10 DOWNING STREET

THE PRIME MINISTER PRIME MINISTER'S 2 January 1985

PERSONAL MESSAGE

SERIAL NO. TO1/85 a MARTIER

I should like to thank Your Majesty both for your letter dated 25 November and for the kind sentiments conveyed to me on your behalf by His Royal Highness Prince Bandar bin Sultan with whom I had a useful and wide-ranging discussion on 17 December. I too am delighted that relations between the United Kingdom and Saudi Arabia are warm and friendly. I attach the very highest importance to maintaining and improving them and I am convinced that the possibilities for co-operation between our two governments and peoples are very great indeed. I am particularly encouraged by Your Majesty's welcome assurance that British press reporting on Saudi Arabia will not be allowed to influence our bilateral relations.

Since my meeting with Prince Bandar I have travelled round the world to Peking, Hong Kong and Washington. It was a strenuous journey but an important one. I attach great value to the kind of frank personal exchanges which I was able to have. Prince Bandar mentioned your particular interest in my visit to the United States. I thought that you might find it useful therefore to have, in confidence, a brief account of my visit.

/ My talks

My talks at Camp David with President Reagan covered a very wide field. I was able to give the President my impressions of Mr. Gorbachev. Gorbachev struck me as intelligent and responsive to argument. Though he had nothing new to say he conveyed the well-known Soviet positions with clarity — and with considerable personality. I found him a formidable man.

I also discussed with the President the approach to Secretary Shultz' forthcoming meeting with Mr. Gromyko in Geneva. I believe it vital that the North Atlantic Alliance should speak with one voice on the subject of arms control, and we found a great deal of common ground. Our discussions on this topic centred on the United States' Strategic Defence Initiative. You may be interested in the text, which I attach, of my remarks on the Strategic Defence Initiative following my meeting with the President - who had agreed the four points.

The Middle East was one of the most important subjects, in my talks with President Reagan. I began by drawing attention to the moderate outcome of the Palestine National Council in Amman. I then asked the President whether he intended to take a new Middle East initiative. I said that time was short, and that such an initiative should be taken rapidly.

president Reagan replied that it was his firm intention to press ahead with his initiative. He recognised the importance of securing the co-operation of moderate Arab states, and welcomed encouraging recent developments. In particular, he looked forward

to seeing Your Majesty soon. He regretted the problems which had arisen between King Hussein and the US Congress. He stressed that his ideas were firmly based on Security Council Resolution No. 242, and that he did not wish to impose any plan on the area. But the centre of gravity remained his initiative of September 1982. The United States would stand by that initiative and work with moderate Arab governments to make progress. He also said that the Americans were making active efforts to bring about early Israeli withdrawal from Lebanon, and to improve the conditions of life of the Palestinians in the Occupied Territories.

3

I find it encouraging that President Reagan himself is so fully alerted to the need for early progress. We shall continue to do all we can to contribute to the search for peace and to promote moves towards a negotiated settlement of the Arab-Israel dispute, which has caused so much instability and human suffering.

With our earnest- and respectful good wishes to Your lajests,

Jours sirenely

angain haliter

His Majesty King Fahd bin Abdul Aziz al Saud

STATEMENT BY THE BRITISH PRIME MINISTER, THE RT HON MARGARET THATCHER MP AT HER PRESS CONFERENCE ON 22 DECEMBER 1984 AT ANDREWS AIRBASE

President Reagan and I have had a very thorough and extensive discussion of the prospects for arms control negotiations, in the course of which we also naturally touched on the Strategic Defence Initiative (SDI).

I was not surprised to discover that we see matters in very much the same light. I told the President that I had made it absolutely clear to Mr Gorbachev that there was no question of the Soviet Union being able to divide the United Kingdom from the United States on these matters. Wedge-driving is just not on.

I told the President of my firm conviction that the SDI Research Programme should go ahead. Research is of course permitted under existing US-Soviet treaties; and we of course know that the Russians already have their Research Programme, and, in the US view, have already gone beyond research.

We agreed on four specific points:

- (i) the US, and Western, aim was not to achieve superiority, but to maintain balance, taking account of Soviet developments;
- (ii) SDI-related deployment would, in view of treaty obligations, have to be a matter for negotiation;
- (iii) the overall aim is to enhance, not undercut, deterrence;
- (iv) East-West negotiation should aim to achieve security with reduced levels of offensive systems on both sides. This will be the purpose of the resumed US-Soviet negotiations on arms control, which I warmly welcome.



10 DOWNING STREET

From the Private Secretary

2 January 1985

Saudi Arabia: Tornado

Further to my letter of 31 December, I am now enclosing a signed version of the Prime Minister's message to King Fahd. I should be grateful if you would arrange for its despatch.

David Barclay

P.F. Ricketts, Esq., Foreign and Commonwealth Office.

V/N