH)

WASHINGTON , UKMIS NEW YORK , MOSCOW AND PEKING .

SAVING TO EC POSTS (FCO PSE PASS)

m

FOLLOWING FROM PRIVATE SECRETARY

SECRETARY OF STATE'S VISIT TO SAUDI ARABIA

- AT THE SECRETARY OF STATE VISITED RIYADH FROM 8 TO 10 APRIL

 AT THE INVITATION OF PRINCE SAUD, RENEWED DURING THE ARAB

 LEAGUE DELEGATION VISIT TO LONDON ON 18 MARCH. HE HAD TWO GOOD

 SESSIONS WITH SAUD, A SUBSTANTIAL TALK WITH PRINCE SULTAN

 (MINISTER OF DEFENCE) AND A LONG AUDIENCE WITH THE KING, AS WELL

 AS CALLS ON CROWN PRINCE ABDULLAH AND PRINCE NAIF (MINISTER

 OF THE INTERIOR). THE SAUDIS APPEARED TO GO OUT OF THEIR WAY

 TO BE FRIENDLY AND ACCOMMODATING AND GAVE MR PYM A WARM RECEPTION.

 THERE WAS AN IMPRESSIVE TURN-OUT OF MINISTERS AND BUSINESSMEN

 AT PRINCE SAUD'S DINNER FOR HIM. THE LONG WRANGLE OVER PLO

 INCLUSION IN THE ARAB LEAGUE DELEGATION WAS NOT MENTIONED AT ALL.

 IT WAS NOTICEABLE THAT SAUD BEGAN THE TALKS BY SAYING HOW

 SUCCESSFUL THE ARAB LEAGUE DELEGATION VISIT HAD BEEN.
- 2. THE MAIN SUBJECT IN ALL THE DISCUSSIONS WAS, PREDICTABLY, ARAB/ISRAEL. WE HAVE REPORTED SEPARATELY THE VIEWS OF FAHD AND SAUD ON THIS. THEY WERE CLEARLY ANXIOUS THAT KING HUSSEIN WAS ABOUT TO DECLARE A HALT TO HIS NEGOTIATIONS WITH THE PLO AND SAID THEY HAD BEEN ADVISING HIM AGAINST IT, BUT THE NEWS THAT HE HAD DONE SO DID NOT BREAK UNTIL AFTER OUR DEPARTURE FROM RIYADH. THE SECRETARY OF STATE DID NOT GET THE IMPRESSION THAT THE SAUDIS HAD BEEN IN THE SAME CLOSE CONTACT WITH THE PLO OVER THE CRUCIAL PERIOD. IN GENERAL THEY WERE HIGHLY CRITICAL OF WHAT THEY SEE AS THE ONE-SIDED AMERICAN ATTITUDE IN ARAB/ISRAEL AFFAIRS AND POINTED UP THE FAILURE TO GET THE ISRAELIS OUT OF LEBANON AS BEING PARTICULARLY DAMAGING TO AMERICAN CREDIBILITY. THERE WAS SOME INCLINATION TOO TO SAY THAT EUROPEAN STATEMENTS ON THE MIDDLE EAST WERE ALL VERY WELL, BUT THAT WE SHOULD BE DOING MORE TO GET THE AMERICANS TO PUT EFFECTIVE PRESSURE ON THE ISRAELIS.

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- 3. IRAN/IRAQ WAS DISCUSSED AT SOME LENGTH WITH SAUD

 (REPORTEDLY SEPARATELY) BUT THE KING DID NOT MENTION IT

 AND IN THE LIGHT OF WHAT WAS HAPPENING IN AMMAN IT WAS UNDERSTANDABLY NOT THE MAJOR PREOCCUPATION OF THE SAUDIS. SAUD'S
 ADVOCACY OF THE GCC WISH TO SEE THE SECURITY COUNCIL COUNCIL
 INVOLVED LACKED REAL CONVICTION. THERE WAS NO SIGN THAT HE

 HAD THOUGHT THROUGH THIS PROPOSAL AND LITS POSSIBLE IMPLICATIONS.
- LORD COCKFIELD AND MR LAWSON WILL BE WELCOME. ON THE SAUDISIDE, THE INVITATIONS TO ABDULLAH AND NAIF WERE RENEWED, BUT WE
 WERE UNABLE TO GET ANY COMMITMENTS OUT OF THOSE CONCERNED AS TO
 WHEN THEY MIGHT COME IN PRACTICE. AS FAR AS DEFENCE WAS
 CONCERNED THE TALK WITH SULTAN WAS CHARACTERISED BY PLAIN
 SPEAKING ON BOTH SIDES. IT WAS CLEAR THAT HE IS COMMITTED TO
 GULF STANDARDISATION ON AMERICAN EQUIPMENT AND WILL CONTINUE TO
 CAUSE US TROUBLE OVER TORNADO FOR OMAN BUT HE NEVERTHELESS
 SHOWED SOME INTEREST IN POSSIBLE PURCHASE OF BRITISH WEAPONS,
 INCLUDING CHALLENGER (SEPARATE REPORTING TELEGRAMS TO MODUK).
 THE SECRETARY OF STATE WAS ABLE TO RAISE WITH BOTH SAUD AND NAIF
 THE THREE CONSULAR CASES CAUSING US MOST CONCERN (CARMICHAEL,
 HANLEY/CLARK AND ERLICH).
- 5. ON OIL, THE SAUDIS APPEARED RELIVED THAT OPEC'S NEW MEASURES SEEMED TO BE HOLDING THE OIL MARKET STEADY AT LEAST FOR THE TIME BEING. KING FAHD DID NOT RAISE THE QUESTION: YAMANI SAID THAT THE SPOT PRICE OF ARABIAN LIGHT WAS NOW ONLY JUST BELOW THE OFFICIAL PRICE AND APPEARED GRATEFUL FOR BNOC'S CONTRIBUTION TO MARKET STABILITY.

WALKER

(REPEATED AS REQUESTED)

MIDDLE EAST ADDITIONAL DISTRIBUTION STANDARD NENAD ARAB/ISRAEL DISPUTE MAED MED ESSD NAD ERD SAD ESID UND CONS D EESD CONS EM UNIT ECD MR EGERTON WED MR THOMAS RID MR HAYES CABINET OFFICE

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