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Confidential filing

Iraq / Iran Relations - Internal Sit

Iraq / Syria Relations

Threat to oil supplies from the Gulf



IRAQ

Pt 1 : April '80

Pt 4 : March '84.

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
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**Cabinet / Cabinet Committee Documents**

Reference	Date
CC(84) 27 <sup>th</sup> Meeting, item 2	19/07/1984
CC(84) 26 <sup>th</sup> Meeting, item 2	12/07/1984
CC(84) 25 <sup>th</sup> Meeting, item 2	05/07/1984
CC(84) 24 <sup>th</sup> Meeting, item 2	28/06/1984
CC(84) 23 <sup>rd</sup> Meeting, item 2	21/06/1984
CC(84) 22 <sup>nd</sup> Meeting, item 3	14/06/1984
CC(84) 21 <sup>st</sup> Meeting, item 2	07/06/1984
CC(84) 20 <sup>th</sup> Meeting, item 2	24/05/1984
CC(84) 19 <sup>th</sup> Meeting, item 2	17/05/1984
CC(84) 18 <sup>th</sup> Meeting, item 2	10/05/1984
CC(84) 17 <sup>th</sup> Meeting, item 2	03/05/1984
CC(84) 15 <sup>th</sup> Meeting, item 2	12/04/1984
CC(84) 14 <sup>th</sup> Meeting, item 2	05/04/1984
CC(84) 13 <sup>th</sup> Meeting, item 2	29/03/1984
CC(84) 12 <sup>th</sup> Meeting, item 2	22/03/1984
CC(84) 11 <sup>th</sup> Meeting, item 2	15/03/1984
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CC(84) 10 <sup>th</sup> Meeting, item 2	13/03/1984
CC(84) 9 <sup>th</sup> Meeting, item 3	08/03/1984
CC(84) 8 <sup>th</sup> Meeting, item 2	01/03/1984

The documents listed above, which were enclosed on this file, have been removed and destroyed. Such documents are the responsibility of the Cabinet Office. When released they are available in the appropriate CAB (CABINET OFFICE) CLASSES

Signed J. Gray

Date 26/6/2013

**PREM Records Team**

SUBJECT FILED ON:

JORDAN: Relations

(2)

FROM: THE RT HON. JULIAN AMERY M.P

Dec 79



112, EATON SQUARE,

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*Confidential*

Prime Minister

You will want to read the letter but probably not the Annexes, 31st August, 1984.

*MS*  
*Dear Margaret,* <sup>though I have</sup> *underlined the most interesting points.* <sup>ack 31/8</sup> *A reply is in hand.*

*CDP*  
*31/8*

I came back last weekend from visits to Jordan (August 14 - 17 and 22-24) as the guest of King Hussein and Crown Prince Hassan (they share a guest house so I am never quite sure who is host) and to Iraq as the guest of President Saddam Hussein (August 17 - 22). Bill McLean came with me and it is largely owing to him that I can give a reasonably comprehensive account of our different talks.

Despite rumours about his health King Hussein seemed to be in excellent form. When I saw him, at the end of my second visit, he was just about to do some helicopter practice before flying down to Aqaba to celebrate Queen Noor's birthday.

I enclose a note of my main talk with the King which I think you should see. He told me he was coming to London in September so may well ask to see you.

The main points emerging from this talk seem to be the following:

1. The King is deeply disillusioned with the U.S. He respects Reagan but has little time for Schultz and, I gather from others, the same applies to Macfarlane.

I tried to suggest to him that things might be different after the Presidential elections. He was sceptical about this, knowing that the Democrats would probably be stronger in the Senate after the elections. He had hoped for a Peres victory in Israel which at least would have created some possibility of manoeuvre but sees little chance of much negotiation with any foreseeable Israeli Government. His relations with Arafat and the Saudis appear to be at a low ebb. Syria is hostile; Egypt and Iraq his only friends.

2. The King considers that Iraq cannot now be defeated and that the most serious problem concerning us all will be the consequences inside Iran of Khomeini's failure to win the war. He considers it essential that the West should have a contingency plan so that if anarchy breaks out in Iran we should get in first ahead of the Soviets. He regards a General Azhari (now in London) as the best bet for this purpose but sees some force in the Iraqi view reported in the notes of my talks in Bagdad that we should work to squeeze out the hawks and encourage the doves within the present Islamic regime.

