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PRIME MINISTER'S MEETING WITH PRESIDENT MUBARAK OF EGYPT AT 10 DOWNING STREET ON 14 MARCH AT 1630

Present:

Prime Minister
Foreign and Commonwealth
Secretary
Mr. Luce
HM Ambassador, Cairo
Mr. C.D. Powell

President Mubarak
Dr. Abdel Meguid, Foreign
Minister
Mr. el Sharif, Minister of
Information
Dr. el Gamzuri, Minister of
Planning
Mr. Sharara, Egyptian Ambassador

After an exchange of courtesies, President Mubarak asked the Prime Minister how she assessed Mr. Gorbachev. The Prime Minister said that he was a man who knew only one system, and that was a controlled system. She did not believe that he would depart from it, although he would try to make it work more efficiently. President Mubarak said that he thought Gorbachev's priority would be to get his own people into key positions. He agreed with the Prime Minister that he would do nothing to weaken or undermine the system. He recalled that Kruschev had told Nasser at the time of the opening of the Aswan Dam that the Soviet system was not a good one, and Egypt should not copy it. He himself had once lived for seven months in Khirgiz and it had been terrible.

Arab/Israel

The Prime Minister said that she believed that President Mubarak had come to London at a critical point in Middle East affairs. Her information was that his visit to Washington had been very successful, and that President Reagan had made some up-beat and optimistic statements. The key question was how



to take matters forward, particularly when the United States was focusing closely on the situation in Lebanon.

President Mubarak summarised the background to the agreement reached between King Hussein and Arafat on ll February. In commenting on that agreement, he had taken the line that it should not just be put in the drawer, but that use must be made of it. There should be talks between the United States and a Jordan/PLO delegation to pave the way for eventual direct negotiations with Israel. Direct negotiations would be essential if the Arab/Israel problem was ever to be solved. He had been asked what kind of Palestinians would be in a joint delegation. His answer was that one had to be realistic. The PLO was everywhere, and there were many Arab resolutions which defined it as the sole representative of the Palestinian people. No one could really tell who was and was not PLO. It was not useful to enquire too closely. He had also been asked about an international conference and had replied that this might be useful in the last phase, although in practice direct negotiations would probably obviate any need for an international conference. Past experience with such conferences was not encouraging.

President Mubarak continued that when he had seen King Hussein before his own visit to Washington they had agreed that he should try to persuade the Americans to accept a dialogue with a joint Jordanian/Palestinian delegation, on the basis that the purpose would be to promote a solution under UN resolutions including Security Council Resolution 242. In Washington he had explained this to President Reagan, and tried to convince him that a dialogue with the Palestinians would be helpful. At present virtually all Palestinian groups had links with the Soviet Union. A dialogue with the United States would give them a sense of security, and detach most of them from the Soviet Union. It would also diminish the problem of terrorism and violence. Of course some would remain allied with Libya and Syria, but he was confident that the majority would detach itself. For instance, Abu Iyad had told the Jordanians that if the Americans would agree to a



dialogue, the PLO would accept Resolution 242 and recognise Israel's existence. It just needed a sign from the United States. President Mubarak said that in his view the United States would lose nothing from such a dialogue. If they and the Israelis could be brought to understand this, it would be a great step forward. The Prime Minister asked how President Reagan had reacted to this. President Mubarak said that he had not commented directly but had clearly understood the proposition.

President Mubarak continued that he had also put these ideas to Congress and to the Jewish community in the United States. From both them, he had come under pressure to send Egypt's Ambassador back to Israel. He had replied that he wanted better relations. But if he gave his people the impression that he was acting under pressure, he would lose public support. Here the issue of Taba was of crucial importance. The Egyptian people regarded this as an issue of great importance even though most of them did not have the faintest idea where it was. Everywhere he went in the country he was asked about it. Enormous damage had been done by Shamir's statement that Israel would not return Taba. However, the latest information was that the Israelis might be ready to send the issue to arbitration.

The Foreign and Commonwealth Secretary said that he understood President Mubarak to be saying that the efforts which he and King Hussein were making to mobilise a moderate presentation of the Palestinian case needed encouragement from the American side. That was clearly desirable, though it might take a long time to get from that point to direct negotiations. President Mubarak said that Peres would inevitably say that there could be no negotiations with members of the PLO. But he might eventually be convinced to be more flexible. The Prime Minister asked whether Peres could continue as Prime Minister if Likud resigned from the coalition. President Mubarak said that he would like to help Peres. If Likud again assumed charge of the Government, everything would be frozen. The Prime Minister continued that



