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RECORD OF A CONVERSATION BETWEEN THE PRIME MINISTER AND THE VICE
PRESIDENT OF THE ARAB REPUBLIC OF EGYPT, MR. HUSNI MUBARAK,
AT No. 10 DOWNING STREET ON TUESDAY 2 SEPTEMBER 1980 AT 1150

PRESENT

The Prime Minister	H.E. Mr. Husni Mubarak
Sir John Graham	H.E. Mr. Abou Se'eda
Sir Michael Weir	Dr. Usama Al Baz
Mr. M. O'D. B. Alexander	

After an exchange of courtesies, Mr. Mubarak asked the Prime Minister whether she had seen the text of President Sadat's latest message to Prime Minister Begin and, on learning that the text was not yet available in London, he handed a copy of the letter, together with copies of earlier exchanges between President Sadat and Mr. Begin, to the Prime Minister. The Prime Minister commented favourably on the wording of President Sadat's letter of 27 August.

Mr. Mubarak said that Mr. Begin was trying to impose unilaterally conditions which the Egyptians had rejected earlier in the negotiations. The Knesset had approved a new law on Jerusalem. There seemed to be a threat of a similar law on the status of the Golan Heights being passed. Mr. Begin had repeatedly made unhelpful statements about the settlements on the West Bank and about South Lebanon. The Egyptians had told the Israelis that these actions were damaging the prospects for the negotiations. It was difficult to know how to deal with the Israelis: the Israeli Ambassador to Egypt had conveyed to Vice President Mubarak a private message from Prime Minister Begin saying that while the Israeli Government could not say so publicly everything was in fact negotiable. Having conveyed this message, the Ambassador then went on to make it plain that in fact the position on Jerusalem was not negotiable. Similarly the Israelis were arguing that because the Egyptian press had criticised Mr. Begin, the Egyptian Government had violated the Camp David Agreement. But the Camp David Agreement only referred to hostile propaganda: the articles in the Egyptian press were nothing of the kind. Moreover, the Israeli press criticised the Egyptian Government policy. The Egyptian Government did not suggest that this was a breach of the Camp David Agreement.

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The Prime Minister asked whether the Egyptians expected these difficulties to continue so long as Mr. Begin was in charge of the Government. Mr. Mubarak said that President Sadat had suggested a new Summit precisely because he expected Mr. Begin's present obstinacy to last until Israeli elections were held. Mr. Begin had been very angry that President Sadat had made this proposal without previously clearing it with the Israeli side. The Prime Minister commented that there might be a long wait for the Israeli elections since these need not be held until November 1981. A Summit would be a good place to cross examine Mr. Begin and exert pressure on him. Mr. Mubarak said that this was precisely why President Sadat had suggested a Summit. Unfortunately, there seemed to be no chance of a Summit being held before the US elections. ^{The} Egyptians, for their part, were not prepared to resume bilateral negotiations in the present atmosphere. Mr. Linowitz was keen to get negotiations under way but the US Ambassador in Cairo had been told that it would be detrimental to the interests of all parties to propose a new round of negotiations. Mr. Linowitz had just been to Israel and would be seeing President Sadat the following day. Mr. Linowitz would probably indulge in a shuttle in order to give an impression of movement in the period between now and the US elections. The Egyptians did not expect this activity to produce results. Mr. Begin would no doubt continue to demand the resumption of negotiations but his statements were making this impossible. The Prime Minister said that when the Summit was held, it would have to be very carefully prepared. A failed Summit was worse than no Summit. Just as the present atmosphere was not conducive to bilateral negotiations, it was presumably not favourable for a Summit. Mr. Mubarak agreed that the Summit would have to be prepared with care. (Later in the conversation he said that it would have to be "pre-arranged").

The Prime Minister asked how Mr. Mubarak saw Europe's role in the present situation. Mr. Mubarak said that President Sadat had asked him to thank the Prime Minister for her role in the negotiation of the Venice Declaration in June. President Sadat was very satisfied with the Declaration. It represented valuable support for the peace process. It leaned neither to one side nor the other. President Sadat considered it was good for him personally. He was aware of and appreciated the part played by the UK Government in producing the Declaration. The Prime Minister said that the UK had

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set out to make it clear that each side would have to recognise the other's rights. The essence of any solution would have to be mutual respect by both sides. But Europe's role in the future was not clear. Should they be seeking to influence Israel; to influence the US to bring pressure to bear on Israel; ^{or} seeking to increase the understanding of other Arab countries for Egypt's problems? Egypt's position was a unique one. It was central to the Arab/Israel dispute and also had a wider East/West dimension because of the Communist threat in territories bordering on Egypt, e.g. Libya and Ethiopia. Egypt was making a great contribution in tackling both sets of problems. Should Europe be seeking increased understanding for this?