The President of Iraq's invitation was made at the suggestion of King Hussein. I enclose notes of my talks with the President and his Foreign Minister. You may not have time to read these in detail. The main points emerging from them seemed to be:

1. The two Iraqi leaders (and their subordinates in talks outside the meetings) went to unusual lengths to explain
  - a) that Iraq had not started the war
  - b) why their troops had not gained more success at the beginning of the fighting
  - c) that they had no territorial claims whatever on Iran and were not concerned with the nature of the Iranian Government.
2. While confident of their ability to defend themselves they were nevertheless keen that peace should be reestablished within months if possible; otherwise there might be "unpleasant surprises". The President did not elaborate on these but evidently they are anxious to restore peace while their present military ascendancy lasts and before unforeseen developments in the Middle East or elsewhere distort the present situation.
3. The President and the Foreign Minister were both very critical of any European encouragement of the Iranian regime. They were particularly critical of Andreotti's Libyan initiative. Genscher's statements about his visit to Teheran

and our own decision to sell landing craft to Iran. They doubt whether the West could overthrow the Khomeini regime by conspiratorial tactics. Instead they want us to squeeze Teheran by all available economic and political pressures so as to encourage the doves within the regime who seem to want peace and discourage the hawks who don't. They would like us to make any economic or other deals with Teheran conditional on progress towards peace.

There may be some significance between some of the rather anti Soviet remarks made by the Foreign Minister and those of the President which are rather more balanced in favour of Iraq/ Soviet understanding. (I have side-lined both passages). Knowing the Baathist proclivity for committee meetings, I suspect that a Committee was called after my meeting with the Foreign Minister and that the President was advised or decided to modify the Foreign Minister's line.

Two omissions in the talks struck me as significant.

While King Hussein spoke very warmly of President Saddam Hussein, the President did not reciprocate though he had ample opportunity to do so, seeing that I brought him greetings from the King and said how strongly the King supported him. When I mentioned this to the King on my way back through Amman he dismissed it as "Baathist boorishness". I wonder.

The Iraqi President like the Syrian Vice President showed no interest in the Palestinian problem. King Hussein remains, of course, very concerned about it but even in Amman it seems to be, for the time being at least, on the backburner.

I also attach some general notes on our visit to Iraq. I do not expect that they add anything to what is already well-known at the FCO, though the story of our visit to the shrine at Najaf is curious. The Governor was clearly anxious to show that he had the Shiah well under control.

The evening before we left Jordan, Crown Prince Hassan had just had a very encouraging report of an oil strike in Jordan. It was as yet unconfirmed. By way of a corrective, however, he told me that a similar report had reached President Numeiri of the Sudan just as King Khalid was about to sign a large cheque in the Sudan's favour. Numeiri, alas over confident, told him not to bother about the cheque but to bring him a cup of tea instead (a reference to the fact that the Saudis mainly employ Sudanese servants)! Prince Hassan thought what fun it would be to be in a similar position though with better reasons!

I am copying this letter to Geoffrey Howe and to Michael Heseltine.

I am sorry not to come up with some constructive suggestion as to what we should be doing. A successful initiative to end the war would probably be something of a triumph but I can't yet see the key to open that particular door. I wonder if President Zia might provide it.

*Yours,*  
*Julian*

Julian Amery

The Rt.Hon. Mrs. Margaret Thatcher, MP

SECRET

Note of a talk over lunch at the Royal Palace, Amman with  
H.M. King Hussein

Wednesday, 15th August, 1984

H.M. King Hussein bin Talal  
General Zeid bin Shaker

The Rt.Hon. Julian Amery, M.P  
Colonel Neil McLean

King Hussein began by recalling his cooperation with his two English guests at the time of the Yemen Civil War. He was glad they should be working together again.

Mr. Amery then gave the King an account of his talks with Vice President Rifat Assad in Geneva (reported in Mr. Amery's letter to Sir Geoffrey Howe of 9th August). On this the King commented as follows:

He believed that Rifat remained very close to his brother, the President. Rifat had had troubles with the Army at the time of the President's illness and had been sent to Geneva while the President tried to arrange matters. The King saw no alternative to Rifat as a successor to Hafiz Assad. He understood, too, that the Alawite High Committee had endorsed this succession.

The King commented that Rifat had long "played games" with the Americans and Israelis. He, the King, had supported, perhaps naively, the Syrian entry into Lebanon. The Syrians, including Rifat, had made a lot of money out of Lebanon.

