

PRIME MINISTER

MEETING WITH DR. OSAMA AL-BAZ

Al-Baz is Mubarak's Political Adviser and the person closest to him.

The purpose of the meeting - which need only be short - was to balance your meeting with King Hussein, in the aftermath of your visit to Israel. Unfortunately he is likely to ask whether you can receive President Mubarak at the end of the month (and Field Marshal Ghazala in late June also). I fear there is little alternative, given their recent hospitality to you - though three Egyptians in a month does not make much sense.

You will want to recall to Al-Baz the main points of your visit to Israel focussing on:

a. Gaza

Do the Egyptians see a realistic prospect of making progress along the lines of Peres' "first Gaza" approach? Do they think that they can persuade King Hussein to come along with it as well?

b. Palestinians

As you know, the Egyptians still want to produce a reconciliation between King Hussein and the PLO and the Egyptian press were critical of your reference to alternative Palestinian leadership (though the Egyptian Government understand the point perfectly well). You will want to leave Al-Baz in no doubt of your firm view that the PLO cannot take a direct part in negotiations unless they renounce violence and accept 242 and 338: and that the peace process can wait indefinitely upon them. What is needed is stronger and more effective pressure on the PLO (rather than on King Hussein).

Taba

You will want to hear how President Mubarak sees the way ahead.

d. EC Presidency

You will want to disabuse him of any expectation that we shall be taking any dramatic initiative as Presidency. We shall probably plug away quietly behind the scenes.

CDP

Charles Powell

5 June 1986

JALAUG

CCB/WUP  
RE

CONFIDENTIAL

Foreign and Commonwealth Office

London SW1A 2AH

5 June 1986



Dear Charles,

Call on the Prime Minister by  
Dr Osama Al-Baz

As requested in your letter of 1 June I enclose a short brief for the call by Dr Osama Al-Baz on the Prime Minister on 6 June. I also enclose a personality note on Dr Al-Baz, who is visiting the UK in order to address the Royal College of Defence Studies. He has already called on the Foreign Secretary; the discussion covered Arab/Israel (including Taba), the Egyptian economy, and bilateral relations (I shall send you an advance copy of the reporting telegram). Immediately prior to his call on the Prime Minister Dr Al-Baz will have seen Mr Renton.

During his call on the Prime Minister, Dr Al-Baz is expected to propose that President Mubarak should pay a short visit to London at the end of June in order to discuss Arab/Israel matters (he mentioned this today to Sir Geoffrey Howe). The Prime Minister last met Mubarak during her visit to Egypt last September. Diary problems precluded his coming to London during his last visit to Europe in January. The President has now expressed a strong wish to see the Prime Minister prior to Britain's assumption of the EC Presidency. (He plans also to visit France and Romania around the same time.)

Sir Geoffrey Howe considers it important to accede to this request. The Egyptians have in the past lobbied for an EC mission to the region to promote a new Arab/Israel initiative and were disappointed that we, and a number of our partners, responded cautiously. They have also shown some sensitivity to what they claim to see as our reliance on Jordan, to the exclusion of Egypt, as our main Arab interlocuter. It would be particularly desirable in advance of the Presidency to demonstrate our readiness to maintain high level links with Egypt and get across our views on the need for continued quiet diplomacy by the Twelve.

The Prime Minister will wish to give Dr Al-Baz an account of her recent visit to Israel. The visit provides an opportunity to correct any remaining misconceptions about

/the

CONFIDENTIAL



CONFIDENTIAL

the Prime Minister's press conference in Israel (it was clear from what Dr Al-Baz said to Sir Geoffrey Howe today that the Egyptians are aware that the Prime Minister's remarks about the PLO have been misinterpreted). President Mubarak has told our Ambassador that he is pressing Arafat to accept SCRs 242 and 338, but believes that such pressure is best exerted privately.

Field Marshal Abu Ghazala, Egypt's Defence Minister and Deputy Prime Minister, also plans to visit Britain from 22-25 June at the invitation of the Defence Secretary in order to attend the British Army Equipment Exhibition. He ranks second only to the President in power and influence, his political reputation having been enhanced by his firm handling of the mutiny by security police in February. Subject to the Defence Secretary's views, the Foreign Secretary therefore hopes that, if at all possible, the Prime Minister will agree to receive the Field Marshal, preferably on 24 June. He is likely to be deeply offended if he is not received, when Dr Al-Baz has seen the Prime Minister so recently. The proposed calls would help to compensate for the absence of inward or outward political visits by Ministers since the Prime Minister's visit to Cairo. Mr Renton is planning to visit Egypt in September.

