UTDDIE BAST: ADVANCE COPIES 16 PS/MR WCE PS/FUS SIR J LEASY ED EDERTON. NO 10 DOWNING STREET SIR J BULLARD ED/NEWAD SIMET OFFICE D10 ED/CONSULAR DEPT ADVANCE COPY IMMEDIATE FUSD (2)NEWS D SERVIDENT OFFICE PP UKMIS NEW YORK PP PARIS PP MOSCOW GR 730 CONFIDENTIAL FROM CAIRO 281000Z DEC 53 TO IMMEDIATE FCO TELNO 567 OF 28 DECEMBER INFO PRIORITY AMMAN, BEIRUT, JEDDA, DAMASCUS, SAMA'A, TEL AVIV, WASHINGTON, UKMIS NEW YORK, PARIS, MOSCOW. MY TELNO 563: MEETING BETWEEN ARAFAT AND MUBARAK SUMMARY. 1. BOUTROS-GHALI CALLED IN MYSELF AND THE US, FRENCH AND ITALIAN AMBASSADORS IN THAT ORDER ON CHRISTMAS EVE TO BRIEF US ON THE ARAFAT MEETING. ALTHOUGH HE SAID HE HAD SPENT FIVE HOURS TETE-A-TETE WITH ARAFAT THE PREVIOUS DAY HELICOPTERING TO AND FROM THE SUEZ CANAL AND SO ON, BOUTROS'S BRIEFING WAS UNCHARACTERIST-ICALLY THIN ON SUBSTANCE. I JUDGE THAT THE EXCHANGES WITH APAFAT MAY HAVE BEEN EQUALLY NEBULOUS. THE MAIN THRUST OF BOUTROS'S MESSAGE SEEMED TO BE AN APPEAL TO THE WEST TO HELP EGYPT MAKE THE MOST OF THE VISIT. DETAIL. 2. BOUTROUS SAID ARAFAT HAD MADE ONE PARTICULAR REQUEST, IN CONNECTION WITH THE MEETING OF THE PALESTINE NATIONAL COUNCIL WHICH WAS TO TAKE PLACE IN TWO MONTHS TIME. IT WAS THAT EGYPT AND HER FRIENDS SHOULD USE THEIR INFLUENCE TO PERSUADE THE ISRAELIS TO ALLOW THE 160 ODD MEMBERS OF THE PAG FROM THE OCCUPIED TERRITORIES TO ATTEND. THE ISPAELIS HAD ALWAYS REFUSED IN THE PAST AND BOUTPOS-GHALI SAW NO CHANCE OF THEIR RELENTING ON THIS OCCASION, BUT BELIEVED IT WAS STILL WORTH A TRY IF ONLY TO OBLIGE ARAFAT. OTHERWISE ARAFAT HAD TAKEN THE LINE THAT HE NEEDED TIME TO PREPARE HIS POSITION BEFORE HE COULD CONTEMPLATE RE-ENTERING PEACE NEGOTIATIONS, AND HE ASKED THE EGYPTIANS NOT TO PRESS HIM.

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3. BOUTPOS-GHALI WENT ON TO OUTLINE THE MESSAGE THAT KEMAL HASSAN ALI HAD TAKEN TO WASHINGTON EARLIER IN THE WEEK, HE HAD EXPLAINED THAT EGYPT WAS STRIVING TO FIND SOME COMPROMISE, AS HE PUT IT, BETWEEN THE PEAGAN INITIATIVE, THE FEZ PLAN AND THE FRANCG/EGYPTIAN SECURTLY GOUNCIL RESOLUTION, ABOVE ALL ON THE CENTRAL ISSUE OF PALESTINIAN SELF-GOVERNMENT. IF A NEW FORMULA COULD BE FOUND WHICH WOULD SAVE APAFAT'S FACE IT SHOULD THEN BE POSSIBLE FOR HIM TO PICK UP THE THREADS WHERE HE LEFT OFF WITH KING HUSSEIN. ARAFAT'S MEETING WITH MUBARAK, WHICH HAD NOT BEEN FORESEEN WHEN KEMAL HASSAN ALI LEFT FOP WASHINGTON, ONLY LENT ADDED POINT TO THE EGYPTIAN ARGUMENT. EGYPT D'ID NOT OF COURSE EXPECT EARLY RESULTD, AND INDEED THE GOVERNMENT WERE STILL DEBATING THE NEXT MOVES.

