



Foreign and Commonwealth Office

London SW1A 2AH

4 February 1982

*h-a*  
*WJL 5/2*

*Dear John,*

/ I enclose four sets of briefing for the Prime Minister's talks with President Mubarak of Egypt on 6 February. The briefs have been cleared where appropriate with other Whitehall Departments. I understand that a revised version of Brief No 3 on Defence Sales will be circulated at the briefing meeting tomorrow to take account of recent developments on the warships  
/ contracts. I am also enclosing a speaking note which could form the basis of a short speech at the Chequers luncheon and a copy of Cairo telegram no 62 of 3 February which you may not have seen.

The programme and administrative plan are being distributed separately by Protocol and Conference Department.

*Yours ever,*

*John Holmes*

(J E Holmes)  
Private Secretary

A J Coles Esq  
10 Downing Street

Q: ON THE EVE OF THE EGYPTIAN PRESIDENT MUBARAK'S VISIT TO THE UK I WOULD LIKE TO ASK YOU HOW DO YOU LOOK AT RELATIONS BETWEEN UK AND EGYPT AT THE MOMENT?

I ?

*I am greatly*  
A: ~~We are~~ looking forward ~~greatly~~ to seeing President and Mrs Mubarak in Britain. This is of course not the first time they have visited us, ~~as I~~ saw Mr Mubarak when he came as Vice-President in 1980. ~~Now we welcome him as President,~~ *we glad to* though ~~The event holds some regret in reminding us of the~~ *tragic* loss of President Sadat, who came to London with Mrs Sadat only last August. ~~But under President Mubarak Britain's relationship with Egypt is as strong as ever. We shall continue to work closely with the Egyptian government on efforts to find a lasting peace in the Middle East and our offer of a British contingent to the Multinational Force has been made in this spirit.~~ *naturally remind*

*and when we remember with affection and respect*

Q: WHEN ARE YOU GOING TO VISIT EGYPT?

*I should very much like to visit Egypt again soon*  
A: ~~No dates have been agreed for a visit by me to Egypt but I am looking forward very much to taking up the idea soon.~~ *but there are no firm dates in prospect at the moment.*

Q: WHAT SUBJECTS, YOU THINK, WILL FOCUS PROMINENTLY IN THE TALKS YOU WILL HOLD WITH PRESIDENT MUBARAK?

A: The President's visit comes at a difficult time. Egypt

*and should we to*

~~is to~~ be congratulated on achieving peace with Israel.

Now we shall ~~wish to discuss with the Egyptian~~ <sup>need to consider</sup> Government ways in which the Middle East <sup>peace</sup> process can develop. ~~The~~ <sup>Mubarak</sup> President is coming from Washington where he will have had important talks with Mr Reagan and Mr Haig, ~~and~~ <sup>we</sup> shall be interested to know how those went. We shall also be keen to hear the President's views on other developments in the Middle East and his thoughts on important issues outside his own region. <sup>develop in the world</sup>

Our ~~relations with Egypt~~ are such that ~~there are no~~ <sup>between us</sup> bilateral problems that I know of, but we shall naturally wish to discuss ways in which our relationship should develop, particularly in the economic field.

Q: YOUR GOVERNMENT HAS STATED THAT IT WOULD DO EVERYTHING POSSIBLE TO SUPPORT EGYPT'S STABILITY AND CONTINUITY AT THE PRESENT SITUATION. WHAT STEPS YOU ARE CONTEMPLATING IN THIS DIRECTION?

A: We were all shocked and distressed by the tragic death last October of President Sadat, but ~~we have~~ <sup>admire</sup> ~~witnessed with admiration~~ the smooth way in which President Mubarak has taken over and ensured stability and continuity. Britain has reaffirmed, both bilaterally and with our European partners, her political support for Egypt and <sup>will play</sup> ~~has played~~ a small role in helping

/Egypt

*facilitating the arrangement for the return of Sinai,*

*Maintain the Peace*

~~Egypt achieve the recovery of the remainder of Sinai, through our contribution to the Multinational Force. We have for some years been an aid donor to Egypt and we have been involved through our aid in a number of important projects aimed at improving Egypt's infrastructure. In the course of our normal trading links British firms have made a considerable contribution to Egypt's industrial growth.~~

16.

Q: Britain held the Presidency of the EEC for the last six months. What is your opinion on possible EEC future initiatives to help achieve a comprehensive solution to the Middle East question in the light of statements by some European leaders that we have already bypassed the Venice Declaration on the Middle East.

A: We in Europe have a direct interest in a comprehensive peace settlement, ~~quite apart from our~~ <sup>We have a</sup> long and valued ~~association with the countries of the Middle East~~ <sup>and</sup> ~~We~~ cannot shut our eyes to the continuing crisis there; ~~on the contrary, we remain ready to contribute~~ <sup>to the peace process</sup> in any way we can. As far as the UK is concerned, and I have no doubt that the rest of the Ten share our view, the principles we set out at Venice remain entirely valid. But there is a limit to what we can do from the outside: you cannot force people to compromise. The important thing is for Israel and the Palestinians to accept each other's legitimate rights: only then can a peace process involving all the parties begin.

Q: How would you assess the situation in the Middle East following the last phase of Israeli withdrawal from Sinai next April, and what possible moves could be taken to settle the Palestinian question.

A: The return of the last part of the Sinai to Egypt will mark the successful completion of the dramatic achievement

of peace between Egypt and Israel. This peace must become the starting point for a wider peace process involving all the parties, and with the United States playing a central role. As a step towards this we hope that Egypt's relations with the rest of the Arab world will improve after April and that the Arabs together will show that they are ready to make peace with Israel while providing for the future of the Palestinians. The Palestinians must be enabled to determine what their own future should be as part of a peace settlement, but they must also show that they are ready to live with Israel in peace and security. That is where the key to future progress lies.

Q: When Britain announced its intention to contribute to the MFO, your government underlined the intention to help the return of Sinai to Egypt. How do you qualify Britain's and the EEC's contribution to the MFO?

A: The MFO, whose operations will begin after Israel's withdrawal, has a vital role to play in preserving the peace between Egypt and Israel. Our support for the treaty has always been wholehearted and we see our contribution to a strong, international peace-keeping force as <sup>a</sup> practical expression of this support. We are delighted to be able to help in this way and glad that Egypt has given our contribution such a warm welcome.

## VISIT OF PRESIDENT MUBARAK OF EGYPT: 6-7 FEBRUARY 1982

## BRIEFS

1. Steering Brief
2. UK/Egyptian Relations (Visits, Trade, Aid, Nuclear Power Cooperation)
3. UK/Egyptian Defence Cooperation (Military Assistance, Defence Sales)
4. Arab/Israel (including MFO)
5. Egyptian Relations with other Arab countries (Sudan, Libya, Iran/Iraq war)
6. World Issues (East/West relations, Poland, Soviet policies, Afghanistan, Chad, Namibia, US policies)
7. Egypt Background (Political and Economic)
8. Personality Notes on the President and members of his delegation.