He was well aware of Rifat's hostility to himself. Rifat, however, had recently sent a businessman to him who had assured him that Rifat wanted to renew good relations between them. He - the King - had had a friendly talk with Rifat on the telephone but nothing practical had come of it as yet.

The King regarded Rifat's description of Arafat as a balloon which Syria could inflate or deflate at will as significant. It suggested that the Syrians had more influence over Arafat than was sometimes believed.

The conversation then turned to the Reagan initiative over the West Bank. The King said that the Americans had sabotaged their own plan. They had failed to put pressure on the Israelis to allow moderate Arabs from the West Bank to attend the meeting of the Palestinian National Council. There might then have been a majority in the Council for the plan. They had <sup>also</sup> failed to put pressure on the Saudis to encourage Arafat to support the plan. On the contrary the Saudis had positively discouraged Arafat from accepting it. Underneath the surface calm, the whole Middle East was seething with discontent and religious fanaticism. There could be an eruption at any moment.

The King then launched into a diatribe against the United States. They had no policy in the Middle East except to follow the lead of Israel which had really become one of the States of the American Union. He respected and liked President Reagan but bitterly resented the Congress' rejection of some of his requests for missiles and other arms. He had been much criticised for a recent speech which had been considered anti-American, among others by the Saudis who had urged him to make pro American statements. Yet all he had done was to say that, since the Americans had refused to supply him with the arms he wanted, he would try to get these on the open market including if necessary from Russia.

He also mentioned France and Britain as possible sources of supply. To this Mr. Amery said that he did not think there would be any difficulty from the British side.

The King then spoke of the total failure of American policy in the Lebanon. He had warned them at every stage that if they intervened at all it should be to ensure: "all foreigners out of the Lebanon including Israelis and Syrians".

The conversation then turned to the war between Iraq and Iran. The King said that the Iranians had undoubtedly provoked the Iraqis by their propaganda and guerilla raids; but it was the Saudis who had finally encouraged Iraq to attack Iran. The Saudis hoped that Iran and Iraq would destroy or weaken each other



to their own advantage. The Saudis had, of course, given Iraq considerable support at the beginning when Iraq was in danger. But lately this support had become half-hearted, like Saudi support for Jordan. He had learned recently that King Fahad was dealing with Iran behind the back of Iraq. He had flown to Jeddah to confront King Fahad with this information and King Fahad had gone "white and yellow" in the face.

The King believed that all the Arab States should back Iraq. If they did so it would lead to greater trust and friendship between them and go a long way to solve the problems of the area. The war against Iran presented a great opportunity to promote Arab unity.

The King went on to praise Saddam Hussein for his success in making the war a national war of Arabs against Persians and avoiding a confrontation between Shias and Sunnis. Saddam Hussein had united the Arabs of Iraq and appeared to be making good progress in his negotiations with the Kurds.

Jordan had a small military mission with the Iraqi forces. He had not himself been invited to visit the Front (this was said a trifle resentfully). He was confident, however, that Iraq could not be defeated. Nevertheless he felt that it might prove difficult for Iraq to maintain a purely defensive position along such an extended front indefinitely. Unless there was peace in the reasonably near future, the Iraqis might have to counter attack for reasons of morale. This might have unexpected consequences.

Turning to the situation in the Gulf the King said that he had offered to send a Battalion and if necessary a Brigade to support the Gulf Council but this could only be done if the Gulf States had a plan and a strategy for dealing with the threat of internal subversion. For the time being they seemed to have no plan nor did he think they were likely to devise one. In that case it would be impossible for Jordan to intervene at the last minute. A Jordan military mission, however, was going shortly to the Gulf States to discuss how Jordan could help if at all.

The Saudis he thought were in a difficult position. In the long run the regime could not survive without reforms; but could it reform without destroying itself? The whole area was very vulnerable to subversion. But it would be useless and counter productive to send in American troops.

Mr. Amery then raised the question of whether the Iranian failure to launch their much heralded offensive and defeat Iraq would lead to the fall of the Iranian regime. If so, what would be the consequences? The Soviets with their borders with Iran and their position in Afghanistan were well placed to exploit any disorder inside Iran.

The King said that this was, indeed, the main danger at the present time. He hoped Mr. Amery would discuss it with President Saddam Hussein when he went to Bagdad. He believed that the Iranian regime was already very shaky and that the horrors of fundamentalism were becoming increasingly unbearable. People now looked back on the rule of the Shah as "the good old days". Iran needed a monarchy. They had always had one. He feared, however, that the young Shah, whom he liked very much personally, might pick up some rather old-fashioned ideas about monarchy from King Hassan of Morocco. The young Shah should be encouraged to visit Jordan "to see how we do things here". He should take up King Juan Carlos' invitation to visit him in Spain.

