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Britain's Policy towards Israel under Margaret Thatcher

This article explores an aspect of Anglo-Israeli relations that has been surprisingly neglected: Britain's policy towards the Arab-Israeli conflict under the Thatcher Government. Margaret Thatcher, Britain's prime minister between May 1979 and November 1990, was a strong believer in the urgency of a just and comprehensive settlement of the Arab-Israeli conflict based upon territorial compromise. This is an interesting notion, since the British leader was known for her dislike of compromise, as she herself makes clear in her memoirs:

"There are very few international questions in which compromise is more necessary or more difficult than in the conflict between Jews and Arabs in Israel/Palestine. Throughout my political life I have usually sought to avoid compromise, because it more often than not turns out to involve an abdication of principle. In international affairs, it is often also symptomatic of muddle and weakness. But over the years I have been forced to conclude that the Arab-Israeli conflict is an exception."¹

Thatcher did not necessarily take this position out of sympathy with Palestinian grievances (there is a view that she was not particularly sympathetic towards the Palestinians).² Rather, this article maintains that she was strongly influenced by cold war considerations in her approach towards the Middle East. Thatcher was worried that failure to resolve the Arab-Israeli conflict would heighten instability in the Middle East, threatening Britain's moderate Arab allies. In particular, there was concern that the Soviet Union would exploit this instability to expand its influence in the Middle East at the expense of Western interests. Thatcher had initially viewed Israel as a bulwark against the danger of an expanded Soviet presence in the Middle East. Indeed, her early support for Israel may have been linked to her view of the country as a strategic asset against

¹ Margaret Thatcher, *Statecraft: Strategies for a Changing World* (New York: Harper Collins, 2003), 243.

² Geoffrey Howe, *Conflict of Loyalty* (London: Pan Books, 1995), 477.

the Communist threat.³ Nevertheless, over time, Thatcher increasingly viewed Israeli policies as a liability rather than an asset for Western interests.

There is a view that Thatcher's Finchley constituency (which she represented in Parliament), with its relatively large Jewish population, significantly influenced her position on Israel.⁴ Thatcher was exposed to pressure from supporters of Israel within her constituency. There is some evidence to suggest, for example, that she was uncomfortable about talking to the PLO, partly as a result of pressure from the Israelis and the Jewish community in Britain.⁵ However, Thatcher's Finchley constituency had only a very marginal impact on her policy towards the Arab-Israel conflict.

To date, the historiography on the Thatcher era has understandably placed an emphasis on the strong relationship between Thatcher and Ronald Reagan. For example, Hugo Young described the Reagan-Thatcher relationship as "the most enduring personal alliance in the Western world throughout the 1980s."⁶ Yet there were serious differences between the two leaders over Middle East policy, and these only became stronger over time. Thatcher became increasingly exasperated with Reagan over his reluctance to take active measures to advance negotiations between Israel and its Arab neighbors. The main source of Thatcher's frustration with Washington was over the difference in approach towards the moderate forces of the Middle East.

British policy in the early 1980s was formulated in the context of recent events. In 1979, the year in which Thatcher became prime minister, East-West détente had broken down. The Soviet Union had invaded Afghanistan and the Islamic Revolution had taken place in Iran. The need to prevent political instability and Soviet expansion in the region had become a matter of great urgency. Thatcher's Middle East policy was dictated largely by concerns over threats to the stability of the moderate Arab states. The Conservative government of the

³ TNA (The National Archives, Kew, London)/FCO 93/2055, Letter from B. Cartledge to JS Wall, 15 August 1979.

⁴ Mark Stuart and Douglas Hurd, *The Public Servant* (London: Mainstream, 1998), 119.

⁵ FCO/FOI (Freedom of Information), Memorandum of Meeting between M. Thatcher and King Hussein, 8 April 1981.