## VISIT OF PRESIDENT MUBARAK OF EGYPT: 6-7 FEBRUARY 1982

## BRIEF NO 1: STEERING BRIEF

1. Mubarak visiting London after Rome, Paris and Washington and before Bonn; his first overseas tour since his election in October 1981. His first visit to Britain since September 1980, as Vice President, (last saw Prime Minister then). Mubarak will be accompanied by his wife, by his Foreign Minister, Kamal Hassan Ali (who came with Sadat 2-4 August 1981) and his Chef de Cabinet, Osama Al Baz. Those three will participate in the talks, with Egyptian Ambassador, Abou Seeda.

## 2. Our main objectives:-

(a) To underline importance we attach to our good political and economic relations with Egypt.

(b) To probe Mubarak's thinking and to explain ours on Middle East peace process and its development after return of Sinai to ensure that we are working together.

(c) To hear Mubarak's views on a wide range of international issues.

## 3. Egyptian objectives will be:-

(a) To probe latest British and European attitudes to Middle East peace settlement. Reiterate Egyptian thanks for British MFO participation.

(b) To ensure that Egypt's point of view on Arab/Israel is understood. To probe our thinking of US policies.

(c) To encourage The Queen and the Prime Minister to visit Egypt soon.

4. The talks with the Prime Minister are to begin at 1130 and will be followed by a luncheon. The President will spend the night of 6 February in London (he wishes to rest and no programme is being

/arranged



arranged) before flying to Bonn the next day.

5. We would expect the talks to be dominated by the Middle East and the Arab/Israel dispute in particular. The return of the remainder of Sinai is an overriding priority for Mubarak's government. In a recent message to the Prime Minister Mubarak expressed Egypt's gratitude that Britain had agreed to participate in the Sinai MFO. Recent discussion with the Israelis led to agreement on practical arrangement for the handover in April. The Israeli annexation of Golan has however added to uncertainty in the region. Mubarak, elected October 1981, has assumed power smoothly. His chief domestic preoccupations: internal security and the economy.

6. Mubarak will be interested to hear our views on world issues such as Poland, Afghanistan, Namibia and East West relations in general. Mubarak generally maintains Sadat's anti-communist line but the first months of his presidency have seen a slight thaw in Egyptian/Soviet relations. It will be interesting to hear his views on Egypt's relations with the Middle East (especially with Saudi Arabia and Iraq). Tension between Egypt and Libya has diminished but relations remain strained. The Egyptians are watching events in Chad closely and are concerned at the deteriorating situation in Sudan.

7. There are no major outstanding problems between the UK and Egypt and discussion of Bilateral Issues need not take up too much time. Trade with Egypt is in balance but we need to win more large civil and military contracts. British Gas and William Press are involved in Natural Gas Distribution Projects. A British Consortium is bidding for the West Nubariya land reclamation scheme.

Mr Biffen was in Cairo last November for a successful conference on trade. The export credits limit for Egypt is under pressure with large prospective civil and military contracts dominating the cover. Our Aid is significant, most going on the Cairo Waste Water Scheme.

8. Egypt is a potentially important market for Defence Sales, but results have been disappointing so far. The Hawk deal fell through  
/in

in 1980. In talks in Cairo last September, Mr Nott discussed prospects for sales of Naval vessels, Helicopters and Main Battle Tanks. The US, and the major military aid donor dominates the market and the French have done well by their ability to offer soft finance for sales. If Egyptian-Saudi relations improve, Saudi money may again become available for Egyptian Defence projects but in the meantime Credit and favourable financial terms crucial.

9. The Egyptians have announced plans to develop Nuclear Power. (We hope eventually to build them two power stations) and the Egyptian Minister of Electricity was in London last September to sign a Memorandum of Understanding on nuclear cooperation.

10. Six British ministers visited Egypt last year as did members of the Royal Family. Sadat was here in August, Prince of Wales and Lord Carrington attended Sadat's funeral. Visits this year will include Egyptian Culture Minister here for Centenary of Egypt Exploration Society. Mubarak is likely to press for an early State Visit by The Queen and a visit by the Prime Minister. The earliest possible date for a State Visit would seem to be in the winter of 1983/4.

~~\_\_\_\_\_~~

Near East and North Africa Department  
Foreign and Commonwealth Office

2 February 1982

VISIT OF PRESIDENT MUBARAK OF EGYPT: 6-7 FEBRUARY 1982

BRIEF NO 2: UK/EGYPTIAN RELATIONS (INCLUDING TRADE AND AID)

POINTS TO MAKE

Visits

GRATEFUL FOR HOSPITALITY EXTENDED TO MINISTERS AND MEMBERS OF ROYAL FAMILY OVER PAST YEAR

1. Important to maintain exchanges of ministerial visits. Looking forward to seeing Ministers of Culture, and of Development and Housing here soon.

(IF RAISED) STATE VISIT PROGRAMME FULL FOR NEXT FEW YEARS

2. The Queen is looking forward to a visit to Egypt at a convenient time. Immediate programme full but we must discuss dates soon.

Trade

UK FIRMS CONTINUING TO PUT MAJOR EFFORT INTO EGYPTIAN MARKET

3. Will therefore be keenly watching developments on Egyptian economic policy over the coming months.

HOW WILL CURRENT EGYPTIAN GOVERNMENT REVIEW OF 'OPEN DOOR' POLICY AFFECT FOREIGN INVESTMENT AND IMPORT POLICY?

4. Egyptian firms have more joint ventures with British partners than with any other country. Important that these should not be jeopardised.

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ONE CURRENT PROBLEM IS DIFFICULTIES WILLIAM PRESS LTD ARE HAVING  
ON CAIRO NATURAL GAS PROJECT

5. Difficulties with Egyptian subcontractor have meant that penalty clauses have been invoked. Pity if this undermined good work on an important public project.

WE ARE PUTTING MONEY INTO IMPORTANT CAIRO WASTE WATER PROJECT

6. We have confirmed £50m in aid. In addition credit cover of £100m for contracts to be awarded to British firms.

7. Defensive. Unlikely that any more money could be found for aid to Egypt in present economic climate.

Nuclear Power Cooperation

KEEN TO HELP EGYPT DEVELOP NUCLEAR POWER PROGRAMME

8. Hope that recently signed Memorandum of Understanding will lead to increased cooperation in this field. URENCO discussing enrichment services.

Claims

STILL SOME OUTSTANDING COMPENSATION CLAIMS BY BRITISH SUBJECTS WHO LEFT  
EGYPT AFTER 1956

9. Hope these can be settled soon. Small amounts involved but they mean a lot to those concerned.

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VISIT OF PRESIDENT MUBARAK OF EGYPT 6-7 FEBRUARY 1982  
BRIEF NO 2: UK EGYPTIAN RELATIONS (INCLUDING TRADE AND AID)  
ESSENTIAL FACTS

Political Relations

1. British involvement in Egypt longstanding. Disraeli bought Suez Canal shares in 1882. Protectorate declared in 1914, independence in 1922. Anglo-Egyptian Treaty of 1936 ended occupation but retained rights of British forces in Canal Zone until June 1956. Full diplomatic relations with Britain broken during Suez crisis reestablished 1961. Diplomatic relations broken off again from December 1965 until December 1967.

