

Foreign and Commonwealth Office



Prime Minister

*I delayed submitting this because
I thought you would not have time
to read it pre - Franks.*

London SW1A 2AH

6 January, 1982

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Dear John, The PLO

The recent difficulties over the Arab League Delegation's visit to London have shown that the PLO remain an important element in the Middle East problem. Events of the last six months have had a considerable impact on the PLO. The Prime Minister might be interested to see the enclosed paper which provides a brief assessment of how these developments have affected the Organisation's aims and tactics.

A recent JIC Note entitled 'The Threat in Europe from Middle-East inspired Terrorism' is also attached and may be of interest to the Prime Minister.

Yours ever

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THE PLO: A STOCKTAKING

1. The PLO have been divided and weakened by the dispersal from Beirut. They claim a historic victory in holding the Israelis at bay for 80 days, but any pretence to military comparability with Israel has been shattered. Some 8,000 of their fighters were split up among eight Arab countries, but some 6-8,000 remain in North and East Lebanon under the military wing of the Syrians. Arafat has chosen Tunis as his temporary headquarters, but Damascus remains the focal point for the radicals. Arafat's task of maintaining a semblance of cohesion has become harder.

2. The Reagan initiative posed an awkward choice for the PLO. It marked a welcome step forward in the US position by accepting the centrality of the Palestinian problem. It also offered the only realistic prospect of Israeli withdrawal (Arafat knows that). But it challenged many of the PLO's long held views about the nature of an acceptable settlement: in particular their demand for an independent state. The Fez Summit produced a classic statement of Arab demands and in effect endorsed (Syria included) a political solution, but the 8 points do not amount to a realistic negotiating position (Arafat knows that, too). Saudi prestige is linked with Fez and they are not encouraging Arafat to address himself to the Reagan points as much as the US would wish. King Fahd feels he must keep his options open.

3. Arafat's decision to explore the opportunity opened up by Reagan and move towards closer relations with Jordan has led to an increasingly open dispute within the PLO. The Syrians have promoted this for their own ends. The meeting of the Palestine Central Council in Damascus in November (the best test of PLO opinion we have had since Lebanon) suggested that Arafat and his moderate group within Fatah had attracted sufficient support within the PLO to allow his policy towards Jordan to continue but within limits. Considerable opposition remains. This ranges from the overtly pro-

/Syrian

Syrian factions such as Saiqa and some small splinter groups, who remain committed to the 'armed struggle', reject any cooperation with Jordan and are generally suspicious of moves towards a political solution, to those such as Qaddumi in Fatah, and the leaders of the Democratic Front (DFLP) and the Popular Front (PFLP) who reject Reagan, suspect compromise, and favour unyielding commitment to the Fez principles. The Syrians have ensured a steady flow of condemnation from their surrogates for Arafat's opening towards Jordan.

4. The Jordan/PLO talks continue to make progress, more so far on the nature of future Jordan-Palestinian relations than on a negotiating strategy. Arafat himself sees that time is short: progress must be made, if at all, before President Reagan gets immersed next autumn in the US Presidential campaign. So he apparently recognises the need for a statement accepting Israel's rights. In the mid-December round of talks in Amman the Jordanians also gained the impression that Arafat would drop the PLO's insistence on the establishment of a Palestinian State as a precondition for entering negotiations. But he is a practised PLO infighter and will not declare his hand publicly until he is sure of majority support. He has postponed the holding of a Palestine National Council (expected since November), and taken refuge in ambiguous statements in public, while he works to muster support for his line. He seems to have accepted that King Hussein should put a range of options to the Americans on Palestinian participation in the negotiations; but has probably not yet given the King a mandate, and will want to judge the American reaction before committing himself further. In particular he wants to see evidence of US preparedness to put 'real pressure' on Israel.

5. Arafat's task has been made significantly more difficult by the Sabra and Chatila massacres. The PLO fighters who left Beirut after the leadership had accepted assurances from the US about the safety of their own families remaining behind and feel bitter

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and betrayed. The longer term effect may be to alienate many of the younger PLO members from the leadership as a whole. It will certainly make the PLO even more wary about accepting assurances from the US. One of Arafat's constant themes in recent months has been his distrust of the US, and his worry that if he plays his recognition of Israel card, the US may still let him down. If that happened, he believes his future as leader of the PLO would be nil. This is an area where a European role could help.

PLO and Terrorism

6. Fatah, the dominant PLO group, has not mounted terrorist operations outside Israel and the Occupied Territories since 1974. It is possible that following the traumatic events of recent months dissident factions or embittered individuals within Fatah will mount official operations, particularly if Arafat's efforts to make progress by political means should fail. There have been occasional reports of renewed interest within Fatah in establishing a terrorist network on a contingency basis. The JIC, however, in their latest assessment (paragraph 3 of their paper 'The Threat in Europe From Middle East-Inspired Terrorism' at Annex A), doubts that Arafat has given sanction for renewed terrorist operations.