⁶ Hugo Young, *One of Us* (London: Macmillan, 1989), 249.

time was unhappy with the Likud Party under the leadership of Menachem Begin, viewing its inflexible policies as having negative ramifications for the stability of the region. As a result, Thatcher largely agreed with the Foreign Office (FCO) that a policy shift on the Palestinian question was necessary to put an end to the situation in which the Soviet Union was an advocate for the Palestinians against an American-backed Israel.⁷

During a meeting in January 1980, King Hussein of Jordan warned Thatcher that the Soviets were moving towards the oil producing regions. Thatcher asked the king whether this was the reason behind the Soviet invasion of Afghanistan. He replied that it was. Britain's foreign secretary, Lord Carrington, added that the Soviets had established a centre from which they could operate throughout the region. Hussein described it as a wedge dividing the Muslim world in half. The king added that the dangers of subversion had to be brought home to countries such as Pakistan, Saudi Arabia, and the Gulf States. He warned that the Saudis were "ripe for plucking" by the Soviets.⁸

As mentioned before, one of the cornerstones of postwar British policy in the Middle East was the establishment of regional stability through building strategic alliances with moderate Arab regimes. Stability was essential for Britain in order to protect its political and economic interests in the region. A cautious approach was taken towards Israel, exemplified by restrictions on arms sales to the Jewish State, as a means to maintaining Arab support for Britain. In view of concerns regarding the growth of Soviet influence in the Middle East, officials in London also believed that urgent measures had to be taken to ensure that Arab states would remain within the Western orbit.⁹ The Thatcher government followed this line of thinking.



1 British Prime Minister Margaret Thatcher with Jordan's King Hussein at 10 Downing Street.

⁷ The Margaret Thatcher Foundation (MTF), Written Interview for Yehudit Ahronoth, 20 November 1987.

⁸ FCO/FOI, Memorandum of Meeting between M. Thatcher and King Hussein, 24 January 1980.

⁹ For example, see Evelyn E. Shuckburgh, *Descent to Suez* (New York: WW Norton & Company, 1986); Azriel Bermant, *A Triumph of Pragma-*

At first, Thatcher was opposed to a British move to support Palestinian self-determination which was being formulated by Carrington.¹⁰ However, Thatcher's personal experience of Menachem Begin's strong ideological stand over a Greater Israel was a significant factor which highlighted the constraints she faced in Middle East policy. This was made abundantly clear within weeks of her coming to office. During a difficult meeting with the Israeli prime minister in May 1979, Thatcher expressed her concern over his attitude towards a comprehensive peace settlement with the Palestinians. Begin's insistence on Israel's right to build settlements in the West Bank was deeply troubling for both Thatcher and Carrington. Begin had only recently signed a peace accord with Egypt's president, Anwar Sadat. However, Thatcher was anxious that Sadat's position would come under serious threat if the peace process collapsed. She warned Begin that the Soviets would take advantage of any difficulties in the Middle East in order to strengthen their position in the region.¹¹ Thatcher was increasingly concerned that the inflexible policies of Israel's Likud government were bringing instability to the Middle East and threatening Britain's moderate Arab allies, exposing them to Soviet influence. Thus, Thatcher's firm anticommunist orientation actually resulted in the adoption of an increasingly critical position towards Israel's government. During a meeting with French president Giscard D'Estaing a few months later, Thatcher agreed entirely with her French counterpart that Begin's approach had been "fanatical and unrealistic."¹²

Thatcher's growing support for a resolution of the Arab-Israeli conflict was in line with her strategic view of the possible threats to Western interests in the Middle East. Thus, during a meeting with UN secretary general Kurt Waldheim in 1979, the prime minister stated that threats to oil supplies could only be resolved through a resolution of the "political problems of the Middle East." She added that the "West was at present witnessing the creation by the Soviet Union of a belt

tism over Principle: Margaret Thatcher and the Arab-Israel Conflict (PhD diss, University College London, 2012).

¹⁰ TNA/FCO 93/2061, Letter from M. Alexander to G. Walden, 14 September 1979.

¹¹ TNA/FCO 93/1683, Meeting between M. Thatcher and M. Begin at 10 Downing Street, 23 May 1979.