Mr. Mubarak said that Europe should be trying to influence the Israelis. If sufficient progress could be made, Egypt's problems with the moderate Arab countries would cease to be of concern. Countries like Saudi Arabia, Kuwait, Bahrain and the UAE only wished to save face. They would be happy to disassociate themselves from the rejectionists who were in the Soviet camp. What bothered them was Jerusalem. In reply to a question from the Prime Minister, Mr. Mubarak said that Jerusalem was the most sensitive issue from an Arab point of view but not, in his view, the most difficult to resolve. President Sadat was ready to be extremely flexible about Jerusalem. He had already told the Israelis that he was ready to agree to free access for all to both halves of Jerusalem; to councils in Eastern and Western Jerusalem under an overall council for the city. If agreement could be reached on Jerusalem, including the flying of a flag symbolising the special status of the religious area, it would attract the support of 800 million Arabs. President Sadat was willing to look at more or less any alternative provided early progress was made. But a solution ^{to the problem} / of the autonomy of the West Bank was in many ways more difficult to envisage because of the Israeli policy on settlements.

The Prime Minister said that she kept in close touch with Jewish leaders in this country. Mr. Begin's settlement policy had no friends anywhere. It was condemned by the Jewish community here. Nor did the community accept Mr. Begin's ideas on Samaria and Judaea. But they were worried by the PLO and by Communist infiltration into it. They did not object to the PLO because it represented the /Palestinians

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Palestinians - though they did not accept that the PLO were the sole representative of the Palestinians - but because they were financed from Moscow. Mr. Mubarak said that Egypt would, of course, be opposed to the creation of an independent Palestinian State under Soviet influence since this would be a threat to Egypt. But there would be a transitional period after any agreement during which the Palestinians would determine their own future. They could opt to join Jordan. In this transitional period, King Hussein would have a key role. Although the Egyptians could not say so publicly, King Hussein was already preparing the ground and actively working for the solution on these lines. The Saudis and other moderate Arabs would be equally opposed to a Communist Palestinian State. Dr. Al Baz pointed out that an independent Palestinian State would not be viable and would depend on aid from other Arab countries. Moreover, such a State would have to be de-militarised and military aid would be forbidden. Commenting on an observation by Mr. Mubarak that the PLO would grow stronger in the absence of an agreement, the Prime Minister asked whether the Palestinians would be prepared to give up their present military role once a settlement had been reached. Mr. Mubarak said that they would find it difficult to secure finance for such a role. After a settlement, Arab aid would go to developing the West Bank. Dr. Al Baz said that even now the PLO was not basically a military organisation. Only one-tenth of its funds were spent on terrorism and military activity. The rest went on conferences, propaganda, welfare, etc. There was also a good deal of corruption. Moreover, there was a well-established tendency for organisations like the PLO to undergo a form of metamorphosis once they had obtained independent authority. Mr. Mubarak questioned the extent of PLO authority within the Palestinian community. He said that the PLO had no influence among the Palestinians in Jordan. Even on the West Bank much of the leadership was provided by the Mayors. There was, of course, a great deal of intimidation by the PLO but this would change after a settlement. The Prime Minister asked why, in this case, so many Arab States recognised the PLO as the sole representatives of the Palestinian people. Dr. Al Baz said that it was because they were the only organised group. Mr. Mubarak repeated his confidence that moderate Palestinian leaders would emerge after a settlement.

/The Prime Minister asked

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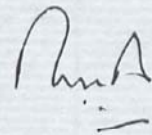
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The Prime Minister asked whether the problem represented by the Palestinians in other Arab States would diminish after a settlement. Mr. Mubarak said that there would be a continuing problem but it would certainly be reduced. The ex-patriate Palestinians would have to behave more moderately than they had in the recent past. It would, after all, be possible for other Governments to expel them since there would be somewhere for them to go. Dr. Al Baz said that the situation would be quantitatively different in the aftermath of a settlement. Sir Michael Weir said that the absence of a solution had tended to create grievances among the Palestinians. Sir John Graham commented that it had also prevented the absorption of Palestinians in Third countries.

The Prime Minister asked whether, if Mr. Begin lost the Israeli elections, there was any likelihood that a settlement would be easier to reach with his successors. Sir Michael Weir said that at least the leaders of a Labour Government in Israel seemed likely to be more open to argument than Mr. Begin. Dr. Al Baz saw two major differences between a Labour Government and Mr. Begin. Their approach to the problem would be more flexible, e.g. they were already encouraging the Jordanians to join in the search for a settlement. Secondly, the Labour Party had links outside Israel and were, therefore, amenable to outside influence. Mr. Begin, on the other hand, had no outside links and wanted none.

Following a brief discussion on the domestic policies of the Egyptian Government, the meeting ended at 1255.



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