

SUBJECT

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RECORD OF A MEETING HELD AT SIEF PALACE ON SUNDAY 27 SEPTEMBER AT 0940 HOURS

Present

Prime Minister
Sir Michael Palliser
Mr. John Cambridge
Mr. Clive Whitmore
Mr. David Miers

The Amir of the State of Kuwait
Dr. Awadhi, Minister of Health
Shaikh Khalid al Ahmed, Head of the
Amir's Division
Sayyed Ghazi Rais, Kuwait Ambassador
in London
Sayyed Tawfiq Nasser, Interpreter

Welcome

The Amir said that it was a great pleasure to welcome the Prime Minister to Kuwait. It was an occasion to recall the deep-rooted tradition of good relations between the two countries. He still remembered vividly and with great pleasure the visit of Her Majesty The Queen. He had no doubt that the Prime Minister's own visit would give impetus to the present relationship which was based on the mutual interests of our two countries. He would be grateful to learn how the Prime Minister saw the major international topics of the moment.

The Prime Minister thanked the Amir for his kind welcome. She wanted to renew the historic ties between Kuwait and the United Kingdom. She thought these links were strong now and should be stronger still in the future. She too remembered the wonderful welcome which Kuwait had extended to The Queen who she knew had greatly enjoyed her visit. She agreed that a full and frank discussion of international matters of concern to Kuwait and to Britain would be of value to both countries.

Gulf Cooperation

The Prime Minister continued that she was very pleased about the Kuwaiti initiative that had led to the formation of the Gulf Cooperation Council. A number of countries throughout the world were members of regional organisations. The United Kingdom, for example, belonged to the European Community: this was a very strong regional organisation which formed the biggest trading community in the world. She believed firmly in the value of regions forming their own local

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organisations. No country in the world today could live alone: we all had to live in peace and ⁱⁿ active cooperation with our neighbours. She understood that the GCC proposed to extend its scope to include security matters. She thought that this was wise. Every government had a duty to provide for the defence of its people. But this could not be done alone, and so alliances between nations were necessary. That was why she welcomed the GCC.

Arab/Israel

The Prime Minister said that she had ^{seen} Prince Fahd in London last week. The British Government welcomed the initiative he had taken in putting forward the eight principles. Even though we might not be able to agree with all of the principles in every detail, we were very pleased with their main thrust and hoped that they would bear fruit. The European Community was pursuing its own initiative stemming from the Venice Declaration. There had been extensive talks between the Presidency of the Community and the States in the Middle East immediately concerned with the Arab/Israel dispute. But the fact was that the only people who could bring influence to bear on Israel were the Americans. She hoped that before long the United States would ^{decide} _{in} how they should further the peace process. Time was short. It was only/the middle two years of a typical American presidency that the United States had an active foreign policy. The first year was largely spent getting to grips with problems: President Reagan's first year, for example, was going to be taken up largely with economic matters. The last year was almost invariably spent looking forward to the forthcoming Presidential Election. We were now approaching the critical middle period. She hoped the opportunity would not be missed. She believed that the Americans, like everybody else, were aware of the urgency of the Arab/Israel problem. It created great uncertainty and instability in the region, and so long as it lasted, it presented an opportunity for mischief makers to cause even more instability. It would be to the advantage not only of the region but ^{the} the whole world if progress could be made towards solving the Palestinian problem. If there was no solution in sight, the region would never be stable.

The United Kingdom tried to approach the problem by persuading each side to recognise the rights of others. No country could demand for itself what it denied to others. We had tried to persuade Israel to recognise the right of the Palestinian people to self-determination and the Palestinians to accept the right of Israel to exist behind secure borders. But neither side was prepared

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to take such a step be/ the other for fear of losing a tactical advantage. So we should all try to persuade both sides to move simultaneously. This was where we were bringing our efforts to bear, but she made no secret that Britain did not find Mr. Begin easy to deal with, and we had to look to the Americans to take the lead with Israel.

Britain had condemned the Israeli raid on the Iraqi nuclear establishment. We had also been very disturbed by the air attack on Beirut which had caused so much loss of life. But she believed that Mr. Begin's views were not shared by all his people, and there might be some who were much more ready than he to negotiate.