¹² TNA/FCO 93/2061, Discussion between M. Thatcher and President Giscard, 21 November 1979.

of instability across Africa and Asia." Thatcher maintained that a settlement which would enhance stability in the region "would be a great prize."¹³

By the beginning of 1980, it was emerging that Cold War calculations were a dominant factor in Thatcher's policy shift on the Israeli-Palestinian question. Thus, in January 1980, she wrote to US president Jimmy Carter to express her anxiety over Soviet intentions following the invasion of Afghanistan. She asserted that while the West had sought to lower the risk of war with the Soviet Union through arms reductions and human contacts, the Russians had "continued to pursue a policy of expansion and subversion wherever they felt they could get away with it." In countering the Soviet Union, Thatcher argued for providing encouragement to Muslim countries to denounce the Russian action in Afghanistan and called for the acceleration of negotiations over the sale of British arms to Oman, Saudi Arabia and the Gulf States. In particular, she drew Carter's attention to the view of the Saudis and other Arab countries that "the whole Western position in the area was undermined by the Arab/Israel conflict and the failure to solve the Palestinian problem."¹⁴

Thus, Thatcher endorsed the British policy shift on the Palestinian question contained within the EEC Venice Declaration of 13 June 1980, which called for an end to Israel's "territorial occupation" and expressed support for Palestinian self-determination and the PLO's association with peace negotiations. The British prime minister was moving towards a more pragmatic position on the PLO. The Begin government fiercely opposed the initiative. Begin wrote to Thatcher in great anguish, asserting that the initiative was deeply hurtful to his country and "impossible to accept."¹⁵

While Thatcher enjoyed a close relationship with Reagan, Carter's successor, she became increasingly disillusioned with Washington's attitude on the Arab-Israeli question. As a result of the heightened Cold War atmosphere, Thatcher feared that the Soviet Union would exploit Arab dissatisfaction over Washington's attitude towards the Arab-Israeli conflict. This was

¹³ TNA/PREM 19/108, Memorandum of M. Thatcher's Discussion with K. Waldheim, 12 July 1979.

¹⁴ MTF, Letter from M. Thatcher to J. Carter, 26 January 1980.

¹⁵ ISA (Israel State Archive) 7308/5, Letter from M. Begin to M. Thatcher, 17 June 1980.

a factor in her strong encouragement for the American AWACS airborne radar system deal with Saudi Arabia. The Reagan administration sought to utilize the AWACS deal as an opportunity to promote a strategic dialogue with moderate Arab states. During a visit to Washington in September 1981, Begin expressed his opposition to the AWACS sale in the strongest terms, describing it as a grave threat to Israel's security. However, Thatcher had warned the US president that the Arabs had lost faith in the Americans, since, according to them, the West neglected the Palestinians and was one-sidedly committed to Israel. She added that a failure to seal the AWACS deal would result in considerable damage to relations between America and the Arab world.¹⁶ Thatcher's fierce condemnation of Israel's attack on the Iraqi nuclear reactor in June 1981 was also influenced by the fact that Iraq had gradually been moving away from the Soviets and seeking closer ties with the West.¹⁷

By the mid 1980s, Britain's heightened concern over a regional stalemate resulted in Thatcher's direct intervention in the Israeli-Palestinian dispute. King Hussein and Shimon Peres were at the centre of Thatcher's diplomatic efforts. She believed that the Israeli-Palestinian conflict could best be resolved within the framework of a confederation between the West Bank and Jordan rather than by means of an independent Palestinian state.¹⁸ Thatcher shared the FCO goal of strengthening the position of Labor leader Peres, who served as Israel's prime minister between 1984 and 1986 in a national unity government with Likud's leader Yitzhak Shamir. Throughout the years of the national unity government, Peres sought an agreement with Hussein in order to restore the heavily populated areas of the West Bank and Gaza to Jordanian rule, while leaving the strategically important areas under Israeli control.

Thatcher was aware that she would have to act quickly to help Peres, since the national unity coalition arrangement required him to step down as prime minister in October 1986, with Shamir replacing him. Thatcher believed that Shamir

¹⁶ MTF, Thatcher Letter to Reagan (Impressions of Arab Opinion), 1 October 1981.

¹⁷ FCO/FOI, Memorandum of Meeting between M. Thatcher and King Hussein, 8 April 1981.