I am copying this letter to John Howe.

*John Howe*

*Robert (unc)*

(R N Culshaw)  
Private Secretary

C D Powell Esq  
PS/10 Downing Street

CONFIDENTIAL



CONFIDENTIAL

CALL ON THE PRIME MINISTER BY DR OSAMA AL-BAZ 6 JUNE 1986

POINTS TO MAKE

- Attach great importance to dialogue with Egypt on peace process and other issues, especially with forthcoming Presidency in mind.
  
- Warmly welcome opportunity to receive President Mubarak at end of June. Would be pleased to see Field Marshal Abu Ghazala during his visit.
  
- Useful visit to Israel (my message to President Mubarak). Key issues: peace process and occupied territories. Hope for progress soon at least on territories.
  
- No new proposals on wider issues. Recognise risks of continuing stalemate. Ready to help. Egyptian view of prospects?
  
- Welcome also briefing on Taba talks and your views of prospects for Arab Summit or PLO Reunification Meeting.
  
- [If raised] Middle East Regional Economic Plan: Looked into this carefully with US and Europeans. Can political obstacles be overcome? Multilateral agencies such as IMF already exist.
  
- [If raised] Mubarak proposal for conference on terrorism: in principle welcome initiatives intended to promote international cooperation. EC and Summit Seven have shown the way ahead.
  
- [If raised] Sympathy with Egypt's economic problems. UK aid will remain substantial.

CONFIDENTIAL

CALL ON THE PRIME MINISTER BY DR OSAMA AL-BAZ 5 JUNE

Essential Facts

1. The Prime Minister's letter of 29 May to President Mubarak is attached.
  
2. The Egyptian Foreign minister and media have criticised the Prime Minister's remarks at her press conference in Israel on a possible alternative to the PLO as interference in the internal affairs of the Palestinians. President Mubarak has told Sir A Urwick, that he continues to urge Arafat to accept SCRs 242 and 338, but believes that such pressure is best exerted privately.
  
3. Progress on the Taba issue remains blocked: the Egyptians insist that the arbitrator shall be asked to determine where the boundary markers actually stood, while the Israelis wish to broaden the issue to deciding where the border should be.
  
4. Richard Murphy indicated in London recently that the US was becoming resigned to the fact that a Middle East Regional Economic Plan could not attract sufficient support without a clear linkage with positive developments on Arab/Israel.
  
5. President Mubarak proposed in Strasbourg on 28 January that an international conference on terrorism should be convened to review all current international agreements in order to consolidate them. We and other EC partners are unenthusiastic about this initiative which could provoke acrimonious debate

along Arab/Israel lines. Operative para 4 of UNGA Resolution 40/61 meet the Egyptian desire to see a review and consolidation of current international agreements.

6. Al-Baz is expected to propose that Mubarak should call on Prime Minister in late June. We are recommending that the Prime Minister should receive both the President and (separately) Field Marshal Abu Ghazala, who will visit the British Army Equipment Exhibition around the same time. Mr Renton plans to visit Egypt on 24-26 September: the Egyptian MFA have welcomed this in principle.

7. Egypt's economy continues to slide with mounting foreign debt (about \$40 billion), foreign exchange difficulties (aggravated by oil price fall) and severe population pressures. Al-Baz, who is consulted by Mubarak on economic as well as international issues, is pessimistic about Prime Minister Lufti's so-far piecemeal reform efforts. Our EC Presidency is likely to see pressures for increased aid. Bilateral aid to Egypt is set to fall from 1986/87 total (£15 million) and our capital aid programme is planned to be reduced almost to zero by 1990. The Egyptians will be sensitive to any further cut in EC food aid (down last year as a result partly of UK efforts to favour more needy countries) and ECGD cover (now very restricted). Egypt wants a 100% increase in aid when EC/Mediterranean financial protocols are renegotiated later this year: in principle, its claim to a larger slice of available budgets is strong. Egypt may also have inflated expectations of new aid as a result of the UN Action Programme for Africa, agreed 1 June. During the UN Special Session, however, specific pledges were avoided.