Visits

2. Relations now excellent (Egyptians value our support eg on MFO), maintained by regular ministerial and official visits. Lord Carrington visited Cairo January 1981, followed by ministers of Overseas Development, Health, Agriculture, Defence and Trade. COMET/CBE Conference in Cairo in November. Egyptian Vice-Prime Minister for Economic Affairs, Ministers of State for Foreign Affairs and Military Production came to London last year. HRH The Duke of Edinburgh and Prince Andrew visited Egypt. Prince and Princess of Wales went there on honeymoon. Prince of Wales and Lord Carrington attended Sadat's funeral. Visits this year include Minister of Culture (to attend opening by HRH Princess Alexandra of exhibition marking Centenary of Egypt Exploration Society at the British Museum) and the Minister for Housing and Development who will be here for talks with the Department of Trade. Duke of Edinburgh will be in Egypt later this month (World Wildlife Fund).

/3. Trade

3. 1980 UK visible exports to Egypt were £325m (28% increase in value over previous year). (£337 imports from Egypt.) The UK was Egypt's fourth largest supplier with  $8\frac{1}{2}\%$  market share. 1981 figures not available but almost certainly adversely affected by import regulations introduced in August which will probably have had a similar impact on our competitors.

4. Trade Secretary's visit to Egypt in November coincided with the CBI/Committee on Middle East Trade Conference on Investment and Trade Co-operation. Large UK turnout (110 firms represented) for an event less than 2 months after President Sadat's death impressed Egyptian authorities. Mubarak met many UK representatives present. In Mr Biffen's meetings with Egyptian Ministers he stressed UK contribution to infrastructure development, to which President Mubarak attaches high priority. UK firms involved in Cairo Waste Water Scheme (worth over £150m).

5. William Press Ltd and British Gas working on Cairo and Alexandria Natural Gas distribution projects: an important public sector project. William Press have suffered financially from poor performance of Egyptian subcontractor (imposed on them by Egyptians) which has led to imposition of penalty clauses on William Press. They have in turn imposed sanctions on the subcontractor with the result that work has been suspended on those phases. Work on sections being undertaken by William Press is proceeding satisfactorily. Answer seems to be for both sides to lift sanctions so that work can continue.

*Petrojet - Gas transmission pipeline.*

/William

William Press are willing to do this.

6. UK consortium, led by Tate and Lyle, have submitted proposals for joint venture operation to reclaim desert land for sugar beet growing at West Nubariya. Proposals envisage significant UK equity investment and British conditions will be tough. Egyptian Minister of Development, Housing and Land Reclamation will discuss deal with Mr Rees and consortium in UK in March. Not for use. No prospect of UK aid, other than technical assistance for West Nubariya but are supporting Egyptian application for EC aid.

#### Exports Credits

7. Ministers have invested much effort in Egyptian market and British firms have responded. ECGD Section 2 limit under pressure. Ministers agreed recently to a £270m special reservation for warships (see Brief No 3) and that existing Section 2 limit should be raised to £530m (not for use). The limit may be reviewed later if found to be insufficient.

#### Aid

8. Egypt is major recipient of western aid, with the United States being in the forefront at over \$500m per year. The United Kingdom programme is modest with the total commitment of around £100m, but with actual aid flow of around only £10m per year. HMG contributes also through multilateral institutions who provide help to Egypt.

/9.

9. Main Capital Aid project is the Cairo Waste Water scheme. (£50m grant and £100m in commercial credits). A fertiliser scheme (West Sahaya) being developed with a £10m grant for a factory and £7.3m in ATP.

10. British technical cooperation central to Egypt's developmental needs priorities are technical education, family planning, agricultural management training and town planning.

#### Nuclear Cooperation

11. Egypt ratified NPT in February 1981. Several States in region, including Israel, Saudi Arabia, Algeria and the United Arab Emirates, have not signed NPT.

12. UK/Egypt Memorandum of Understanding on cooperation in peaceful uses of nuclear energy signed in London in November during the visit by Egyptian Electricity Minister. Memorandum follows normal pattern on technical cooperation but also includes specific references to non-proliferation commitments of each government. In long term should lead to opportunities for UK firms in the supply of nuclear fuel and hardware.

13. URENCO (the Anglo/German/Dutch enrichment organisations) is discussing possible supply of enrichment services to Egypt. But first power reactors are likely to be supplied by France and the US, who are likely also to supply at least the initial fuel loads.

/Claims



Claims

14. British assets in Egypt were sequestered in 1956 following Suez operation, and again in 1961 (when other nationals were also affected). Anglo-Egyptian Agreements of 1959 and 1971 provided in certain cases for payment of compensation and in others for return of sequestered assets and restoration of rights to United Kingdom nationals. Still some intractable cases (Mr Forsyth, villa and refund of duties on father's sequestered estate; Mr Mosseri, part of his brother's estate sequestered in 1961; Mr and Mrs Massey, for release of sequestered funds). Egyptian Delta Light Railway bond-holders still await compensation.

15. Mr Hurd mentioned the Forsyth and Massey cases to Egyptian Ministers during his visit to Cairo in December 1979. Lord Carrington raised all three cases with Dr Kamal Hassan Ali, when he visited Cairo in January 1981. HM Ambassador has followed up these Ministerial approaches with representations to the Egyptian Government, but so far with limited success.

Prime Minute  
This is a slightly revised version of  
the earlier brief no-3.  
A. J. C.

VISIT OF PRESIDENT MUBARAK OF EGYPT: 6-7 FEBRUARY 1982

BRIEF NO 3: UK/EGYPTIAN DEFENCE COOPERATION (INCLUDING DEFENCE SALES)

POINTS TO MAKE

Military Training Assistance

GLAD TO ASSIST EGYPT IN TRAINING OF ARMED FORCES THROUGH THE UK  
MILITARY TRAINING ASSISTANCE SCHEME

WILL MAINTAIN PRESENT LEVEL OF ASSISTANCE, WHICH HAS BEEN WELL USED  
IN PAST

/ONLY IF RAISED BY THE EGYPTIANS/ WE ARE PREPARED TO CONSIDER FURTHER  
HELP WITH CLEARING WORLD WAR II MINEFIELDS

Defence Sales

INDUSTRIAL COOPERATION

PLEASED TO NOTE RECENT GROWTH IN COOPERATION BETWEEN UK AND EGYPTIAN  
DEFENCE INDUSTRIES

1. Important part of our defence/industrial relationship. Ready to offer further assistance involving licensed production and technology transfer.

WARSHIPS

WE HOPE VOSPER THORNYCROFT (WHO HAVE SUPPLIED SHIPS TO YOU BEFORE)  
WILL BE CHOSEN TO BUILD RAMADAN PATROL BOATS OR THE 2 FRIGATES.

2. Mr Nott has sent a message to your Defence Minister offering a

£270m British credit package for ships on favourable terms. We have now improved this offer further.