¹⁸ FCO/FOI 698-09, Cable from Head of NENAD to Heads of Missions: Prime Minister's Meeting with Shamir, 23 May 1989.

was a hardliner incapable of demonstrating the flexibility necessary for obtaining a peace settlement. During Shamir's visit to London as Israel's foreign minister in June 1985, Thatcher had berated him over his refusal to compromise on the Palestinian question.¹⁹ She feared that the status quo in the Arab-Israeli arena would be perpetuated if the Likud leader were in charge of Israeli policy, with dangerous consequences for the region. Thatcher's determination to support Peres was expressed through her historic visit to Israel in May 1986, while he was still prime minister. She became the first British leader to visit the Jewish State while in office. Thatcher would not have done so if Shamir had been prime minister.²⁰

It was very clear to Thatcher that any peace settlement in the Middle East would require active American intervention. In her opinion, the United States was the only power that could apply pressure on Israel.²¹ However, Reagan was unwilling to challenge Shamir or provide backing to Hussein or Peres. This would become a major point of contention between Thatcher and the Reagan administration. It was the issue of an international peace conference which perhaps produced the strongest differences between London and Washington on the Middle East. King Hussein sought to convene a conference with the participation of the five permanent members of the UN Security Council with a view to launching peace negotiations between Israel and a Jordanian-Palestinian delegation. Thatcher had initially been skeptical about the idea of a peace conference since she feared that it would enable the Soviets to "play a wrecking role".²²



2 British Prime Minister Margaret Thatcher with Israeli Prime Minister Shimon Peres.

¹⁹ FCO/FOI 698-09, Letter from CD Powell to P. Ricketts, 4 June 1985.

²⁰ Interview of the author with Yossi Ben Aharon, adviser to Yitzhak Shamir and director general of the Israeli prime minister's office from 1986 to 1992, 6 April 2010.

²¹ FCO/FOI, Memorandum of Meeting between M. Thatcher and King Hussein, 28 May 1980.

²² FCO/FOI 0896-11, Cable from C. Pigott, NENAD, to AJ Coles, Amman, 18 June 1985.

However, Thatcher soon became convinced that an international conference was the only way to achieve a diplomatic breakthrough in the Middle East. In April 1987, Hussein met secretly in London with Peres (now Foreign Minister in Israel's coalition government) where an agreement was reached on an international conference to launch a process of negotiations. Thatcher's own private office was involved in organizing the secret Peres-Hussein meeting.²³ In the months that followed, Thatcher worked actively to persuade the Reagan administration to support the Hussein-Peres understanding (also known as the London Agreement). However, the Americans refused to support the London Agreement because Shamir was fiercely opposed to the idea of an international conference. The Reagan administration was deeply reluctant to become entangled in Israel's internal politics. This was made clear to Thatcher during her meeting in July 1987 with US secretary of state George Shultz. The US secretary told Thatcher that there was no point in promoting a new initiative without Likud support: the American approach was to seek Shamir's approval. Shultz expressed his unease over Thatcher's approach, which appeared to back Peres against Shamir in a domestic Israeli partisan showdown. Shultz suspected that Peres would lose such a contest.²⁴

In September 1987, Thatcher met with King Hussein and reported on her recent visit to Washington. She stated that the absence of progress on the Arab-Israeli issue was "depressing." Thatcher warned the Americans against giving Shamir the power to veto an international conference. She believed that the hesitancy shown by the Americans was enabling the Soviets to consolidate their position in the Middle East. Indeed, Hussein had told the British prime minister that the Russians would be able to supply him with MIG-29 jet fighters by the end of 1987.²⁵ Thatcher warned the Americans that such a deal would endanger Western defense cooperation with Jordan, and would be highly damaging for Western interests in the region. Thatcher pointed out to Reagan that there was a risk of "losing the initiative" and being outflanked by the Soviets in

²³ Interview with Lord Powell, 18 November 2008.

²⁴ Reagan Library, Ledsky/92082/61795, Meeting between Prime Minister Thatcher and Secretary Shultz, 17 July 1987.

²⁵ FCO/FOI 0896-11, Letter from CD Powell to R. Culshaw, 11 September 1987.

the Middle East unless a strong diplomatic effort was made to promote the peace process in the Arab-Israeli arena.²⁶

Reagan responded that while the United States was not abandoning the idea of a conference, certain realities had to be faced. Shamir was in a strong position and could not be ignored. The United States remained interested in the possibility of a conference, and Shamir was aware of this. However, it made little sense to go to a conference if immediate deadlock was likely. Reagan supported quiet efforts to develop understandings with the parties on the nature of the negotiations. Reagan wrote that the United States would maintain a dialogue with the Soviets and would continue its efforts to launch negotiations. He promised to keep Thatcher updated, and expressed appreciation for her assessment.²⁷