Where the Iranian exiles were concerned, the King thought the best man was General Azhari who was now in London. He had kept apart from the other exiles and, in the King's judgement, had better contacts with the Iranian armed forces than anyone else outside. In any case it was essential that the West should have a plan of action ready in case of a collapse of the Iranian regime.

Looking back he was increasingly inclined to believe that the Iranian revolution had been deliberately engineered by certain elements in the U.S. They had mistakenly come to the conclusion that a fundamentalist regime would prove a better barrier to Soviet expansion than the Shah. They had also hoped that

fundamentalism in Iran would encourage dissension among the Moslems in the Soviet Union who, in a few years, would make up a large proportion of the Red Army. He could not see how Khomeini could have come from Najef to Paris and then in a few months returned to Teheran in triumph without support from a great power. There was nothing to suggest that the Russians had been involved in this. But many of the young men around Khomeini had lived in the US and had contacts in Democrat Party circles.

Returning to relations with Iraq, the King said that the proposed pipeline to Aqaba would cost \$1 billion and take 1½ years to complete. The Iraqis wanted the US to obtain a guarantee from Israel that they would not attack the pipeline. Mr. Amery commented that as both Mr. Schultz and Mr. Weinberger had been directors of the Bechtel Company which was to build the pipeline they should be strongly placed to secure the necessary guarantee. The King commented wryly that he did not think much of Mr. Schultz.

King Hussein went on to say that he had worked hard to bring Egypt and Iraq together and they were now on very good terms. The King's own relations with President Saddam Hussein remained excellent, though the Iraqis had not paid Jordan's bills for nearly two years!

ASked how he saw the outlook in Israel, the King said he had done his best to make statements which would be helpful to Mr. Peres. He did not see, however, how any Israeli Government emerging from the present political impasse would be able to make meaningful concessions. As he saw things the Arab identity of the West Bank was in acute danger largely because of the weakness of the US which <sup>had</sup> supported the Likud Government on every occasion even at the UN Conference on Population in Mexico. Much of the blame too lay with Arafat who was not really interested in the Arab people of the West Bank and Gaza. He was really only concerned with the wider Palestinian movement and the subsidies he could extract on its behalf.

At the end of the conversation the King said how glad he was that Mr. Amery and Colonel McLean were going to Bagdad. They

would travel there in his personal plane and he would speak personally to President Saddam Hussein that same evening.

He telephoned towards midnight to say that he had just spoken to the President who welcomed the visit and was looking forward to frank and full discussions.

CONFIDENTIAL

Note of a talk with President Saddam Hussein at  
The President's Palace  
Bagdad

Tuesday 21st August, 1984 10 - 11.30 a .m.

President Saddam Hussein of Iraq  
Mr. Mazin El Jehawi (interpreter)  
A Private Secretary

The Rt.Hon. Julian Amery, M.P.  
Colonel N. McLean

(The President received Mr. Amery and Colonel McLean in a long audience chamber. He was in Army uniform with a revolver on his hip. A number of guards armed with submachine guns could be seen through a door at the far end of the room but out of earshot.)

The President began by asking his visitors for their impressions of the Front Line visited the day before.

Colonel McLean said that he could only speak for the relatively short sector of the Front which they had visited. But had he been an Iranian officer he would not have liked to attack across the Lake protecting the Iraqi Front line at Majnoon. The country was dry for the time being but he understood that it became a marsh after November. He had been favourably impressed by the reasonably comfortable conditions in which the troops were accommodated and by the quality of the unit commanders he had met.

The President said that since Iraq withdrew its troops from Mohamarah (Khoramshah) in 1982 he had felt safe from any serious Iranian penetration. Iraq was a developing country and though more advanced than many others was still a member of the Third World. An advanced nation, he said, could send its professional forces forward or withdraw them as policy demanded. But this was something Iraqi soldiers could not understand. If it had been the Iraqi aim to liberate Arabistan, the Iraqi troops would have had more heart in the attack. But this had never been the aim; and it was only when the army understood that the objective was "to defend our land" that they really put their hearts into it.

