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THE PRIME MINISTER

29 May 1986

PERSONAL MESSAGE SERIAL NO. TIO38/86.

You Rajerty.

I have just returned from a brief visit to Israel and want to let you have immediately an account of the main issues which I discussed with Mr. Peres and his colleagues as well as of my meeting with leading Palestinians from the West Bank and Gaza. I understand that you will be in London in mid-June. I very much hope that we can meet then for a fuller discussion. May I say how very helpful I found it to have your views, through Mr. Coles, before my departure for Israel.

My starting point in my various discussions was that the present hiatus in the peace process was dangerous and that some way must be found to restore momentum. I suggested that, until we had a clearer idea of how progress towards negotiations in an international framework could be resumed, the focus should be on practical steps to improve the conditions in the Occupied Territories as a prelude to but not a substitute for an eventual settlement. I made clear that Israel could not claim full democratic and human rights for itself but deny them to others. I re-affirmed my view that the PLO as such would have to renounce violence and accept UN Security Council Resolutions 242 and 338 before it could play a direct role in the negotiating process. I

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suggested that thought be given to ways in which Palestinian representatives from the Occupied Territories could be selected, possibly through direct or indirect elections, to take part in peace negotiations. I made clear my view that the Palestinians' right to self-determination could most effectively be pursued in the framework of some kind of federation with Jordan. Throughout I laid stress on the goal of peace with security, both for Israel and for its Arab neighbours.

In my talks with Mr. Peres, I found him very willing to be helpful to Jordan's requirements. He made clear to me that Israel was ready to implement promptly on the West Bank a number of measures which you have proposed, in particular nomination of further Mayors, enlargement of municipal boundaries, establishment of an Arab Bank, and doubling of family re-unifications as well as a number of other practical steps. He was less responsive to the idea of election of Mayors on the West Bank (and Mr. Rabin was openly hostile), citing the unsatisfactory experience of such elections in 1976 and the risks of intimidation by the PLO. He suggested that a more productive way forward would be to hold elections for West Bank representatives to the Jordanian Parliament. Those elected might be regarded as potential representatives of the Palestinians in any future negotiations. He also made clear that he had reservations about the idea of establishing a special United Nations representative on the West Bank to co-ordinate the work of the various UN Agencies there.

In general I found in all my conversations with leading political figures a recognition that it did Israel no good to be an occupying power.

Mr. Peres spoke at some length about Gaza suggesting that it might be possible to hold negotiations with a joint Jordanian/Egyptian delegation, with or without Gaza representatives, to discuss Gaza's future. His mind appears to be moving towards an arrangement whereby Egypt would take a direct hand in Gaza's economic development while Jordan

would build up its political links with Gaza. I recalled that you had told me that you would have reservations about a so-called Gaza First approach. He stressed that he did not wish to lose your confidence and was prepared to guarantee that no steps would be taken without your specific consent. He hoped, nonetheless, that you would be prepared to consider his ideas further. This is something we might discuss when we meet.

Mr. Peres also returned to the idea, which he had mentioned to me in January, of confidential, working-level discussions between Israel and Jordan, and urged me to discuss this proposal with you. I told him that I knew you had firm reservations about this proposal. I had no reason to think that these had diminished, although I would of course be willing to pass on any message which you might wish me to give him.

Mr. Peres took the view that Syria had been shaken by the United States' action against Libya, not least by the poor performance of the Libyans' Soviet equipment and the failure of the Soivet Union to respond in any way. He did not expect the recent tension between Syria and Israel to lead to an open confrontation, indeed detected signs of willingness on Syria's part to ease it. He also confirmed Israel's willingness to withdraw its remaining forces from South Lebanon if satisfactory security arrangements to avoid incidents over the border could be agreed.

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

My talk with Mr. Shamir gave rise to nothing new. He

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identified the PLO and their continuing commitment to terrorism and violence as the main obstacle to negotiations. He urged that the European Community should give full support to Your Majesty. He continued to see implementation of the Camp David Agreements as the best way to make progress.

I did not go to Israel with any specific initiative in mind and, as you will see from this brief account, my talks did not yield any new proposals. But I remain encouraged by Mr. Peres' evident desire to see progress and his readiness to take steps in the Occupied Territories which would at the least represent some advance in the present situation. It seems to me important to take advantage of this willingness before rotation takes place in the Israeli Government in the autumn. I look forward to discussing with Your Majesty how this might be achieved. Meanwhile, may I ask you to treat this account in very strict confidence.

Your siverely Marcha

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PRIME MINISTER'S VISIT TO ISRAEL

1. FOLLOWING IS THE TEXT OF A MESSAGE FROM THE PRIME MINISTER TO KING HUSSEIN. PLEASE DELIVER THIS AS SOON AS POSSIBLE. SIGNED ORIGINAL FOLLOWS BY BAG. BEGINS

I HAVE JUST RETURNED FROM A BRIEF VISIT TO ISRAEL AND WANT TO LET YOU HAVE IMMEDIATELY AN ACCOUNT OF THE MAIN ISSUES WHICH I DISCUSSED WITH MR. PERES AND HIS COLLEAGUES AS WELL AS OF MY MEETING WITH LEADING PALESTINIANS FROM THE WEST BANK AND GAZA. I UNDERSTAND THAT YOU WILL BE IN LONDON IN MID-JUNE. I VERY MUCH HOPE THAT WE CAN MEET THEN FOR A FULLER DISCUSSION. MAY I SAY HOW VERY HELPFUL I FOUND IT TO HAVE YOUR VIEWS, THROUGH MR. COLES, BEFORE MY DEPARTURE FOR ISRAEL.