However, Thatcher was uncomfortable enough with Washington's position on the Middle East to express the view that Britain and Europe had to show some independence on policy. For example, as early as 1981, in the context of differences with the United States over the European contribution to the Multinational Force in Sinai as part of the Camp David Accords, Thatcher had said to King Hussein that "while the fate of the West depended, of course, on the United States, ... this did not mean that the Europeans had to follow the Americans slavishly."²⁸ In an interview some years later in the Israeli newspaper *Yediot Ahronoth*, Thatcher warned that Israel's policies were having a negative impact on the geopolitics of the region: according to her it was very problematic that the United States was being perceived as "Israel's lawyer," while the Soviet Union was viewed "as the friend of the Arabs." Thatcher argued for Britain and Europe to play a role as "a third party" which was "not bound by US or Soviet policies."²⁹ By the end of 1987, Thatcher's concern over the growth of Soviet influence continued to be a key consideration in her Middle East policy. She appeared to be distancing herself publicly from the Reagan policy towards the Israeli-Palestinian question.

²⁶ Reagan Library, Declassified, Executive Secretariat, NSC: System File, Box 230, 8790998-8791003, Doc 88420, Message from M. Thatcher to R. Reagan, September 1987.

²⁷ MTF, Reagan Letter to Thatcher, 30 September 1987.

²⁸ FCO/FOI, Memorandum of Meeting between M. Thatcher and King Hussein, 17 November 1981.

²⁹ MTF, Written Interview for *Yediot Ahronoth*, 20 November 1987.

The Thatcher government and the Reagan administration were working at cross purposes on the Arab-Israeli conflict. Reagan and Shultz were effectively consolidating the position of Shamir and weakening Peres by withholding support for an international conference. In contrast, Thatcher was attempting to strengthen Peres at the expense of Shamir and his Likud party by supporting an international conference and trying to persuade the Americans to do so. However, this policy was unsuccessful since King Hussein would ultimately cut his links to the West Bank in July 1988 in the wake of the Palestinian Intifada, with the more radical PLO becoming the new address for negotiations with the Palestinian side. Peres was also significantly weakened as a political leader, faring badly in the Israeli election of November 1988.

Conclusion

The perceived threat from the Soviet Union was a highly significant issue that drove Thatcher's thinking on Middle East issues. While she was a great admirer of President Mikhail Gorbachev, she retained her suspicions of Soviet foreign policy.³⁰ During her early months in power, Thatcher viewed Israel as a strategic asset which could help to contain Soviet ambitions in the Middle East. Reagan shared this perspective.³¹ The difference was that the US president continued to view Israel as a strategic asset throughout his time in office and was reluctant to challenge Israel's policies. In contrast, it was becoming increasingly clear to Thatcher that the inflexibility of the Likud-led Israeli government was a liability which was helping to boost Soviet influence in the region at the expense of the West. On this point, there were strong differences between the Thatcher Government and the Reagan Administration. Reagan and Shultz were unwilling to support Peres, largely as they believed that this would be interpreted as taking sides in Israel's domestic politics. Arguably, concern about a backlash from Likud supporters in Washington also made the American side reluctant to provide open support for Peres. The British government was not subject to the same domestic con-

³⁰ John Campbell, *Margaret Thatcher – Volume Two: The Iron Lady* (London: Vintage Books, 2008), 298–299.

³¹ Helena Cobban, "The US-Israeli Relationship in the Reagan Era," *Conflict Quarterly* (Spring 1989), 5–32.

straints. It is noteworthy that Thatcher was unhappy with the perceived role of the pro-Israel lobby in Washington and the negative impact it appeared to have on US policy towards the Middle East.³² Thatcher did everything in her power to help both Peres and Jordan's King Hussein. Nevertheless, she was a realist who realized that her efforts to help regional moderates would have little success if Washington was not prepared to exert its influence in the region.³³

PHOTO CREDITS

1 <http://www.gettyimages.co.uk/detail/news-photo/british-prime-minister-margaret-thatcher-with-king-hussein-news-photo/2628489>

2 <http://www.gettyimages.co.uk/detail/news-photo/israeli-prime-minister-shimon-peres-with-british-prime-news-photo/50388258>

³² Campbell, *Margaret Thatcher*, 338.

³³ FCO/FOI, Memorandum of Meeting between M. Thatcher and King Hussein, 28 May 1980. Also, Thatcher, *Statecraft*, 246.