SECRET



10 DOWNING STREET

THE PRIME MINISTER

29 May 1986

Nerad  
for favour of onward  
transmission please  
CR

Dear Mr. President:

I was most grateful for your message which I received shortly before my departure for Israel. It was very helpful to have your views and to be able to speak in full knowledge of them in my discussions with Mr. Peres.

I very much agree with you on the dangers of the present hiatus in the peace efforts. I therefore made use of my visit to discuss with Mr. Peres a number of steps which might be taken to restore momentum to that process. I emphasised that the goal must continue to be negotiations with a joint Jordanian/Palestinian delegation. I suggested that, until it was possible to resume discussion on this, it made sense to focus in particular on the prospects for practical measures to improve conditions in the Occupied Territories. I made clear that this was a prelude to and not a substitute for eventual settlement. I pointed out that Israel could not claim full democratic and human rights for its own people while denying them to others. I re-affirmed my view that the PLO would have to renounce violence and accept United Nations Security Council Resolutions 242 and 338 before it could play a direct role in the negotiating process. I also made clear my view that the right of the Palestinians to determine their own future could most effectively be pursued in the framework of some kind of

SECRET



ederation with Jordan. Throughout I laid stress on the goal of peace with security both for Israel and for its Arab neighbours.

I found Mr. Peres very willing to consider practical steps to improve conditions in the Occupied Territories. He and many others to whom I spoke clearly held the view that it did Israel no good to be an occupying power. He also showed considerable interest in the possibility of discussions with Egypt and Jordan on the future of Gaza. You are no doubt in touch with him about this. He spoke at some length about his proposals for a Middle East economic development programme which seemed to me to dovetail in some respects with your own very important proposals. He underlined, as did all Israeli Ministers to whom I spoke, his attachment to the peace treaty with Egypt and his great respect for you personally and your commitment to peace. He appeared hopeful that early progress could be made on the difficult issue of Taba and hoped that agreement on how to proceed on Taba would enable Israel and Egypt to resume discussions on broader questions of peace and security.

I did not go to Israel with any specific initiative in mind but rather to explore the Israeli Government's many views on the way ahead and establish whether there was any way in which the United Kingdom could help. No new proposals emerged from my talks. But I am encouraged by the atmosphere of Mr. Peres' positive approach towards the need for fresh peace efforts and by his desire to see concrete steps taken to improve the situation in the Occupied Territories while efforts to move towards negotiations in an international framework are, for the time being, in suspense. I am sure that we should take advantage of this atmosphere while he remains in the lead on these matters in Israel.

I also met with a delegation of Palestinians from the West Bank and Gaza. I found this very helpful in reaching a better understanding of their grievances. I was also encouraged by their readiness to seek a peaceful settlement

SECRET

- 3 -

by negotiation and to renounce terrorism. They were less forthcoming on possible interim steps to improve the situation in the Occupied Territories. The majority of them also stressed to me their common position with the leadership of the PLO.

I send you my warmest regards.

Yours sincerely  
Rangunt Thalita

---

His Excellency President Mohamed Hosni Mubarak

SECRET

CONFIDENTIAL

DR OSAMA SAYYID AL-BAZ

President's Special Adviser for Political Affairs (October 1981) and First Under Secretary, Minister of Foreign Affairs (December 1977).

Born 1937. Trained as a lawyer. After Cairo University spent spell in the Egyptian Foreign Service before seven years leave of absence studying in the US. Obtained a PhD at Harvard Law School where he became President of the Pan-Arab Student Movement. Has never served in an Egyptian mission overseas. Worked in the Arab Socialist Union's Youth Secretariat following the dismissal of the left-wing supporters of Ali Sabri in 1971. In 1973 the then Minister of Foreign Affairs brought him in as deputy head of his private office. In 1975 he was promoted Ambassador and later replaced the previous Chef de Cabinet. He accompanied Sadat to Jerusalem. His rise was meteoric: in 1977 he was in quick succession appointed one of the three Egyptian delegates to the Cairo Conference called by Sadat after his visit to Jerusalem, was named Chef de Cabinet for Political Affairs to the Vice President (Mubarak) and was promoted within the Foreign Ministry to First Under Secretary.