LAND ROVERS

HOPE YOUR ARMY WILL BUY LAND ROVERS FROM US. GOOD CREDIT IS AVAILABLE AND OFFER OF LOCAL ASSEMBLY.

AIRCRAFT REPAIR/OVERHAUL (IF RAISED)

3. BAe, with my Government's assistance, would be glad to put together a package for further overhaul of your military aircraft. Also ready to meet any new requirements.

RAPIER (defensive)

4. Disappointed Rapier in its present design does not seem to meet Egyptian requirements. BAe ready to cooperate on further development of Rapier to sell Egyptian needs, including local production.

FUTURE PROSPECTS

HOPE DEFENCE COOPERATION CAN BE EXPANDED IN FUTURE. DISCUSSIONS ALREADY UNDER WAY ON HELICOPTERS, MAIN BATTLE TANK AND SELF PROPELLED ARTILLERY PROJECTS

AOI (defensive)

5. HMG regret the disagreement between Egypt and her previous partners in AOI and consequent difficulties between AOI and UK companies. We hope that these differences can be resolved.

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VISIT OF PRESIDENT MUBARAK OF EGYPT 6-7 FEBRUARY

BRIEF NO 3 : UK/EGYPTIAN DEFENCE COOPERATION (INCLUDING DEFENCE SALES)

ESSENTIAL FACTS

A. MILITARY TRAINING ASSISTANCE

1. 1981/82 allocation under UKMTAS = £110,000.
2. Money used to pay for Egyptian students at Army Staff Course and RCDS, and for visit of Major General Mustafa Ismail, Chairman of the Committee of the Egyptian Armed Forces, to UK in May 1981, from which flowed training for 10 officers.
3. Egyptian Defence Minister in correspondence with Mr Nott seeking help in clearing World War II minefields from Western Desert (US, Germans, Italians and French also approached). Royal Engineers officer visited Egypt at FCO expense in April 1981. Recommended preparation of maps of the minefields. We have offered the RAF phot reconnaissance. We have nominated our Defence Attache (Royal Engineers) as UK member of an international commission set up in Cairo. We aim to be as helpful as possible but cannot be involved in mine-clearing or spend much on the scheme.
4. In 1980 Egyptians suggested exercises in Egypt by British forces. Objective was to show their military links with countries other than the US. Because of our very full exercise programme, the high cost of a joint exercise and potential damage to our relations with Gulf we declined. Since then Egyptians have not revived idea of Army joint training but we are discussing limited training with Egyptian Navy.

B. DEFENCE SALES

5. Egypt is a potentially important market but hard going. US provide most military aid and French have done well by offering attractive finance (eg recent Mirage/Alpha jet/Gazelle order: £820m). We were involved in the Arab Organisation for Industrialisation AOI from which Egypt's Arab partners (Saudi Arabia, Qatar, UAE) withdrew

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in 1979 after Camp David. Egyptian nationalisation of AOI assets led to litigation with Westlands. Company's relations with Egypt are improving but law suit not yet settled. HMG have avoided direct involvement. BAe Swingfire factory was salvaged. We are involved in Egypt in two ways:

i) Industrial Cooperation

ROF's advise on running of artillery factory (Factory 100) in Egypt, which Lord Trenchard has been invited to open, and are discussing local work on a self propelled artillery project gun and ammunition. British civilian and military radios are made in Egypt. A joint optics factory is about to be commissioned - Swingfire is in local production for the Army.

ii) Equipment Sales

- a. Warships. Egyptian Navy have yet to decide whether they want 6 repeat (52 metre) Ramadans, 6 'stretched' (63 metre) Ramadans, or 2 frigates. Value of potential order £240m. Vosper Thornycroft could do any. Competition from US, France, Spain and Italy. Order very important to Vospers. Ex-committees agreed on 25 January to make special allocation of £270m export credit on very favourable terms. Mr Nott has told the Egyptian Defence Minister, General Abu Ghazala. Very competitive credit being offered by other countries. Vospers are negotiating a package with Egyptians: current offer is 80% of price on  $8\frac{1}{2}$  years at  $7\frac{1}{2}\%$ . Interest rate may be eased to match competition.
- b. Helicopters. Westlands hope to sell more Sea King maritime helicopters and the Commando land based version. Through their Egyptian affiliate Helicopter Holdings they are involved in maintenance contracts with the Egyptian Armed Forces.

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- c. Rapier. BAe have been hoping to sell the Rapier surface to air missile. But Rapier has an impact fuze and the Egyptians have now decided that they want a proximity fuze. The project has been temporarily abandoned for lack of finance but BAe would be prepared to enter a joint programme later to develop a new fuze. Competition from France and Switzerland. Order worth potentially £2-400m.
- d. Main Battle Tank. For the long term future. Mr Nott discussed Egyptian requirements for a new MBT in Cairo last year. A presentation on the British design was made recently in Egypt.
- e. Land Rover. Order is for 2,000 complete vehicles (c. £20m). In addition, Land Rover have proposed that 6,000 kits per year should be assembled at a factory in Cairo. Competitor is the Jeep (currently assembled locally) which is backed by attractive USA Foreign Military Sales (FMS) aid. ECGD can offer only standard terms 80% of price on 5 years at 10% and has not been able to make its credit more attractive by increasing repayment period for Land Rovers (which are preferred by Egyptian Minister of Defence) to 8 years.
- f. Aircraft. BAe's Cairo agent has suggested that BAe might secure further orders for refurbishment of Soviet fighters (some Migs already being refurbished by BAe and RR) if linked with a mixed package of 'reconnaissance' aircraft (perhaps Nimrod AEW) and secondhand B707s.
- g. 105mm Light Gun. 40 needed for special airborne force. A package worth £20m has been offered by IMS.

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VISIT OF PRESIDENT MUBARAK OF EGYPT: 6-7 FEBRUARY 1982

BRIEF NO 4: ARAB-ISRAEL

POINTS TO MAKE

General

BASIS OF EUROPEAN POLICY REMAINS VENICE PRINCIPLES. TEN CAN STILL PLAY A HELPFUL ROLE, PARTICULARLY WITH ANTI-CAMP DAVID ARABS

1. But Ten generally agreed that primary need for now is to ensure final Israeli withdrawal goes ahead smoothly. No interest in rocking the boat.
2. But something more will be needed after April.

CONCERNED BY TREND OF OPINION IN ISRAEL AND SOME PARTS OF ARAB WORLD

3. Risk of slide to renewed confrontation. Opportunity for a peaceful settlement may be missed. Only US can prevent Israel from making peace impossible through her policies in the occupied territories. Egyptian influence on US thinking crucial: essential to continue the effort to bridge the gap to the Palestinians.

Autonomy Talks

APPRECIATE DIFFICULTIES OF EGYPT'S POSITION. AGREE THAT ONLY AN ARRANGEMENT ACCEPTABLE TO THE PALESTINIANS THEMSELVES IS WORTHWHILE (PLO IMPORTANT HERE) AND THAT AUTONOMY MUST BE CAPABLE OF LEADING ON TO PALESTINIAN SELF-DETERMINATION

4. Israelis must not be allowed to dictate a choice between meaningless autonomy or annexation. If full autonomy not possible, a new approach must be tried, with US support. Europe will be sympathetic.