7. The smaller groups within the PLO possess in varying degrees the capacity to mount terrorist operations, but the frequency of attacks outside Israel and the Occupied Territories has declined markedly over recent years with the growth of interest in political solutions. Since 1980, only one such terrorist attack can be confidently attributed to a member organisation of the PLO: a Jewish travel agent was killed in July 1981 by the PFLP. PLO groups have continued to mount attacks within Israel and the Occupied Territories.

8. The great majority of international terrorist attacks attributable to Palestinians in recent years (Annex B) have been committed by the Abu Nidhal Group or the '15 May Arab Organisation' both of whom are extremist Palestinian organisations outside the PLO. The Abu Nidhal Group, three of whose members are awaiting trial for the shooting of the Israeli Ambassador to London, is violently opposed

to the PLO, and has assassinated numerous PLO officials in European capitals in recent years.

9. The PLO also face the threat of terrorist attack from other quarters. The Syrians are reported to have plans to kill Arafat. PLO officials have also been the subject of attack by Jewish terrorist organisations: the "'Jewish Armed Resistance of the Jewish Defence League'" claimed responsibility for the killing of a PLO official and a Palestinian student in Rome in June 1982: and the killing of two PLO officials in Beirut during 1982 have been attributed to MOSSAD (the question of Jewish and Israeli terrorism was not addressed in the JIC paper, which dealt with the Middle East terrorist threat in Europe).

10. Alternative Palestinian representation. The Americans have hinted that if the PLO under Arafat fail to give King Hussein a mandate to negotiate, the US will expect the Jordanians to look elsewhere for Palestinian representatives, and in particular to place greater emphasis on West Bank Palestinians. Such a course would entail serious risks for Jordan, as she lacks the independent strength of Egypt. But King Hussein is anxious that progress towards negotiation should be made and may feel that he has no alternative should the PLO continue to stall. The Palestinian diaspora (who broadly support the PLO) are most unlikely to accept that West Bank figures should speak for the Palestinian people without the PLO's approval. Also, West Bank personalities themselves will remain reluctant to come forward against the wishes of the PLO, both for reasons of personal safety, and because they will not wish to open themselves to charges of betrayal.

Conclusions

11. (i) There is now a significant trend within the PLO in favour of a negotiated settlement, and a growing acceptance that the price of Israeli withdrawal may have to be agreement to some form of association with Jordan. This is supported by West Bank opinion and much of the Palestinian diaspora;

(ii) The opposition comes from a) some tiny but vocal splinter /groups



groups, whose only real threat to the leadership is the assassin's bullet; and b) a larger group who could mount a challenge, should Arafat's strategy fail, on the basis of the Fez principles and probably with Saudi support. This opposition is strong enough to oblige Arafat to qualify his more moderate utterances;

(iii) Syria is encouraging opposition to Arafat and would like to reassert control over the PLO as a whole. But that would be a real setback to the prospects for peace;

(iv) Arafat has shown that, despite his infuriating ambiguities, he is prepared to work towards a negotiated settlement, despite considerable opposition within the PLO. But he will not commit himself decisively to a Jordanian/Palestinian approach to negotiations until he is certain that it will bring concrete gains for the PLO, and allow him to protect his own position;

(v) Terrorism. Arafat and the mainstream PLO have not been involved in international terrorism since 1974. Attacks within Israel and the occupied territories have continued with declining frequency. Some within the PLO may contemplate a resumption of international terrorism should the political approach fail. But Arafat understands the damage this would do to the PLO's standing, and has kept these forces in check. Meanwhile PLO leaders themselves are subject to terrorist threats from extremist Palestinians and other political opponents.

Near East and North Africa Department
6 January 1983

MIDDLE EAST TERRORISM: WHO ARE THE KILLERS?

1. Attached is a list of terrorist incidents in the last two years outside Israel itself which have been attributed to Groups from the Middle East. Where the responsibility for an attack remains in doubt this has been indicated by a question mark, but in most cases a best guess has been given.

2. Only one attack in the period covered can confidently be attributed to a group which is a member of the PLO: the killing of a Jewish travel agent in Piraeus in July 1981 by the PFLP. Two other attacks in the same period may have been the responsibility of the PFLP. Its leader, George Habash, has said following Beirut that he would not indulge in international terrorism but he would continue the armed struggle in Israel and the Occupied Territories (although there is an unconfirmed report that in October the PFLP Central Committee secretly affirmed its support for the use of terrorism against Zionism.) The majority of other attacks were carried out by the following groups:

(i) Abu Nidhal, also known as Black June, and by other names. An extremist dissident group which split from the PLO in 1974, it has assassinated several PLO officials in recent years (including the previous PLO representative in London, in 1978). Poses a threat to Jewish, Israeli and possibly US targets in Europe as well as to the PLO and moderate Arabs. Members of the Abu Nidhal Group are awaiting trial for the attempted murder of the Israeli Ambassador to London in June.