she understood President Mubarak to be saying that if there were a dialogue between the Palestinians and the United States under the aegis of Jordan, that move in itself would be so significant as to trigger the Palestinians to recognise Israel's right to exist. President Mubarak confirmed this, adding that a dialogue would also give support to moderates in the PLO. The Prime Minister wondered whether this was not too sanguine a view of the PLO. She thought that Syrian influence over them remained a major obstacle. She was also uncertain how far the Palestinians really accepted the 11 February agreement. The amendments which they had subsequently proposed cast doubt upon it. The crucial question was whether one could find Palestinians to represent the West Bank who did not carry a prominent PLO label. She accepted that the PLO were everywhere, but it should be possible to find some West Bank Palestinians who were not prominent members. President Mubarak said that he had discussed this point with the Americans. One possibility was that Egypt and Jordan might choose the Palestinians to be included in the joint delegation, giving Arafat a veto so that he could feel involved. He was confident that he could persuade Arafat to keep quiet. There was a good precedent in the negotiations to end the Algerian conflict, when a moderate spokesman for the FLN had been found in the person of Ferhat Abbas.

The <u>Prime Minister</u> said that it was essential for Arafat to have only a very minor, background role. But she was still not quite clear how the Americans themselves had reacted to President Mubarak's suggestion. Mr. Meguid said that Mr. Shultz had appeared open to the idea. There were distinguished men who were not PLO members but could obtain its blessing. But Arafat could not be ignored. He was the leader of the PLO and any agreement would need his endorsement.

President Mubarak said that he would continue to work on these ideas and carry them forward. The Foreign and Commonwealth Secretary commented that "carry forward" was the right expression. It was not an initiative but a process.



President Mubarak agreed. He was not speaking yet of negotiations with Israel but of preparation for negotiations. He had put the idea of joint Egyptian/Jordanian/United States discussions to select possible members of a Palestinian delegation to Peres who had been favourably disposed. The Prime Minister said that there was a very delicate balance here. If the United States asked too much of the moderates, the whole process might falter and collapse. The question also remained: who was to take the first step? The most promising factor was readiness to consider using Palestinians who were not members of the PLO. But her impression was that the United States was not yet wholly convinced that the 11 February agreement was supported by the Palestinian people as a whole. President Mubarak said that if the PLO retreated from the positions they had taken, then some other way must be found to solve the problem which might exclude them. He hoped the Prime Minister would influence the Israelis towards acceptance of the proposal he had described. He himself intended to develop more regular contacts with Peres. The Prime Minister said that she had always said to the Israelis that the situation on the West Bank could not go on as it was. But it was important to make progress rapidly while Peres remained in charge.

Lebanon

The Prime Minister said that it was essential for Israel to complete its withdrawal from Lebanon quickly. It had been a mistake to invade in the first place. President Mubarak agreed that it was a case of the quicker the better. The Israelis were actually worse off as a result of their intervention. The Shia were far more dangerous adversaries than the PLO. Withdrawal would also help Israel's economic situation.

Sudan

The <u>Prime Minister</u> said that we were concerned about the situation in the Sudan and some of President Nimeiri's



actions. We were ready to go on providing aid but the Sudanese Government must reach agreement with the IMF.

President Mubarak said that he was confident that they would do so. One should not exaggerate Sudan's problems. There was "no worry with Sudan". The Egyptians were talking to some of the leaders in the South with Nimeiri's permission. The advance of Islamic fundamentalism in the North was now slowing down. One had to be patient with the Sudanese and tell them everything three times. Nimeiri had recently moved against some of the Islamic fundamentalists after much prodding by the Egyptians. Her was very annoyed by some of the things which thee BBC said about him.

Libya

President Mubarak said that it was essential to deal firmly with Qadhafi and recounted a number of incidents to prove his point. Qadhafi was mad. And dangerous added the Prime Minister. President Mubarak asked how the Prime Minister assessed the union between Libya and Morocco. The Prime Minister said that it appeared to be an attempt by Morocco to stop Qadhafi giving money to Polisario. President Mubarak said that he was puzzled by the King's actions. He had rejected the agreement between King Hussein and Arafat, saying that it must have the approval of the Arab Summit. He was also pressing Senegal to accept a Libyan Embassy. The Prime Minister said this was another example of Qadhafi upping the price of stopping support for Polisario. President Mubarak said that Qadhafi would never stop. The Saudis were making ill-judged efforts to come to terms with him. The Prime Minister agreed that there was no alternative but to be tough with him.

The meeting ended at 1750.

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From the Private Secretary

14 March 1985

Den Petr,

Prime Minister's Meeting with President Mubarak

I enclose a record of the Prime Minister's conversation with President Mubarak this evening. It was agreed that bilateral problems would be dealt with by the two Foreign Ministers.

In discussing Arab/Israel questions, President Mubarak spoke interchangeably of a "Jordanian/PLO" and "Jordanian/Palestinian" delegation. I have used his actual words on each occasion in the record.

I am copying this letter and enclosure to Richard Mottram (Ministry of Defence) and to Richard Hatfield (Cabinet Office).

Charles Powell

Peter Ricketts Esq Foreign and Commonwealth Office

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