/Fahd

Fahd Principles

VITAL THAT ARABS SHOULD HAVE A POSITIVE APPROACH TO OFFER FAHD PRINCIPLES MAY BE A BASIS

4. Hope that Egypt can restore relations after April and begin to play a constructive part.

Golan

ISRAELI LAW PROVOCATIVE AND UNHELPFUL. MAIN CONCERN IS TO SHOW THAT IT HAS NO MEANING OR VALIDITY FOR US

MFO

ANTICIPATE GOOD WORKING RELATIONSHIP BETWEEN EGYPT AND MFO



VISIT OF PRESIDENT MUBARAK OF EGYPT: 6-7 FEBRUARY 1982

BRIEF NO 4: ARAB-ISRAEL

ESSENTIAL FACTS

1. The current priority for the Egyptians remains the safe recovery of the rest of Sinai on 25 April. Total liberation of occupied Egyptian territory will be the justification for the sacrifices involved in peace with Israel. The Israelis have a clear treaty obligation to withdraw and there is no sign that they intend to renege. Mr Begin has pledged that Israel will honour her commitments. The remaining practical difficulties about the withdrawal appear to have been successfully resolved in a recent meeting between Mr Sharon and General Kamal Hassan Ali. It looks as though the MFO operation should go reasonably smoothly. But the evacuation of settlers from Yamit and elsewhere is a highly charged issue in Israel and resulting hitches and delays cannot be ruled out.

2. President Mubarak is ready to continue the autonomy talks after 25 April if necessary. It is important for the Egyptians to give the Israelis no pretext for holding up withdrawal. But the President also appears determined that if progress is to be made it will be as a result of major concessions by Israel, not Egypt. If Egypt is to be able to improve relations with the other Arabs after April (and the Saudis and Jordanians at least seem more than ready), she must not be seen to betray Palestinian interests by signing an unsatisfactory autonomy agreement or declaration of principles. The Egyptians have been making clearer than before their view that autonomy is only a step on the road to self-determination and a Palestinian state and that any autonomy agreement must be acceptable

/to

to the Palestinians themselves. (These are not in fact new positions; as the Israelis claim.) There nevertheless remains a risk (less than in President Sadat's more capricious days) that the Egyptians will be provoked by US pressure into going further on autonomy than they wish.

3. In fact the chances of further real progress in the autonomy talks are poor. The gap between the two sides remains wide - virtually unbridgeable on such issues as the status of the East Jerusalem Arabs. The Americans, through Mr Haig, are making a desperate attempt to breath new life into the talks, but, in addition to Egypt's stance, the Israelis are also making clear that it is not for them to make concessions, particularly when they fear the future development of Egyptian policy. Thus the talks will probably drag inconclusively on well beyond April. The problem is that the Israelis are in effect posing the choice as between autonomy (on their terms) and annexation; and this threat leaves the US inclined to press concessions from Egypt even when it sympathizes with the Egyptian approach.

4. More widely:

(i) the Egyptians were embarrassed by Israel's Golan move and made their outrage clear. They were pleased by the tough initial US response. But they were not prepared to jeopardise their relations with Israel themselves;

(ii) they find little with which to disagree in the Fahd principles but were concerned that US attention should not switch away from them to Saudi Arabia. They may be sympathetic to a new approach, based on Fahd, after April and when autonomy talks are finally played out;

(iii) President Mubarak seems to share President Sadat's

distaste for the PLO but also to share his view that they cannot be kept out indefinitely. There is some evidence to suggest that Egyptian-PLO links have developed recently; (iv) the Egyptians are also gradually reestablishing contacts with the Jordanians and Saudis. They are not soliciting however; they feel the other Arabs must come to them (and accept the Egypt-Israel peace).

MFO

5. The Egyptians have enthusiastically supported the concept of European participation in the MFO from the beginning and have followed the saga of Israeli objections anxiously. They will be pleased at what now seems likely to be a satisfactory outcome. One small problem which could conceivably cause difficulty is the question of two small islands in the Strait of Tiran. They are apparently Saudi, but were lent to the Egyptians for military reasons in the early 60s. The MFO may be required to station a post on one of the islands, but Saudi Arabia could object. This is an issue which we wish to take up with the MFO. However the Egyptians are unlikely to raise it with us themselves.

Near East and North Africa Department  
29 January 1982

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VISIT OF PRESIDENT MUBARAK OF EGYPT: 6-7 FEBRUARY 1982

BRIEF NO 5: EGYPTIAN RELATIONS WITH OTHER ARAB COUNTRIES

POINTS TO MAKE

Sudan

SITUATION WORRYING. SURVIVAL OF PRO-WESTERN REGIME IMPORTANT.

1. We share your concern at developments. You saw Nimeiri on 27 January. How do you rate his chances of survival. If he went who do you think would replace him? Any risk of an anti-Western regime assuming power?

ECONOMY AT ROOT OF PROBLEM. WE ARE DOING WHAT WE CAN TO HELP.

2. Sudan will be second largest recipient of UK aid 1982/3 (after India). We have pledged \$11 m. in emergency aid.

Libya

WE HAVE NO ILLUSIONS ABOUT QADHAFI BUT BELIEVE ISOLATION COULD BE COUNTER PRODUCTIVE

3. We are trying to maintain as near normal relations as possible but monitoring Libyan behaviour carefully. Attempts to isolate Qadhafi could push him towards Russians and raise his stock in Arab world.

4. Libyan/Egyptian relationships appear to have improved. Although still hostile we detect some change in Libyan tone. Possibly in preparation for Qadhafi's OAU chairmanship.

/Iran

Iran-Iraq

WAR CONTINUES TO BE ONE OF ATTRITION. OUTCOME DIFFICULT TO PREDICT.  
IRANIANS MAY HAVE SLIGHT EDGE.

5. Have Iraqis made overtures about resuming relations? Understand Egyptian civilians in Iraq have become caught up in war.

ANY SIGNS OF FLEXIBILITY IN ATTITUDES OF OTHER ARABS?

6. How do you see relations with eg. Saudi Arabia, Jordan, developing over next year?

VISIT OF PRESIDENT MUBARAK OF EGYPT: 6-7 FEBRUARY 1982

BRIEF NO 5: EGYPTIAN RELATIONS WITH OTHER ARAB COUNTRIES

ESSENTIAL FACTS

Sudan

1. Egyptians are concerned by political instability of southern neighbour. Egyptians have close economic and military relationship with Nimeiri, only Arab to have accepted Camp David. Have tried to help economy but own resources limited. Nimeiri flew to Aswan on 27 January for talks with Mubarak. Sudan's economy at the root of Nimeiri's problems. Debts worldwide around \$3.5 billion. Only IMF standby agreement, not yet approved, can keep Sudan solvent. Aid donors met on 27 January to pledge emergency aid to help close \$375 million. Ministers have agreed that \$ 11m of UK 1982/3 aid budget to Sudan can be brought forward as our pledge. Total UK aid to Sudan over next year at around £40m will be second largest allocation after India.