The Amir asked whether the United Kingdom thought that the Camp David Agreement was still an active process which we hoped would succeed or whether we thought it was dead.

The Prime Minister said that she believed that the rest of Sinai would be returned to Egypt next year. This was significant for it was the first time Israel had returned territory to an Arab country. She thought it unlikely that the Camp David process itself would go much further. It was interesting that the Americans were talking now not so much of the Camp David process but of the peace-making process. She believed that the Americans must use the time between now and the return of the rest of Sinai in the Spring of next year to launch a new initiative.

The Amir said that it was Kuwait's firm belief that most of the troubles now facing the Middle East stem/^{med} from the Palestinian problem and Israel's occupation of Arab land. He also thought that, in the wake of the Palestinian problem, the two super powers had been brought into the area and had taken sides. This had polarised the situation and this in turn had led to most of the present problems in the area. If this development had been forestalled a few years ago none or, at worst, only a few of the difficulties facing us in the Middle East today would exist. He agreed that the Americans had great influence, possibly the greatest influence, in the efforts being made to solve the Arab/Israel problem. But he believed that the Europeans could still play an active and constructive role. He would like to see them looking at the issue objectively; not taking sides; but speaking up loudly and clearly and acting as judges. It was in their own best interests that they should have this kind of approach. It was because of the polarisation of power between the Soviet Union and the

United States which he had mentioned that Kuwait put such emphasis on the European role in the Arab/Israel dispute. This polarisation had created two blocs and affected the policies of all countries. There should be a third bloc made up of the Third World and the Europeans that would have some standing and would be able to withstand Soviet and American pressure. Such an approach was applicable not only to the Palestinian problem but also to other world issues. It would mean that /^{they} were not left only with a choice between the Soviet Union and the United States.

The Prime Minister said that the Europeans had indeed spoken up loudly by issuing the Venice Declaration. This had said explicit^{ly} things which had not been defined internationally before. For example, in the United Nations Resolution 242 the Palestinian problem was still treated as a refugee problem. But the Venice Declaration treated it as a matter of national identity. Similarly, the Declaration had spoken of the self-determination of the Palestinians. It had also said that the Palestinian Liberation Organisation would have to be associated with any settlement. The European Community had been criticised for using such forthright terms. She believed that the United States were now more aware of the Palestinian nature of the problem than they had been. But the difficulty for the Americans was that they were unable to find a Palestinian organisation other than the PLO with whom to negotiate. She knew that Kuwait and all the other Arab countries recognised the PLO as the sole representative of the Palestinian people. But others found this difficult because of the PLO's association with terrorist activities. If another group of Palestinians could be identified who could provide leadership for the Palestinian people but who were not linked with terrorism or the extreme statements issued by PLO splinter groups, it would make matters much easier for the Americans. She hoped that such a way through could be found but she did not know whether it was likely.

The Prime Minister went on to say that she saw the problem of East/West relations in a rather different light from the Amir. It was a fundamental belief of the United Kingdom that each nation had the right to decide its own destiny. We did not believe that we could tell other countries what to do. Britain belonged to Western groupings such as NATO and the European Community whose members all believed firmly in freedom under the rule of law. The biggest nation in this Western bloc was of course the United States^{and}. We were all determined to defend our right to live in the way we chose /to espouse the cause of freedom. But we recognised that other blocs of nations had the right to decide their own

/ destiny too.

destiny too. They should be free of threats, free of subversion and free of pressure exerted by proxy nations on behalf of great powers. The biggest threat to nations who sought to keep their destiny in their own hands came from the immense power of the Soviet Union. The Russians spent a much greater proportion of their GDP on arms than did the United Kingdom: the figures were 13% compared with 5%. We did not know what the purpose of the Soviet Union's military capability was, but we could not ignore the colossal build-up which went on from year to year. We observed their use of the Cubans and East Germans as their proxies in the Third World. We observed their use of subversion. And we concluded that we must defend ourselves. But the United Kingdom did not want to polarise the world. We recognised^d that there were many non-aligned nations between the Western and Eastern blocs. We believed that they should be left to control their own affairs. But we noted that one non-aligned country - Afghanistan - was prevented from doing so and we would not rest until that country was once again able to decide its own fate.