4. I SUGGESTED THAT THIS SEEMED AN OPTIMISTIC SCENARIO IN VIEW OF THE HOSTILE REACTIONS THE ARAFAT VISIT HAD EVOKED EVEN FROM HIS PLO COLLEAGUES, BUT BOUTROS-GHALI DID NOT AGREE. ARAFAT HAD BEEN FULL OF CONFIDENCE AND RECKONED HE COULD HANDLE ANY DISSENT AMONG HIS OWN SUPPORTERS. AS FOR THE US, KEMAL HASSAN ALI HAD NOT RECEIVED AN IMMEDIATE RESPONSE FROM PRESIDENT REAGAN TO MUBARAK'S MESSAGE, BUT THE EGYPTIANS WERE ENCOURAGED BY THE ADMINIST-RATION'S SUBSEQUENT WELCOME FOR THE MEETING WITH ARAFAT. THEY DOUBTED WHETHER KING HUSSEIN WOULD BE ABLE TO MOVE WITHOUT A GREEN LIGHT FROM THE SAUDIS AND THIS SEEMED NO NEARER THAN EVER. I ASKED ABOUT KING HUSSEIN'S RECENT CONVERSION TO THE INTERNATIONAL CONFERENCE APPROACH. BOUTROS DID NOT SEE HOW THIS IDEA COULD USEFULLY BE INTRODUCED INTO THE PRESENT STAGE OF THE PEACE PROCESS. BUT INDICATED THAT THE EGYPTIANS HAD NOT COMPARED NOTES WITH KING HUSSEIN SINCE HE LEFT AMMAN. I ALSO ASKED WHETHER EGYPT WAS UP TO ANYTHING WITH THE FRENCH, WITH A VIEW TO THEIR EC PRESIDENCY AND EGYPTIAN MEMBERSHIP OF THE SECURITY COUNCIL. BOUTROS SAID THEY HAD NO SPECIFIC PLANS, BUT THAT MES JEANNE KIRKPATRICK IN DISCUSSION WITH KEMAL HASSAN ALI IN NEW YORK HAD SEEMED TO FAVOUR SOME KIND OF ACTION IN THE SECURITY COUNCIL TO ACCOMPANY WHATEVER DIPLOMATIC PROCESS WAS TAKING PLACE ELSEWHERE, EG WITH ARAFAT.

S. BOUTROS-GHALI REPEATED THAT THE EGYPTIANS' IMMEDIATE CONCERN WAS THAT THE ARAFAT VISIT SHOULD NOT BE ALLOWED TO FADE AWAY AS A NINE-DAYS WONDER. HE HOPED THAT ALL THOSE GENUINELY INTERESTED IN A PEACEFUL SETTLEMENT WOULD HELP EGYPT IN HER EFFORTS TO TURN IT TO POSITIVE ACCOUNT. THE PRESS HAD SINCE PUBLICISED CABINET MEETINGS CHAIRED BY MUBARAK TO DISCUSS THE RELAUNCHING OF THE SEARCH FOR PEACE, DETAILS TO BE REVEALED LATER. I SHALL SEE WHETHER I CAN GET ANYTHING MORE SPECIFIC OUT OF OSAMA AL BAZ, BUT IT IS CLEAR THAT THE EGYPTIANS ARE STILL CASTING ABOUT FOR IDEAS AND WOULD WELCOME ANY FROM OTHERS.

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