2. IMF conditions attached to standby arrangement have forced Nimeiri to raise prices and remove subsidies. Popular reaction led to riots in the New Year. Subsequent dismissal of First Vice President and party leaders symptomatic of political divisions. Nimeiri remains in control but attitude of Armed Forces over next few weeks and subsequent performance of economy will be crucial.

Libya

3. Egypt-Libya relations have complicated history. Qadhafi modelled himself on Nasser and at one time prospect of Union was discussed.

/Qadhafi

Qadhafi saw Sadat's negotiations with Israel as treachery and never forgave him. Tension reached its height immediately after Sadat's assassination; Qadhafi may have seen some prospect of an uprising, but shortlived. Although Libyans maintain implacable anti-Camp David line, some signs of improvement in Egypt-Libya relations following informal contacts. Qadhafi may see something of Nasser in Mubarak and seems ready to give him a chance. For his part Mubarak has avoided confrontation. Border opened 31 January.

4. Egyptians have been prepared when necessary to use Libyan card to extract more military aid from US. In fact neither side has the capacity to conduct sustained war against the other, and economic and family ties (there are 80,000 plus Egyptians in Libya) would complicate the picture.

5. Our own relations with Libya have improved since low point in 1980 when two Libyans were killed in London. We have made development of relations conditional on assurances that there will be no recurrence of such behaviour and, with the Americans, monitor Libyan activities worldwide closely. We have been under some pressure from US to join them in isolating Qadhafi. We (and rest of the Ten and many Arabs, including Egyptians) see dangers in forcing Qadhafi into a corner. He buys arms from the Russians but there is no real political relationship. An appeal to Arab unity in the face of US pressure could place even moderates in a dilemma.

#### Iran-Iraq

6. Egyptians broke off relations with Iran in 1979. Sadat gave Shah refuge and the Shah's widow still based in Cairo.

Iraq led moves to impose sanctions against Egypt at Baghdad Summit in 1979 in wake of Camp David. Recent reports of Iraqi overtures to Egypt to resume relations could be indicative of Iraqi concern at way war is going.

7. Recent Iranian victories in war have meant that Iraq is now ready to settle on almost any terms. Iranian attitudes hardening. Egypt has been supplying ammunition and spare parts for Iraqi Russian tanks over the past year. Reports of unspecified number of Egyptians working in Iraq now being forcibly conscripted.



VISIT OF PRESIDENT MUBARAK OF EGYPT: 6-7 FEBRUARY 1982

BRIEF NO 6: WORLD ISSUES. (EAST/WEST, POLAND, AFGHANISTAN, CHAD, NAMIBIA, US POLICIES).

POINTS TO MAKE

East/West Relations

EAST/WEST RELATIONS SERIOUSLY AFFECTED BY POLISH CRISIS

1. No doubt Russians encouraged crackdown; violation of Helsinki Final Act and UN Charter. Right they should be condemned in strongest terms.

HAVE MADE CLEAR TO RUSSIANS THAT IF SITUATION IN POLAND DETERIORATES AND RUSSIANS INTERVENE, WILL BE VERY STRONG WESTERN REACTION BOTH POLITICALLY AND ECONOMICALLY

2. But would be much more than East/West crisis. International relations world-wide would be affected by yet another example of Soviet disregard for UN Charter.

Poland

MILITARY AUTHORITIES HAVE ESTABLISHED TIGHT CONTROL THROUGHOUT COUNTRY BUT PASSIVE RESISTANCE REPORTED TO CONTINUE

3. Some cosmetic relaxation of martial law; ICRC have however been given full access to detainees.

/Afghanistan

Afghanistan

OVERWHELMING UNGA VOTE ON 18 NOVEMBER DEMONSTRATED CONTINUING WORLD CONCERN

4. Will not allow Afghanistan problem to be forgotten. Must keep up pressure on Russians to withdraw. Determined to stand by our friends in Middle East and Third World and help them resist Soviet subversion and expansionism. No more Afghanistans. The Ten's proposals provide a basis for political solution.

RESISTANCE APPEAR TO BE BETTER EQUIPPED AND MORE EFFECTIVE. REFUGEES A PROBLEM

5. How do Egyptians assess performance of Resistance. Pakistan needs continuing support in exposed position.

Chad

HOW DO EGYPTIANS ASSESS PROSPECTS FOR RECONCILIATION BETWEEN HABRE AND GOUKOUNI, AND FOR PEACE

6. Are arms still reaching Habré from outside? We hope he will not compound problems for OAU force. What are prospects of Qadhafi accepting an invitation to return.

Namibia

FIVE CONTINUING EFFORTS TO ACHIEVE SETTLEMENT

7. Five's efforts constitute best chance of achieving peaceful settlement. Relunched negotiations going satisfactorily; but Front Line States and SWAPO have objected to Five's proposals for mixed electoral system for Constituent Assembly. Hope that, nonetheless, momentum can be maintained.

/NEED

NEED FOR SUPPORT IN PHASE 2

8. Next steps of negotiations will involve the Five in tackling series of tricky issues. We shall need continued support. Hope Egypt will use influence with African friends to respond positively and flexibly to Five's proposals.

United States Policies

REAGAN REMAINS PERSONALLY POPULAR BUT WE NOTE GROWING PUBLIC CONCERN ABOUT THE STATE OF THE ECONOMY, PARTICULARLY THE GROWTH IN UNEMPLOYMENT AND THE BUDGET DEFICIT

9. Generally we share the US objectives of revitalised economic activity, reduction in inflation and stable exchange rates. But the operation of present US policies, confirmed in Reagan's State of the Union message, seem likely to sustain the present large budget deficit and high interest rates. This makes difficulties for America's trading partners.

UK AND US SHARE BASIC OBJECTIVES

10. But wrong to expect total uniformity. Inevitably see some issues in different perspectives (eg. Middle East) but any differences can be reconciled by close and continual consultation.

VISIT OF PRESIDENT MUBARAK OF EGYPT: 6-7 FEBRUARY 1982

BRIEF NO 6: WORLD ISSUES

ESSENTIAL FACTS

Afghanistan

1. Egyptian position: Egypt made a public declaration of support for the Ten's proposals in July 1981. Sadat openly admitted supplying arms to the Resistance. Mubarak appears to share his predecessor's views.

2. UN Secretary General expected to appoint a special representative soon to continue talks between Pakistan and Afghanistan. British aid for refugees since Soviet invasion totals £8.7m.

Chad

3. Egyptian position: Egyptians, who until recently backed Hissein Habré, the former Defence Minister, have reviewed their position since Libyan withdrawal in November 1981, have reduced open support, and are waiting to see how fighting in Eastern Chad develops. Egyptians strongly condemned Libyan invasion and are totally opposed to renewed involvement by Libya.

4. Signs that Ndjamea is returning to some semblance of normality. Aid agencies have renewed programmes. Some countries preparing (not too fast) to reopen missions. British Ambassador (resident in London) proposes to present credentials in mid-February if possible.