The Iranians had not understood this and had interpreted the Iraqi withdrawal from Mohammarah as a sign of weakness portending Iraq's defeat. Their repeated failures to penetrate the Iraqi lines, moreover, had coincided with increasing problems at home. They were, thus, in a suicidal mood when they launched their offensive in February 1984. Their troops came "like locusts and were destroyed in the same way as a farmer destroys locusts, by digging ditches and burning them as they advanced". He had seen the massacre for himself and would send us tapes to show what happened.

It was becoming increasingly clear that the Iranians could not achieve their original aim of toppling the Iraqi regime by military or other means. After 4 years of war Iraq was a united nation under a popular Government. The Army had been reorganised and was convinced it was fighting a just war. The country's economy was sound and would become stronger with the new pipelines to Aqaba, to Yenbo and Iskanderun. There were still hitches over securing an Israeli guarantee not to attack the Aqaba pipeline but he hoped these would soon be resolved.

Turning to the mines in the Red Sea, the President said that he had no firm evidence as to who had laid them but this must have been an irresponsible state in the area. This could only be Iran and/or Libya. The object of the mining was presumably to increase instability in the area and to threaten Iraq's back doors—namely Jordan and Saudi Arabia.

Mr. Amery raised the question whether the failure of Iran to win the war would be tantamount to a defeat for the regime. If so what steps should be taken to fill the vacuum that might be created by a collapse of the Khomeini Government? The President said that before replying he would like to put the whole war situation into perspective.

It was not Iraq that had started the war on September 22nd 1980. Long before that Iran had been pursuing aggressive subversion against Iraq. Two ministers had been assassinated. Bombs had been exploded. Radio broadcasts had openly called on

the Iraqi people to overthrow their Government and "liberate the country". The Iranians had shelled oil installations at Basra and interfered with shipping in the Shatt El Arab. They had even overrun various frontier posts.

On 11th September, the Iraqi army had driven the Iranians out of Iraqi territory, and he had sent letters to the Iranian Government to say that all these were acts of war against Iraq. The first two letters were not answered. The third one contained only abuse and was followed by the massing of Iranian troops on the border, the closing of Iranian air space to Iraq, and attacks on 4 ships at Basra as well as the bombing of Iraqi troops inside Iraq.

At this point the President recalled that in the spring of 1979 the Saudi Foreign Minister, Prince Saud bin Faisal had called on him in his village where he was resting. Prince Saud had said that although he had sent a letter of congratulations to Khomeini, King Fahad was deeply concerned with the danger which the Khomeini regime represented to the area. He implied that the Saudis had urged him to act against Iran but claimed that he had replied that his only wish was to coexist peacefully with Iran whatever its regime. This was still his opinion and his only wish was to end the war with Iran and to be good neighbours with her, whatever her government.

Iran, he said, had been much weakened since the departure of the Shah. Of course he was apprehensive about the future of Iran. It was in Iraq's interest, and that of the world as a whole, that the war should be brought to an end as soon as possible. Iran must not be given any chance to recover its strength. If it was sufficiently squeezed, moderate elements within the regime would grow stronger and work for peace. But if the war dragged on there could still be unpleasant "surprises" whether in the Gulf or in the international context generally.

If the Soviet Union could build up a friendship with Iran as well as Iraq this would contribute to ending the war. What would be intolerable would be for the superpowers to try and play off

Iraq against Iran or vice versa as part of their own powerplay.

When Mr. Amery asked what chances there were of bringing the Iranian leadership to the negotiating table, the President replied that he did not think negotiations with the present regime were impossible, "Clergymen" he said "are so thirsty for power that they can become more flexible and pragmatic than we politicians". The Iranian regime, after all, had shown considerable flexibility over the release of the American hostages once they had extracted as much advantage from them as they could.

He believed that Iran could be brought to make peace step by step. But Europe had not helped in this. The European countries had payed Iran in cash for oil and the cash had been used for the purchase of arms. Foreign Minister Genscher's visit to Teheran had been a disaster. It had given the Iranian press and media an opportunity to tell their people that they still had friends abroad. He could not understand the proposed sale of British landing craft to Iran. It was ridiculous to think that the Iranians would abide by their commitment not to use them for military purposes. INdeed it was difficult to see what other purpose they could be used for.

He went on to argue that Western policy should be so to squeeze the Iranian regime that the arguments of the moderate elements within it would be strengthened and those of the extremists undermined. The West should not trade or deal with Iran until it was willing to call a truce in the war.