MY STARTING POINT IN MY VARIOUS DISCUSSIONS WAS THAT THE PRESENT HIATUS IN THE PEACE PROCESS WAS DANGEROUS AND THAT SOME WAY MUST BE FOUND TO RESTORE MOMENTUM. I SUGGESTED THAT, UNTIL WE HAD A CLEARER IDEA OF HOW PROGRESS TOWARDS NEGOTIATIONS IN AN INTERNATIONAL FRAMEWORK COULD BE RESUMED, THE FOCUS SHOULD BE ON PRACTICAL STEPS TO IMPROVE THE CONDITIONS IN THE OCCUPIED TERRITORIES AS A PRELUDE TO BUT NOT A SUBSTITUTE FOR AN EVENTUAL SETTLEMENT. I MADE CLEAR THAT ISRAEL COULD NOT CLAIM FULL

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DEMOCRATIC AND HUMAN RIGHTS FOR ITSELF BUT DENY THEM TO OTHERS.

I RE-AFFIRMED MY VIEW THAT THE PLO WOULD HAVE TO RENOUNCE

VIOLENCE AND ACCEPT UN SECURITY COUNCIL RESOLUTIONS 242 AND 338

BEFORE IT COULD PLAY A DIRECT ROLE IN THE NEGOTIATING PROCESS. I

SUGGESTED THAT THOUGHT BE GIVEN TO WAYS IN WHICH PALESTINIAN

REPRESENTATIVES FROM THE OCCUPIED TERRITORIES COULD BE SELECTED,

POSSIBLY THROUGH DIRECT OR INDIRECT ELECTIONS, TO TAKE PART IN

PEACE NEGOTIATIONS. I MADE CLEAR MY VIEW THAT THE PALESTINIANS'

RIGHT TO SELF-DETERMINATION COULD MOST EFFECTIVELY BE PURSUED IN

THE FRAMEWORK OF SOME KIND OF FEDERATION WITH JORDAN. THROUGHOUT

I LAID STRESS ON THE GOAL OF PEACE WITH SECURITY, BOTH FOR ISRAEL

AND FOR ITS ARAB NEIGHBOURS.

IN MY TALKS WITH MR. PERES, I FOUND HIM VERY WILLING TO BE HELPFUL TO JORDAN'S REQUIREMENTS. HE MADE CLEAR TO ME THAT ISRAEL WAS READY TO IMPLEMENT PROMPTLY ON THE WEST BANK A NUMBER OF MEASURES WHICH YOU HAVE PROPOSED, IN PARTICULAR NOMINATION OF FURTHER MAYORS, ENLARGEMENT OF MUNICIPAL BOUNDARIES, ESTABLISHMENT OF AN ARAB BANK, AND DOUBLING OF FAMILY RE-UNIFICATIONS AS WELL AS A NUMBER OF OTHER PRACTICAL STEPS. HE WAS LESS RESPONSIVE TO THE IDEA OF ELECTION OF MAYORS ON THE WEST BANK (AND MR. RABIN WAS OPENLY HOSTILE), CITING THE UNSATISFACTORY EXPERIENCE OF SUCH ELECTIONS IN 1976 AND THE RISKS OF INTIMIDATION BY THE PLO. HE SUGGESTED THAT A MORE PRODUCTIVE WAY FORWARD WOULD BE TO HOLD ELECTIONS FOR WEST BANK REPRESENTATIVES TO THE JORDANIAN PARLIAMENT. THOSE ELECTED MIGHT BE REGARDED AS POTENTIAL REPRESENTATIVES OF THE PALESTINIANS IN ANY FUTURE NEGOTIATIONS. HE ALSO MADE CLEAR THAT HE HAD RESERVATIONS ABOUT THE IDEA OF ESTABLISHING A SPECIAL UNITED NATIONS REPRESENTATIVE ON THE WEST BANK TO CO-ORDINATE THE WORK OF THE VARIOUS UN AGENCIES THERE.

IN GENERAL I FOUND IN ALL MY CONVERSATIONS WITH LEADING POLITICAL FIGURES A RECOGNITION THAT IT DID ISRAEL NO GOOD TO BE AN OCCUPYING POWER.