Namibia

5. Egyptian position (not for use). Egypt has voted consistently

/with

with the African group at the UN in favour of resolutions violently hostile to South African but also critical of the Five's efforts. Unlikely we can change this pattern but we should make clear our view that such posturing does not help negotiations.

6. Front Line States and SWAPO and South Africans have replied to Five's revised proposals for constitutional principles. Front Line States and SWAPO object to Five's proposed mixed system (of proportional representation and single-member constituencies) for election to the constituent assembly. This will mean a delay in conducting the first phase of the Five's agreed 3 phase process for the relaunched negotiations. In phase 2 we shall tackle other unresolved issues such as impartiality of the electoral process and the size and role of UNTAG.

#### United States Policies

7. Egyptian position: Egyptians rely heavily on US support. US gives about \$1 billion a year in civil aid and Mubarak recently called for flexibility in using it. He is also keen to speed up arms deliveries from America. Egypt is remodelling its Armed Forces with a massive injection of US military aid (around \$900m in 1980/3) but needs more. Americans are likely to point to their own economic problems.

8. The economy is President Reagan's central concern. The Administration is pressing ahead with the phased introduction of income tax cuts and despite the growing federal budget deficit (expected to reach a record level of \$100 billion in 1982) Reagan is resisting the temptation to boost revenues by increasing indirect taxes. Although the rate of inflation has decreased there is no sign yet

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of an end to the current recession. Industrial production has declined and unemployment has increased. Great uncertainty surrounds interest rates, which remain relatively high. In his State of the Union address on 26 January, Reagan indicated that the Administration would attempt to reduce the budget deficit by cutting Government spending, eg. welfare programme.

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VISIT OF PRESIDENT MUBARAK OF EGYPT

6-7 FEBRUARY 1982

BRIEF NO. 7 : EGYPT: COUNTRY BRIEF

ESSENTIAL FACTS

Political History

1. British protectorate from 1914 until independence in 1922. 'Free Officers' led by Nasser (and including Sadat) staged coup in 1952. Monarchy abolished and republic declared in 1953. Nasser appointed Prime Minister in 1954, died in 1970. Sadat became President, consolidated position after 1973 war. In May 1980 Sadat took over post of Prime Minister. Sadat assassinated 6 October 1981. Mubarak, Vice President since 1975 elected President 14 October. Cabinet reshuffle in January 1982 with appointment of Prime Minister. (Dr Fouad Mohieddin) No Vice President yet appointed (rumours in Cairo that present Ambassador to London, Abou Seeda, may be in line). Mubarak elected Chairman of ruling National Democratic Party replacing Sadat, on 26 January.

Internal Political Situation

2. President Mubarak has promised and provided continuity but departed deliberately from Sadat's style and methods. Internal security and the economy are his twin priorities. His sensitive handling of security measures, and his release of prominent

/detainees

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detainees have gained him popularity. The media are enjoying greater freedom. Mubarak has shown that he is prepared to talk to the political opposition in a way that Sadat refused to.

3. Although Government have hinted at a wider plot, Sadat's assassination was not followed by widespread disruption, only isolated incidents. Trial of assassins continues but has yet to throw light on precise motives of attackers which would enable new regime to draw lessons for the future. Support for the islamic fundamentalist movement in Egypt likely to increase, especially among the young. Dissatisfaction with the temporal world likely to grow unless Egypt's economic problems can be brought under control.

#### Economy

4. Mubarak has turned most attention to the economy. Although committed for the time being at least, to Sadat's 'open door' policies Mubarak has shown that he has his own ideas. He has emphasised need for production to be concentrated on basic essentials rather than consumer goods. He has called a major conference for late February to discuss the economy and prepare 5 year plan. He has defined his objectives as increasing production, savings, curbing consumption and imports and linking wages to production. His reshuffle in January was designed to revitalise his economic team and remove some suspected of corruption.

5. His room for manoeuvre is small. The grossly inefficient Egyptian

/bureaucracy



bureaucracy is probably beyond reform and the subsidy system which distorts the economy (one third of non-investment government expenditure goes on subsidies) cannot be dismantled without major upheaval. Neither could major changes be made in the open door policy without scaring off foreign investment and aid donors. Egypt is likely to be looking soon to her oil-rich neighbours for help.

6. Budget deficit in first quarter of 1981 reached E£640 m (£415 m) compared with £140 m over same period in 1980. Oil glut and drop in tourism since Sadat's death are expected to cut further into budget. Mubarak has ordered celebrations for 25 April. Sinai hand over to be scaled down and 6 October parade for next year cancelled to save money.

7. Population of Egypt now 42 m (40% under 14 years of age) and growing at rate of 1 million a year. Over 25% of the population crammed into Cairo. Expensive effort under way to irrigate desert but for every acre of arable land thus gained two are lost as topsoil is removed to make bricks to deal with the most pressing problem: housing shortage. Unemployment minimal but there is widespread under-employment in government jobs. Over 3 million Egyptians work abroad: 1 million in Iraq, 50,000 in the Gulf, same in Libya.

#### Foreign Policy

8. Final Israeli withdrawal from Sinai is Mubarak's overriding

/objective

objective. Egypt will scrupulously observe the peace treaty and is being reasonably flexible over normalisation but will not sign an autonomy agreement unacceptable to West Bank opinion. Egyptians are clearly concerned that signature of an autonomy agreement around April could be seen by Israel as 'legitimising' her occupation of the other territories. Mubarak will not be willing to put his name to almost anything which would see the Camp David process through. This reflects concern for relations with moderate Arabs. Mubarak has scrupulously avoided antagonising Arab leaders, even Qadhafi with whom relations have improved since October, but further rapprochement unlikely before 25 April handover. Improvement of relations with Saudi Arabia likely thereafter, already signs that Jordanians are willing to have high level contacts. Syria, perhaps even more than Libya is seen as an implacable antagonist dangerously subservient to Moscow.

9. In speeches Mubarak has emphasised Egypt's African and Islamic identity and has placed more emphasis on non-alignment than Sadat. Egyptians would ideally have wished to prevent forthcoming non-aligned and OAU summits in Baghdad and Tripoli but having failed they are anxious to safeguard Egypt's place at both.

10. United States remain indispensable source of military and economic aid on the scale that Egypt needs and Mubarak has been prepared to defend aspects of Egypt's strategic relationship with the US which have come in for criticism, such as the recent Exercise Bright Star. Over-identification with American military policies in the region

/holds

holds dangers for Egypt. Next test will be the proposed \$300 m US 'facility' at Ras Banas.

11. Some recent signs of an improvement in Egyptian/Soviet relations which deteriorated steadily under Sadat culminating in September 1981 in expulsion of Soviet Ambassador, some staff and nearly all of several hundred Soviet civilian advisers. Some advisers have returned, Ambassador may be back after April but Mubarak who remembers his pilot training in USSR and Soviet behaviour in Egypt has no illusions about Soviet intentions and will tread carefully.