(ii) 15 May Arab Organisation. A Palestinian splinter group outside the PLO and based in Iraq. It specialises in using increasingly sophisticated explosives against Jewish, and Israeli targets. It has recently also attacked US-owned aircraft, and may in future attack PLO and moderate Arab targets in Europe and elsewhere.

3. The PLO leadership have consistently condemned attacks carried out against Jewish civilian targets, and the assassination of Israeli diplomats serving abroad. PLO officials have themselves frequently been the victim of terrorist attack, either by extremist Palestinian groups or on occasions by other Arab Governments - there have been recent reports that Arafat himself may be under threat from the Syrians.

4. A JIC paper on the Threat From Middle East Terrorism is at Annex A.



TERRORIST ATTACKS ASSOCIATED WITH THE PALESTINIANS 1980-82

1980

| | | |
|-------------|--|--------------------------------|
| 17 January | Explosion at Mount Royal Hotel, London. | 15 May Arab Organisation |
| 17 January | Palestinian bookshop owner killed, Paris. | Abu Nidhal Group (?) |
| 3 March | Lawyer killed in mistake for Jewish businessman, Madrid. | Abu Nidhal Group |
| 24 July | Kuwaiti airliner hijacked to Kuwait. | 2 Palestinians, private grudge |
| 27 July | Grenade attack against Jewish teenagers, Antwerp. | 15 May Arab Organisation(?) |
| 27 July | Iraqi diplomat killed in UAE. | Martyr Arif Bassari Commando |
| 25 November | Jewish Travel Agent killed, Paris. | PFLP (?) |
| 31 December | Explosion at Norfolk Hotel Nairobi. | PFLP - Special Command |

1981

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| 1 May | Chairman of Austria-Israel Soc. <u>killed</u> , Vienna. | Abu Nidhal |
| 1 June | PLO representative killed, Brussels. | Abu Nidhal |
| 22 July | Jewish travel agent killed, Piraeus. | PFLP |
| 25 June | Five explosions in Kuwait. | PFLP (?) |
| 14 July | Military Governor of Rafah killed, Gaza Strip. | Unknown |
| 1 August | Attempt to assassinate Abu Daud, PLO Official, Warsaw. | Abu Nidhal (?) |



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|------|------------|--|---|
| | 9 August | Explosion at El Al Office, Rome. | 15 May Arab Organisation |
| | 10 August | Explosion at Israeli Embassy, Vienna. | 15 May Arab Organisation |
| | 10 August | Explosion at Israeli Embassy, Athens. | 15 May Arab Organisation |
| | 29 August | Gun and grenade attack on central Synagogue, Vienna. | Abu Nidhal |
| | 7 October | Bomb at Israel Tourist Office, Rome. | 15 May Arab Organisation (?) |
| | 7 October | Bomb at Post Office frequented by Jewish emigres, Ostia. | Unknown |
| | 19 October | Majid Abu Sharer (PLO Director of Information) killed bomb explosion. Rome. | ?Mossad |
| | 20 October | Explosion in Jewish Quarter, Antwerp. | Dutch Neo Nazis (?) or PFPL - Special Command (?) |
| | 7 December | Abdul Wahab Kayyali former Secretary-General Arab Liberation Front, killed Beirut. | ?Mossad |
| 1982 | 9 January | Attack on El Al office, Istanbul. | 15 May Arab Organisation |
| | 15 January | Attack on Jewish Restaurant, West Berlin. | 15 May Arab Organisation |
| | 4 February | Explosion at Chief Rabbi's House, Vienna. | 15 May Arab Organisation (?) |
| | 31 March | Machine gun attack on Israeli Embassy, Paris. | Unknown |
| | 3 April | Israeli diplomat, Yacov Barsimantov, killed, Paris. | Lebanese Armed Revolutionary Faction |
| | 3 June | Israeli Ambassador shot, London. | Abu Nidhal members awaiting trial |
| | 7/8 June | Israeli Consulate General bombed, Zurich. | Revolutionary Cells |
| | 17 June | Deputy Director PLO office, and Palestinian student, killed Rome. | Jewish Armed Resistance of Jewish Defence League |
| | 19/20 July | Bomb at Bank Leumi Le Israel branch, Paris. | Action Directe |
| | 23 July | Deputy head of PLO office killed, Paris. | Abu Nidhal |



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|--------------|--|---|
| 9 August | Gun and grenade attack at Jewish Restaurant, Paris | Abu Nidhal or Lebanese Armed Revolutionary Factions |
| 24 August | UAE Charge wounded, Kuwait | ?Probably Abu Nidhal |
| 16 September | Kuwaiti diplomat killed, Madrid. | Abu Nidhal |
| 16 September | Kuwaiti Consul General killed, Karachi. | Abu Nidhal |
| 9 October | Gun and grenade attack on Synagogue, Rome. | Abu Nidhal |

NEVAD, FCO

10 December 1982