



10 DOWNING STREET

THE PRIME MINISTER

11th June 1983

FIVE OR
cc: FCO

Dear Helmut,

Thank you for your letter of 10 May about your meeting with King Fahd, and for the notes of your discussion on the Middle East and the Horn of Africa.

It was useful to have your account of King Fahd's views on the Arab/Israel problem. I, too, am very disturbed that no progress is being made towards a settlement of this problem, which remains a threat to the stability of the region as a whole. Since you wrote the Israel/Lebanon agreement has been concluded. We have welcomed this as a substantial step towards securing peace in Lebanon. It is now essential to move on to the withdrawal of all foreign forces. We are doing what we can to urge the Syrians to cooperate, despite their obvious reservations about the agreement itself.

A successful outcome in Lebanon would certainly improve the atmosphere for efforts to tackle the Arab/Israel problem. We have called for a major effort to revive President Reagan's initiative, which remains in our view the most practical starting point for negotiations. We keep in close touch with the Americans on this subject; they are well aware of our view that all concerned, including Israel, will have to compromise on their maximum demands if progress is to be made.

We were also interested to read what you had to say about the Horn. On relations between Somalia and Kenya, there does appear to be some improvement. We were not previously aware of the meeting

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between the two Presidents at Taiff, but we understand they had a reasonably good meeting at the recent Non-Aligned Conference in Delhi. The Kenyan Foreign Minister also paid a short visit to Mogadishu in May, and the Somali Minister of Finance has just paid a return visit to Kenya. So the will to improve relations seems to be there.

As Prince Turki noted in his talk with you, Somalia of course has a much more severe problem in her relations with Ethiopia over the Ogaden. There still appears to be a stalemate here, with the Ethiopians and the Somali dissidents occupying the two border towns which they overran last July. We see no immediate sign of a Somali counter-attack. But Siad Barre will, of course, be greatly exercised over this problem, and we consider it important for Saudi Arabia, as far as possible, to counsel restraint on him, especially as regards the use of the military equipment available to him. As Somalia's most important supporter among the Arabs, the Saudis are in a particularly good position to influence the regime.

I hope you enjoyed your trip to Cambridge on 9 June. I was disappointed not to be able to see you on this occasion, but look forward to meeting you again soon.

With best regards,

Yours sincerely

Margaret Thatcher

Herr Helmut Schmidt

P.S. It is most helpful to me to receive your news and notes of conversations with distinguished statesmen. I hope you will soon come to London again.



Foreign and Commonwealth Office

London SW1A 2AH

9 June 1983

*pse type in
Mrs signature*

Dear Tim,

Letter to the Prime Minister from
Herr Schmidt

Thank you for your letter of 25 May, enclosing one from Herr Schmidt to the Prime Minister. *attached.*

The notes of Herr Schmidt's discussion with King Fahd suggest that he is expecting a reply from the Prime Minister which he will then forward to the King. I therefore enclose a draft reply for signature by the Prime Minister. I am sorry that this has taken some time to put together here.

*Yours ever
J E Holmes.*

(J E Holmes)
Private Secretary

Tim Flesher Esq
10 Downing Street

DS (Revised)

DRAFT: minute/letter/teleletter/despach/note

TYPE: Draft/Final 1+

FROM:

Reference

Prime Minister

DEPARTMENT:

TEL. NO:

SECURITY CLASSIFICATION

TO:

Your Reference

- Top Secret
- Secret
- Confidential
- Restricted
- Unclassified

Herr Helmut Schmidt MdB
5300 Bonn 1
Bundeshaus

Copies to:

PRIVACY MARKING

SUBJECT:

.....In Confidence

Thank you for your letter of 10 May about your meeting with King Fahd, and for the notes of your discussion on the Middle East and the Horn of Africa.

CAVEAT.....

It was useful to have your account of King Fahd's views on the Arab/Israel problem. I, too, am very disturbed that no progress is being made towards a settlement of this problem, which remains a threat to the stability of the region as a whole. Since you wrote the Israel/Lebanon agreement has been concluded. We have welcomed this as a substantial step towards securing peace in Lebanon. It is now essential to move on to the withdrawal of all foreign forces. We are doing what we can to urge the Syrians to cooperate, despite their obvious reservations about the agreement itself.

Enclosures—flag(s).....

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With best regards.

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25 May 1983

Thank you for your letter of 25 May with which you enclosed a copy of a letter from Herr Schmidt to the Prime Minister. I attach a copy of that letter and I should be grateful for your advice on whether a reply is necessary and if so for a draft.