Near East and North Africa Department

29 January 1982

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VISIT OF PRESIDENT MUBARAK OF EGYPT 6-7 FEBRUARY 1982

BRIEF NO 8 PERSONALITY NOTES ON THE PRESIDENT AND MEMBERS  
OF HIS DELEGATION

- A. President Muhammed Hosni Mubarak
- B. General Kamal Hassan Ali
- C. Ambassador Dr Osama Al Baz
- D. Mrs Susanne Mubarak
- E. Mr Ezz El Din Moukhtar

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MOHAMMED HOSNI MUBARAK\*

PRESIDENT OF THE ARAB REPUBLIC OF EGYPT (OCTOBER 1981)

Born 1928. Military Academy 1949. Air Academy 1950. Trained as a fighter pilot and considered capable and brave. In 1959 and 1961 spent two periods in the Soviet Union on navigation and instructor courses. In 1962 commanded the TU16's operating over the Yemen. In 1964 he again visited Russia to attend a high level staff course. In January 1966 he was appointed Station Commander of Cairo West airfield, in 1967 Director of the Air Academy and in January 1969 Chief of Staff of the Egyptian Air Force. He was promoted Air Vice Marshal in November 1969 and appointed Commander of the Egyptian Air Force in April 1972. Promoted Air Marshal in February 1974.

In period following the expulsion of the Soviet advisers in July 1972, he was thought to be one of the few top Egyptian officers still acceptable to the Russians. He was employed by Sadat in a military fence-mending exercise at the end of that year, visiting Moscow with Prime Minister Sidqi and leading a military delegation. Despite (or because of) the absence of Soviet advisers his Air Force performed satisfactorily in the secondary role allotted to it (realistically) in the war of 1973, which he helped plan with President Sadat. He proved an efficient and impressive Air Force Commander.

His sudden elevation to the Vice President in April 1975 came as a considerable surprise, although with his disciplined military approach and administrative efficiency he quickly made the job his

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/own

own. His reputation then as now, was one of incorruptability in Office. In summer 1978 he was prominent in the creation of the National Democratic Party, which became one of his power bases.

The assassination of President Sadat in October 1981 brought him reluctantly to power. Although the obvious choice for the job in due course, he apparently had no wish to take it on so soon. Mubarak is no intellectual. His style in office is to confer on all points and to take the majority views. He is cheerful by nature and extremely modest. Speaks Russian and English. Rises early, plays an hour of squash each day and puts in long hours at the office. His two sons, now at Cairo University, speak excellent English, and does his wife, Susanne, whose mother was Welsh and lived in Cardiff until her death some time ago. An attractive and amusing family who obviously enjoy good living and make good company.

\*Pronounce 'Moo-barrack', with accent on the 'bar'.

## GENERAL KAMAL HASSAN ALI

Deputy Prime Minister and Minister of Foreign Affairs (May 1980).

Born September 1921. Studied at Military Academy 1942 and then at tank school in the UK 1948-49. He also took courses in USSR 1958-59. Served in the war of 1948, 1965 and 1967. Operational commander of the Armoured Forces in the Yemen 1963-65. Chief of Staff of Armoured Forces and then Commander of Armoured Forces 1971-75. Assistant to Minister of War May-July 1975, then head of General Intelligence 1975-78. Appointed Minister of Defence in October 1978 in which role he played a prominent role in negotiations with the Israelis over the treaty and withdrawal arrangements.

Small and square, looking somewhat like the tanks he used to command, Hassan Ali has an easy manner and a good sense of humour. He had reputation of being a good armoured commander and is well liked in the services. He was considered not to have had a firm grip on the General Intelligence Organisation. The high proportion of his time as Defence Minister spent on negotiations with the Israelis and Americans dampened his effectiveness in the job, and led to criticism that he was too political and spent too little time on service matters. As Foreign Minister he has continued to concentrate on the Middle East, and Israel in particular, leaving third world and non-aligned work largely to his able Minister of State, Boutros Ghali. He is on good terms with Mubarak.

Speaks good English and believed also to speak Russian. His wife, who suffers from heart trouble, speaks very little English. He has two grown up children; one is a son with marital problems.

AMBASSADOR DR OSAMA AL BAZ

Chef de Cabinet to the President (since October 1981) and First Under Secretary in the Minister of Foreign Affairs.

Born 1931. After joining the Egyptian Foreign Service he had 7 years leave of absence studying in the US where he obtained a PhD at Harvard. As a result he has never yet served in an Egyptian mission overseas. Nevertheless sometime before 1970 he was appointed as a Counsellor to be the senior instructor in the MFA's training institute. He also worked in the Arab Socialist Union's Youth Secretariat following the dismissal of the left-wing supporters of the Ali Sabri in May 1971. In late 1973 or early 1974 Ismail Fahmi (who had been appointed Minister of Foreign Affairs the previous October) brought him in as deputy head of his private office. Early in 1975 he was promoted Ambassador and replaced the previous Chef de Cabinet, Umar Sirri, on the latter's transfer. Fahmi's resignation in November 1977 did no harm to his meteoric rise: in December 1977 he was in quick succession appointed one of the three Egyptian delegates to the Cairo Conference called by President Sadat after his visit to Jerusalem, named Chef de Cabinet to the Vice-President and promoted within the MFA.

He played a leading role in the peace negotiations during 1978, and impressed both the Americans and the Israelis by his technical competence. At Camp David he was the member of the Egyptian delegation who assisted President Carter in drafting the agreements. His detractors argue that he should have used his position to dissuade President Sadat from accepting the two agreements without a more substantial 'link' between them.

An interesting personality: of a diminutive stature yet with considerable 'stage presence'. He has an extremely sharp and questioning mind, some charm and a good sense of humour. In short very interesting company but not always easy. He enjoys arguments for their own sake and seems to have no very deep political commitments. He is a very influential with the President on both Foreign and

/domestic.



domestic policies and is thought to play a major part in drafting the President's speeches.

MRS SUSANNE MUBARAK

President Mubarak has made it clear that he does not wish his wife to play an active role in public life. The title 'Egypt's First Lady' used by Madame Sadat has been quietly dropped. Madame Sadat herself, who appears to be an object of some embarrassment to the new regime, has been encouraged to drop out of the public eye completely.

Mrs Mubarak, who was a sociology student at the American University in Cairo (1972-76) has for the past four years supported a deserving project for deprived children in one of the poorest sections of Cairo. She does this without publicity. She has considerable achievements to her credit. Her project now sponsors five primary schools for boys and girls from the ages of six to twelve.

Apart from this charity work, her studies and official functions, Mrs Mubarak has little time for other activities, but she is very fond of ballet.

Mrs Mubarak's mother who was British (and Welsh) died three years ago (our Embassy advise that not too much should be made of the British connections in case the Egyptians wish to play it down). Her father is a doctor still alive in Egypt and her brother is a Brigadier in the Egyptian Army.

The Mubaraks have two sons aged 22 and 20. Both are studying economics at the University of Cairo. Both are in London for the visit (but unofficially).

EZZ EL DIN MOUKHTAR

Secretary General to the Presidency

Former Army officer (Brigadier) he was Egyptian Military Attache in Brussels and Paris. Army spokesman during the 1973 October war. He has worked with Mubarak since he became Vice President in 1975 and visited London with Sadat and Mubarak in the past.

Married.