He played a leading role in the peace negotiations during 1978, and impressed both the Americans and Israelis by his technical competence. At Camp David he was the member of the Egyptian delegation who assisted Carter in drafting the agreements. Al-Baz has continued to play a major role in all Arab/Israel issues since Camp David, leading official-level talks on autonomy and withdrawal. He accompanied Mubarak to Britain in September 1980, and dazzled a Wilton Park conference that year with his exposition on Egypt/Israel relations. Always close to Mubarak, his influence has increased since the latter assumed the Presidency. Al-Baz appears not only to draft the President's speeches, but also to advise across the whole range of domestic and foreign policy. Al-Baz was with the President on his visit to Britain, the US and five other countries in 1982. Al-Baz speaks impeccably, if heavily American, English.

VISIT TO THE UK OF DR OSAMA AL BAZ

PROGRAMME

Wednesday 4 June

Arrival

Thursday 5 June

0900-0930

Call on Secretary of State

1245 for 1300

Lunch at RCDS

- 1415

Speech to RCDS, followed by  
questions.

1415-1630

Friday 6 June

1030-1130

Call on Mr Renton

1200-1230

Call on the Prime Minister

1500-1600

Call on Mr Ewen Fergusson

Departure

VISIT TO THE UK OF DR OSAMA AL BAZ

PROGRAMME

Wednesday 4 June

Arrival

Thursday 5 June

0900-0930

Call on Secretary of State

1245 for 1300

- 1415

Lunch at RCDS

1415-1630

Speech to RCDS, followed by  
questions.

Friday 6 June

1030-1130

Call on Mr Renton

1200-1230

Call on the Prime Minister

1500-1600

Call on Mr Ewen Fergusson

Departure



MWB    *CAF*  
*all*

OV3/875

Programme of appointments coordinated by the  
Central Office of Information for the  
Foreign and Commonwealth Office

HE Dr Osama AL-BAZ  
President Mubarak's Special Adviser for Political Affairs  
and  
First Under Secretary, Ministry of Foreign Affairs.

Cairo

EGYPT

4 - 6 June 1986

Programme Coordinator

Miss Suzanne Stanton  
Overseas Visitors and Information Studies  
Central Office of Information  
Hercules Road, London SE1 7DU

Direct Line : 01-261 8482  
Switchboard : 01-928 2345 Ext 8482

HE Dr Al-Baz will arrive in Britain independently and will be staying privately.

Thursday 5 June

SECRETARY OF STATE FOR FOREIGN AND  
COMMONWEALTH AFFAIRS  
THE ROYAL COLLEGE OF DEFENCE STUDIES

0900

Arrive at the Foreign and Commonwealth Office, SW1  
(Ambassadors' Entrance).

Received by the Rt Hon Sir Geoffrey Howe, QC, MP,  
Secretary of State for Foreign and Commonwealth  
Affairs.

0930

Leave the Foreign and Commonwealth Office.

1245

Arrive at the Royal College of Defence Studies,  
Seaford House, 37 Belgrave Square, SW1.

Met by Major-General W M E Hicks CB OBE (Retired),  
Secretary.

Lunch as guest of the College.

Host : Admiral Sir David Hallifax, KCB, KBE,  
Commandant.

1415

HE Dr Al-Baz will address members of the Royal  
College of Defence Studies.

1630

Leave Belgrave Square.

Friday 6 June

FOREIGN AND COMMONWEALTH OFFICE  
THE PRIME MINISTER  
FOREIGN AND COMMONWEALTH OFFICE

1030

Arrive at the Foreign and Commonwealth Office,  
SW1. (Ambassadors' Entrance).

Met by Mr Timothy Renton MP, Minister of State  
for Foreign and Commonwealth Affairs.

1130

Leave the Foreign and Commonwealth Office.

1200

Arrive at 10 Downing Street, SW1.

Received by The Rt Hon Margaret Thatcher, MP,  
Prime Minister.

1230

Leave Downing Street.

1500

Arrive at the Foreign and Commonwealth Office,  
SW1 (Ambassadors' Entrance).

Met by Mr Ewan Fergusson, Deputy Under-Secretary  
of State.

1600

Leave the Foreign and Commonwealth Office.