Timothy Flesher

Roger Bone, Esq.,
Foreign and Commonwealth Office.

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Foreign and Commonwealth Office

London SW1A 2AH

25 May 1983

John Taylor

Letter from Herr Schmidt

I enclose a letter from Herr Schmidt to the Prime Minister. It was delivered, sealed, to our Embassy in Bonn. In the circumstances, we judged it discourteous to open it, but I should be grateful for a copy if the contents are relevant to the FCO. We will provide a draft reply if necessary.

John Taylor
R B Bone

(R B Bone)
Private Secretary

A J Coles Esq
10 Downing Street



Helmut Schmidt MdB

N. F. Leslar

A.S.C. 1/6.

5300 Bonn 1
Bundeshaus

Bonn, den 10. Mai 1983

Prue Muxter:

I am obtaining
advice on a reply.

JA

28/5-

Dear Margret,

some days ago I had the privilege to meet with His Majesty, King Fahd of Saudi Arabia. Our exchange of views covered the whole range from West-East-relations to prospects of Western economic recovery and the Middle-East-situation.

With regard to one of these themes, His Majesty and I agreed that I should bring it to your attention. I, therefore, attach to this letter a translation of the respective part of my notes.

For your personal information, I add my notes concerning the situation at the Horn of Africa.

I am very sorry that due to the date of British national elections there will be no chance to see you during my stay in London and Cambridge around

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June, 9 th. Certainly, I am looking forward to a personal exchange of views at a more appropriate time this year.

With best regards and good wishes as to the outcome of elections

Yours as ever
Winston Churchill

Ihrer Exzellenz
Frau Margret Thatcher, MP
Premierminister des
Vereinigten Königreichs von
Großbritannien und Nordirland
L o n d o n

Translation

Saudi Arabia and the USA

His Majesty expressed his concerns that due to impending elections in the USA during 1984 nothing will get ahead in the Middle East. There were many sweet-sounding declarations, but no factual progress. As to PM Begin: He is under the impression that the USA wouldn't exert any pressure and that he, therefore, had no reason to give in.

His Majesty's judgement of Secretary Shultz is very positive.

Helmut Schmidt states, that with regards to PM Begin the secretary of state and the secretary of defence in Washington are acting in concert. The interlocutors agree that Helmut Schmidt will inform PM Thatcher about His Majesty's position because there is hope that she could influence President Reagan (with the objective that PM Begin observes UN-resolution 242). Helmut Schmidt will inform His Majesty about reactions from London.

Somalia/Kenia

By Crownprince Abdallah's advice during conversation Helmut Schmidt spoke to His Majesty about further aid to Somalia. From the King's and Prince Turki's (Head of Saudi Arabian intelligence service) statements results the following general impression:

Siad Barre started war in the Ogaden against the will of the Sovietunion, to which he was allied then. Consequently, the Sovietunion gave support to Ethiopia. On the other hand the West didn't assist Barre, because he was rightly believed to stand on the Soviet side. So Barre lost the war.

The USA has still not understood that Barre due to Soviet behaviour has changed sides and deserves more US-aid.

Obviously, Saudi Arabia has tried to help Barre with money, free oil, food-aid and by substantial political operations - the first three not being sufficient, the fourth coming out to be a total failure. This fourth type of aid had been the - according to Helmut Schmidt's judgement - absolutely necessary effort to make peace between Kenya and Somalia. Kenya's Arap Moi has been obviously prepared to do so; after readiness in the beginning Barre has withdrawn - obviously under domestic pressure. Not only that he declared the referendum in the disputed Kenyan territories - proposed by King Fahd - a prerequisite, he even made the transfer of territories a preliminary condition. Rightly King Fahd points at the fact, that this is totally incompatible with OAU-rules.

About two years ago Barre and Arap Moi on King Fahd's invitation met at Taiff - with the quoted negative result. This meeting was unknown up to now. The same is true of the fact, that Barre paid visit to King Fahd several times.

Saudi Arabia is prepared to give further aid to Barre because there is "no thinkable alternative" to him in Somalia. But Saudi Arabian leaders are helpless because Barre in spite of hours of consultations doesn't take advice.

According to Prince Turki's judgement Barre is facing four problems:

- 1) the war in Ogaden; refugees from the region of conflict reinforce discontent in the country;
- 2) the bad state of economy; this alone is sufficient to destabilize politically;
- 3) the conflict with Kenia;
- 4) Barre relies on his own tribe exclusively and provokes all other tribes.

Summary:

Barre is not up to his task and doesn't live up to the standard of a statesman, but there is no perceptible alternative.