CONFIDENTIAL Foreign and Commonwealth Office London SW1A 2AH received a ET PUL. 24 February 1986 Draw Charles, Discussion on Arab/Israel by Foreign Ministers of the Twelve on 25 February Sir Geoffrey Howe expects a substantive discussion of policy towards the Arab/Israel dispute when Foreign Ministers of the Twelve meet on 25 February. I enclose a short account of latest developments, notably King Hussein's speech of 19 February on the breakdown of efforts by Jordan and the PLO to co-ordinate a joint approach to negotiations. King Hussein remains the key. Although his initiation with Arafat is manifest, he has not completely closed the door on the PLO and we do not yet know if he has any alternatives in mind. He is likely to take his time over assessing Arab reactions before deciding his next move. Sir Geoffrey Howe believes that this argues for caution by the Twelve. Unfortunately some of our partners are likely to see attractions in responding immediately to Arab calls, notably by President Mubarak, that Europe should attempt, however unrealistically, to fill the vacuum (the Egyptians continue to place importance on sustaining Arafat). This is likely to be discussed when Ministers of the Twelve meet on 25 February. The Dutch Presidency have identified three broad options: quiet diplomacy through diplomatic channels; (a) a contact group (either a Ministerial troika (b) or perhaps a troika led by the Dutch Foreign Minister with senior official participation); (c) a statement. They consider that option (c) is not appropriate at present. /Sir Geoffrey C D Powell Esq No.10 Downing Street CONFIDENTIAL



Sir Geoffrey Howe strongly favours option (a). But if there is strong pressure for immediate activity, he intends to propose as a first step that the Twelve (preferably at Ambassador level) should explore Jordanian views on the way forward and whether the Twelve can usefully play a role. Depending on the outcome of this meeting contact with the Egyptians and Americans might then be appropriate. In any discussion of longer term strategy Sir Geoffrey Howe intends to steer our partners towards fact-finding rather than any grandiose attempts at mediation. If there is pressure for a statement, we could usefully propose a re-statement of support for Hussein, coupled with regret that his efforts have reached an impasse, for reasons he has put clearly on the record.

Yours over,

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(R N Culshaw) Private Secretary

PS We have now also seen Annan terms 95, which ringovers his word for caution by the Twent.

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THE ARAB ISRAEL DISPUTE: LATEST DEVELOPMENTS

- 1. On 19 February, King Hussein put on public record, as he has long threatened, his dissatisfaction with his PLO partners. In a three and a half hour televised speech (which will have been seen by many Palestinians on the West Bank), he publicly drew a line under the phase of Jordan/PLO joint effort, which began with the 11 February agreement. Amman telegrams 92 and 93 (attached) summarise the main points and give Mr Coles' assessment. The King described in measured tones Jordanian efforts since 1967 to start peace talks, focussing in detail on the most recent discussions between Jordan, the PLO and the United States on formulae which would facilitate the start of negotiations. He concluded that failure to reach agreement with Arafat this month constituted "the end of another chapter in the search for peace". He went on to say that "I and the Jordanian government hereby announce that we are unable to coordinate politically with the PLO leadership until such time as their word becomes their bond, characterised by commitment, credibility and constancy".
- 2. The King has left open his options. An obscure passage noting that the ll February agreement will continue to govern relations between the Jordanian and Palestinian peoples may even be designed to leave the door slightly ajar for further Jordan/PLO collaboration. He has implied strongly that the PLO is not working in the best interests of the Palestinian people, but gave no indication that he sees this as clearing the way for separate negotiations with Israel. He is likely to study reactions particularly from Palestinians in the Occupied Territories and the diaspora before deciding his next move.
- 3. So far we only have first indications of Arab reactions. The Egyptians are trying to rebuild bridges between Jordan and the PLO, and are keen that an EC contact group, which would meet Arafat as well as other Arab leaders, should be set up soon. A number of our partners may favour this in Ministerial political cooperation

discussions on 25 February. In the Occupied Territories first reactions have been mixed: there has been strong criticism of both Jordan and the United States. A group of moderates have embarked on efforts to restore the Jordan/PLO dialogue. But in the short term at least King Hussein will be unwilling to appear to retreat after taking such a firm public stand. In Israel the King's speech has predictably been welcomed as vindication of the view that the PLO is not an appropriate negotiating partner: many Israelis hope that King Hussein will now opt for direct negotiations. The Syrians will crow about the virtual renunciation of the 11 February agreement and are unlikely to hasten to help King Hussein back off the limb on which he placed himself.

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