Mr. Amery said that the West would surely have to maintain contact with Teheran if it were to have any influence there. This indeed had been the view of President Zia Al Haq a very realistic statesman. President Saddam Hussein agreed that it was necessary to maintain contact. Europe need not isolate Iran but should make trade and other positive dealings conditional on progress towards ending the war.



Asked about the importance of the different exiled Iranian groups the President replied that no one group could assert itself successfully but that they could gradually play their parts as the situation changed in favour of the moderate elements within the Teheran regime.

There was clearly a good deal of dissent in Teheran. A regime did not dismiss its Defence Minister in time of war unless there was serious disagreement about the conduct of the war. He could not claim certain information about the exact causes of disagreement, but there was reason to believe that the Iranian military were strongly opposed to launching a major offensive in the absence of adequate air support.

At the end of the conversation Mr. Amery raised the question of the two British prisoners in Iraq - Mr. Donald Hagger and Mr. John Smith and handed the interpreter a note on this drafted by the F.C.O. This was translated to the President who replied that if he were to answer in writing he would use exactly the same words merely substituting the name of an Iraqi prisoner for that of the two British prisoners!

Before leaving Mr. Amery asked if there would be any objection to him and Colonel McLean visiting Najaf and Kerbela. The President replied that, on the contrary, they would be very welcome to visit the Shia strongholds. Indeed they were free to travel anywhere in Iraq that they wished. He hoped that this was only a first visit and that Mr. Amery and Colonel McLean would come to Iraq again. They would be welcome at any time.

#### Addendum

President Saddam Hussein confirmed that his relations with Jordan and Egypt were excellent. Syria was busy digesting Lebanon. This was a relief to him as, no doubt, also to Israel.

CONFIDENTIAL

Note of a talk with Foreign Minister Tarik Aziz  
at the Foreign Ministry, Bagdad

Saturday, 18th August, 1984 12 - 1.30 p.m.

Foreign Minister Tarik Aziz  
H.E. Abdul Jaber Hedawi  
(Director of the International  
Dept. of the Foreign Ministry)  
A Private Secretary

The Rt.Hon. Julian Amery, M.P.  
Colonel N. McLean

The Foreign Minister (wearing the usual Baathist green uniform and with a pistol on his thigh) began by saying that the war between Iraq and Iran was inevitably influenced by the attitudes of the great powers. Iraq itself could do little to influence those attitudes but was strongly opposed to any confrontation between the great powers in the Middle East. Such confrontation could only lead to trouble for all the Middle Eastern countries.

He was particularly glad to welcome the President's British guests. Britain had long experience of the Middle East and could influence the United States.

Invited to open the discussion, Mr. Amery said that when the war had started many in the West had hoped that it would lead to the overthrow of the Khomeini regime. This hope had been disappointed but it looked as if there was no longer any danger of the defeat of Iraq. This would have been unacceptable to the West and could have had devastating consequences for the Gulf. There was now an apparent stalemate. What was to happen?

The Minister strongly denied that Iraq had gone to war to change things in Iran. Iraq's only aim had been to defend itself against Iranian provocation and subversion. Iraq was a small country and had always been on the defensive. Iran by contrast had always been a potential aggressor. It was Iran which had started the war against Iraq in 1980.

Of course the Iraqis would like to see a different regime in Iran but "there is a difference between wanting something and working for it as an aim of practical policy". Iraq had no expansionist aims and did not seek to influence events in Iran. It only wanted to defend its territorial integrity.

What would the consequences inside Iran be if, as now seemed likely, the Iranians failed to defeat Iraq? The Minister replied that the regime in Iran could not last. It would have to change. "You need effendis (officials) to run a country not Mullahs". The Shah had based his rule on the army and an educated elite but not on the people. He had tried to make Iran a Western type country but he had moved too fast. The people had become frustrated and had seen in Islam a traditional and comforting alternative. Khomeini, however had come to power more as the result of the Shah's mistakes than because of popular support for his particular fundamentalist interpretation of Islam. Many of the problems which had brought down the Shah could be described as modern problems flowing from industrialisation. Khomeini was incapable of solving such problems. His policies indeed, made solutions more difficult and the war had aggravated the underlying difficulties which had faced the Shah.

Khomeini had linked the destiny of Islam and the fate of his regime with the outcome of the war. With the failure of the war would come the failure of the Khomeini regime.

Religious crusades, whether Christian or Moslem, were by definition internationalist and expansionist. Iraq by defending herself had saved the whole area from the fundamentalist crusade launched by Iran. It had not only saved the area but it had also defended the interests of the great powers.