MR. PERES SPOKE AT SOME LENGTH ABOUT GAZA SUGGESTING THAT IT MIGHT BE POSSIBLE TO HOLD NEGOTIATIONS WITH A JOINT JORDANIAN/EGYPTIAN DELEGATION, WITH OR WITHOUT GAZA REPRESENTATIVES, TO DISCUSS GAZA'S FUTURE. HIS MIND APPEARS TO BE MOVING TOWARDS AN ARRANGEMENT WHEREBY EGYPT WOULD TAKE A DIRECT HAND IN GAZA'S ECONOMIC DEVELOPMENT WHILE JORDAN WOULD BUILD UP ITS POLITICAL LINKS WITH GAZA. I RECALLED THAT YOU HAD TOLD ME THAT YOU WOULD HAVE RESERVATIONS ABOUT A SO-CALLED GAZA FIRST APPROACH. HE STRESSED THAT HE DID NOT WISH TO LOSE YOUR CONFIDENCE AND WAS PREPARED TO GUARANTEE THAT NO STEPS WOULD BE TAKEN WITHOUT YOUR SPECIFIC CONSENT. HE HOPED, NONETHELESS, THAT YOU WOULD BE PREPARED TO CONSIDER HIS IDEAS FURTHER. THIS IS SOMETHING WE MIGHT DISCUSS WHEN WE MEET.

MR. PERES ALSO RETURNED TO THE IDEA, WHICH HE HAD MENTIONED TO ME IN JANUARY, OF CONFIDENTIAL, WORKING-LEVEL DISCUSSIONS BETWEEN ISRAEL AND JORDAN, AND URGED ME TO DISUSS THIS PROPOSAL WITH YOU. I TOLD HIM THAT I KNEW YOU HAD FIRM RESERVATIONS ABOUT THIS PROPOSAL. I HAD NO REASON TO THINK THAT THESE HAD DIMINISHED, ALTHOUGH I WOULD OF COURSE BE WILLING TO PASS ON ANY MESSAGE WHICH YOU MIGHT WISH ME TO GIVE HIM.

MR. PERES TOOK THE VIEW THAT SYRIA HAD BEEN SHAKEN BY THE UNITED STATES' ACTION AGAINST LIBYA, NOT LEAST BY THE POOR PERFORMANCE OF THE LIBYANS' SOVIET EQUIPMENT AND THE FAILURE OF THE SOVIET UNION TO RESPOND IN ANY WAY. HE DID NOT EXPECT THE RECENT TENSION BETWEEN SYRIA AND ISRAEL TO LEAD TO AN OPEN CONFRONTATION, INDEED DETECTED SIGNS OF WILLINGNESS ON SYRIA'S PART TO EASE IT. HE ALSO CONFIRMED ISRAEL'S WILLINGNESS TO WITHDRAW ITS REMAINING FORCES FROM SOUTH LEBANON IF SATISFACTORY SECURITY ARRANGEMENTS TO AVOID INCIDENTS OVER THE BORDER COULD BE AGREED.

I FOUND MY MEETING WITH PALESTINIANS FROM THE WEST BANK AND GAZA VERY HELPFUL IN REACHING A BETTER UNDERSTANDING OF THEIR GRIEVANCES. I WAS ALSO ENCOURAGED BY THEIR READINESS TO SEEK A

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PEACEFUL SETTLEMENT 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.

MY TALK WITH MR. SHAMIR GAVE RISE TO NOTHING NEW. HE IDENTIFIED THE PLO AND THEIR CONTINUING COMMITMENT TO TERRORISM AND VIOLENCE AS THE MAIN OBSTACLE TO NEGOTIATIONS. HE URGED THAT THE EUROPEAN COMMUNITY SHOULD GIVE FULL SUPPORT TO YOUR MAJESTY. HE CONTINUED TO SEE IMPLEMENTATION OF THE CAMP DAVID AGREEMENTS AS THE BEST WAY TO MAKE PROGRESS.

I DID NOT GO TO ISRAEL WITH ANY SPECIFIC INITIATIVE IN MIND AND, AS YOU WILL SEE FROM THIS BRIEF ACCOUNT, MY TALKS DID NOT YIELD ANY NEW PROPOSALS. BUT I REMAIN ENCOURAGED BY MR. PERES' EVIDENT DESIRE TO SEE PROGRESS AND HIS READINESS TO TAKE STEPS IN THE OCCUPIED TERRITORIES WHICH WOULD AT THE LEAST REPRESENT SOME ADVANCE IN THE PRESENT SITUATION. IT SEEMS TO ME IMPORTANT TO TAKE ADVANTAGE OF THIS WILLINGNESS BEFORE ROTATION TAKES PLACE IN THE ISRAELI GOVERNMENT IN THE AUTUMN. I LOOK FORWARD TO DISCUSSING WITH YOUR MAJESTY HOW THIS MIGHT BE ACHIEVED. MEANWHILE, MAY I ASK YOU TO TREAT THIS ACCOUNT IN VERY STRICT CONFIDENCE. ENDS.

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## 10 DOWNING STREET LONDON SWIA 2AA

From the Private Secretary

28 May 1986

## PRIME MINISTER'S VISIT TO ISRAEL: MESSAGES TO ARAB LEADERS

I enclose the texts of messages from the Prime Minister to King Hussein, President Mubarak and King Fahd of Saudi Arabia.

I should be grateful if they could be despatched telegraphically to arrive at first contact tomorrow morning in the posts concerned.

Signed copies will follow as soon as possible.

(Charles Powell)

R.N. Culshaw, Esq., Foreign and Commonwealth Office.

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