Thus, taking this argument to its logical conclusion, she believed that the Palestinian people must have the right to decide their own destiny too. This was why she had said to Prince Fahd that we would make great progress if we could persuade the Palestinians that they should recognise Israel's right to exist if, in return, Israel recognised the right of the Palestinian people to self-determination. She believed that Prince Fahd would try to get the PLO to make such a conditional declaration. We would try to persuade the United States to bring strong influence to bear on Israel for the same purpose. We were all groping to see what the next step we should take would be. She believed that the time had come to stop talking in generalisations and to identify practical measures to follow the return of Sinai.

The Amir said that he had perhaps not explained clearly what he meant by polarisation. He recognised that ^{the} countries of the West had inter-connected and mutual interests and that they would be bound to try to deal with the dangers which they believed faced them. It was legitimate for the Western countries to cooperate to protect their interests. But it was equally legitimate for the members of the Warsaw Pact to cooperate for the same purpose. He understood why the Europeans, including the United Kingdom, agreed with the United States about the dangers, as ^{they} saw them, ~~from~~ the Soviet Union. But did they have to agree with the United States on the Palestinian problem?

/ Should they

Should they not have an opinion of their own? It was the action of the Americans and the Europeans in the Middle East which had given the Soviet Union the chance to infiltrate the area. The same was true of Afghanistan and other parts of the world. God knew what would happen tomorrow. He could not argue that the West was a friend of Kuwait and the Soviet Union an enemy while the Soviet Union - which did not say that Israel should cease to exist - approached the Arab/Israel problem in the way it did and while the West helped Mr. Begin whose forces were killing and injuring Arab people. He could not persuade the people of Kuwait in these circumstances that Kuwait should stand with the West against the Soviet Union.

The Prime Minister repeated that the Venice Declaration was the first international statement of its kind that recognised the right of the Palestinian people to determine their own future. The United States now saw the issue very much as a Palestinian problem which had to be dealt with in practical, concrete terms.

The Amir said that he recognised the importance of the Venice Declaration. It was a starting point from which the Europeans could move forward to develop a different view from the Americans. The Prime Minister had recently seen President Mitterrand of France. No doubt they had discussed the Arab/Israel problem, and he wondered whether French policy towards the Middle East under President Mitterrand had changed from that of President Giscard.

The Prime Minister said that there had been a slight shift but in practice there would probably be no difference. President Mitterrand had misinterpreted part of the Venice Declaration. He had believed that when the Declaration talked about a comprehensive settlement it had meant that no progress could be made until there was an agreement which settled every single issue comprehended by the Arab/Israel problem. He had argued that a step-by-step approach was more realistic. In fact the European Community had never thought it likely that all aspects of the Arab/Israel problem could be solved simultaneously. She agreed that the approach would in practice be step-by-step. So there was not very much difference between the United Kingdom and France on this issue.

The Amir's Visit to the Balkans

The Amir said that he had recently completed a tour of a number of Balkan countries and Turkey. Bulgaria and Hungary were more or less identical in their foreign policy and in particular were in complete agreement with Soviet foreign policy. Romania, of course, though a member of the Warsaw Pact, differed somewhat / in its approach

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in its approach from Bulgaria and Hungary, and their foreign policy did not entirely meet with the approval of the Soviet Union. Yugoslavia was non-aligned and pursued a foreign policy not dissimilar to Kuwait's. Turkey looked like being preoccupied with its internal situation for some time to come. They would need breathing space before developing their foreign policy.

The Prime Minister said that Turkey was trying to be cooperative in the search for a solution to the Cyprus problem. As regards Yugoslavia, she wondered how long the present system of government there would last. She hoped that it would go on in its present form.

The Amir said that he was not sure that Turkey really wanted to solve the Cyprus problem, at least not in the immediate future. His talks had not encouraged him to believe that the matter would be solved quickly. As for Yugoslavia, he thought that President Tito had done a great deal for his country by giving it a form of collective leadership. But the present leaders were elderly, and it was not clear who would follow them. In the long run he expected that there would be major changes in the leadership. But he had found the Yugoslavs adamant that no matter who ruled their country, they would continue to follow a policy of non-alignment.

The meeting ended at 1045 hours.

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27 September 1981