It would now be very difficult for the Khomeini regime to make peace and to survive. The Iranians had believed that their counter attack against Iraq would succeed militarily. Even when it failed they had still thought they could defeat Iraq through a "war of attrition". But Iraq had reorganised its armed forces after the withdrawal from Mohammara (Khoramshah) and had adjusted its economy to the new situation. It planned to export oil through the new pipelines to Aqaba, Yenbo and Iskaderun.

Meanwhile the Iraqi airforce was cutting Iran's communications with its markets and suppliers. The Iranians would soon have to realise that they could not continue the war indefinitely. Then Teheran must seek peace.

There had been some hints of this already but these were not yet genuine. The Iraqis knew the Mullah mentality better than the West. They were neighbours and, after all, Khomeini had spent many years in Kerbela. The West should not be fooled into reviving Iran's power. The seeds of discontent still existed throughout the area, and the danger of fundamentalism had not passed. It would be very dangerous to show too much flexibility in dealing with the Mullahs or to take their kind words at face value.

The Minister then turned to the question of the mines in the Red Sea. He guessed that these had been laid by Iran or Libya or both. It had been ridiculous for Signor Andreotti to visit Libya and defend Libya in the European community. Here Mr. Amery said that Britain had had bitter experience of Libya and had also been critical of the Andreotti initiative.

Mr. Amery then raised the question of what would follow a collapse of the Khomeini regime. It was unfortunately the fact that the Soviet Union was much better placed by virtue of its position in Azerbaijan, Turkistan and Afghanistan to exploit disorders inside Iran. Iraq, of course, had good relations with the Soviet Union. But would it want to see a Sovietised "Iranistan"? If not what should be done to prevent this from happening.

The Minister replied that the collapse of the present regime in Iran would inevitably draw in the great powers and might lead to future conflicts. Iraq clearly did not wish to see a communist Iran or a Soviet presence on Iraq's eastern frontier. The longer the Khomeini regime lasted, however, the greater would be the chance of a Soviet takeover. This was because, given time, the Khomeini regime would destroy all the remaining independent sources of power inside Iran. In the end the Iranian people would react against the Mullahs. But they might turn to the Soviet

Soviet Union where, when all was said and done, alcohol and adultery were not forbidden. Therefore the sooner the Khomeini regime was ended the better.

It was quite true that in relation to Iran the Soviets enjoyed strong strategic and geographical advantages over the West. But there were other factors militating against Soviet influence. The Iranian people were Moslems and, to that extent, prejudiced against communism. Most Iranian industries had been Western orientated. Iran's main suppliers and markets were geared to the West. Its armed forces, too, had been equipped and trained in the West.

There was clear evidence of dissent inside the regime. A country at war does not dismiss its defence minister and other ministers unless there are major differences of opinion among its rulers. Such information as was available suggested that there were two main opposition elements within the country. There was a moderate group within the regime represented, to use shorthand terms, by Bazargan and Ayatollah Shariat Madhari. As Iran's failure to win the war became apparent their influence would grow. The other opposition movement was purely secular and represented the growing resentment among the people at the Fundamentalist rule.

Outside Iran there were several significant elements such as the young Shah, Dr. Ali Amini, Admiral Madani, the Mujahadeen Movement in Paris and other groups in London and elsewhere. It was conceivable that the young Shah might ride back to power on a white horse into Iran but unlikely. The best hope for a reasonable solution would be <sup>for</sup> the West to isolate the Khomeini regime as much as possible by economic and other pressures. The West should not try to overthrow the regime but should squeeze it so that the moderate elements within the regime would gain the ascendancy. They could then work for peace and bring an end to fanaticism.

If the West pursued this policy of working for a gradual transition the Soviets would have little choice but to support the

moderate Islamic and secular forces too. They had lost their best chance of dominating Iran by failing to advance to power under the cover of the Mullahs' turbans. The Soviets might be interested in taking over the whole of Iran but would they really want to take Azerbaijan by itself? It would only add another Afghanistan to their problems.

Shortly after this meeting the Foreign Minister sent a message to say that the President was looking forward to a meeting with Mr. Amery and Colonel McLean but thought that it might be useful if they first visited Basra and the front line zone including the Majnoon sector.

## Some impressions of Iraq

### 1. Military

Basra and the road linking Basra with Bagdad are plainly prime objectives for an Iranian offensive.

The Front Line positions which we visited seemed well defended. An artificial Lake some six miles square had been created at Majnoon by flooding. Half-submerged abandoned Iranian tankers <sup>can be</sup> can be seen sticking out of the water which must have been around 6 or 8 feet deep.

There was little visible evidence of defence in depth, though presumably there were forces in reserve on the West side of the road.

Units which appear to be composed of men drawn from many parts of the country spend about 3 weeks at the Front. They seem to be reasonably comfortable with electric fans and televisions. The calibre of unit commanders, some of whom had been on courses in Britain, impressed us favourably. The men seemed to be in good heart and enjoyed joking with us.

### 2. The Shiah Holy places

After our talk with the President, Colonel McLean and I visited Kerbela and Najaf. The Governor of Kerbela was away but the Deputy Governor took us to visit the mosques of Imam Hassan and his son Abbas. He took us through the gateway into the mosque courtyard and introduced us to various Moslem dignitaries. He lead us round the outside of the mosques but discouraged us from entering the shrines.

The Governor of Najaf, a burly Baathist thug with a revolver on his hip and had a substantial bodyguard, met us in Kerbela and took us to the Mosque where Imam Ali is buried. He spent a good deal of time explaining how much money President Saddam Hussein had spent on restoring the Holy places and, after a moment's hesitation, led us straight into the shrine which is the Holy of

Holies of the Shias. Imam Ali's sarcophagus is enclosed in a kind of silver cage topped with a silken canopy. The Governor ordered the canopy to be lifted so that we could see how President Saddam Hussein had had the whole top portion of the structure gilded. The rest of the cage would be gilded too. The throng of worshippers looked on curiously but there was no evidence of hostility.

President Saddam Hussein has apparently also ordered the demolition of a number of shops and booths that abutted on the precincts of the three mosques. He is also having a special museum of Islamic manuscripts constructed in an annex to the Mosque at Najaf.

King Hussein confirmed to us that the President has indeed spent lavishly on the Holy places in order to win the hearts and minds of the Shias.

The Governor laid on a lunch for us but excused himself from joining us. After lunch we visited Kurfa where Imam Ali was assassinated. We were taken to what is alleged to have been Imam Ali's house and to the Great Mosque but, in the Governor's absence, we were once again discouraged from entering the shrine built where the murder took place.

### 3. The Personality cult

On our travels to Basra, Najaf and Kerbela we were struck by the crude but vase<sup>1</sup> coloured portraits of the President which have been put up at the entrances to almost every township or village and at other vantage points. These depict him sometimes in Arab clothes, sometimes in uniform, sometimes at prayer, sometimes smoking a cigar, sometimes with a child on his knee or comforting a widow. Similar though smaller reproductions are to be found in almost every public building and <sup>even in</sup> ~~area~~ <sup>the</sup> mosques.



4. Bagdad

Bagdad seems very normal for a country at war. There are a few checkpoints at the roads and some anti aircraft emplacements round industrial installations. Otherwise the military are very little in evidence. In the Governorate of Basra the military are much more in evidence and many of the buildings in Basra itself are heavily sandbagged, including the entrance to the Sheraton Hotel.

The British charge d'affaires, Mr. Callan, said that the Embassy had very little social contact with Iraqis. I gained the impression from the Jordan chargé d'affaires that this applied to the Jordanian embassy also.

The international committee of the Baathist movement, headed by Michel Aflaq, live in Bagdad in some state. Though theoretically higher in the hierarchy than President Saddam Hussein, Aflaq seems to enjoy limited influence. The "Baathintern" receive contributions from Baathist movements all over the Arab world but their main finance is provided by the Iraqi Government.



Treasury Chambers, Parliament Street, SW1P 3AG  
01-233 3000

23 August 1984

The Rt Hon Peter Walker MBE MP  
Secretary of State for Energy  
Thames House South  
Millbank  
LONDON SW1P 4QJ

Dr  
23/8

*Dear Secretary of State*

**OIL EMERGENCIES**

I have seen your minute of 31 July to the Prime Minister and agree that this is a satisfactory outcome.

The chances of the new arrangements succeeding in a sub-crisis will, however, depend on whether Congress is persuaded that they will lead to other IEA countries bearing a fair share of the burden of stabilising markets. Only then is Congress likely to be prepared to authorise an early draw-down of the US stockpile. We should have a better idea of its views in a few months' time.

I am copying this letter to the Prime Minister, other members of OD and to Sir Robert Armstrong.

*Yours sincerely,*

*Margaret O'hara*

NIGEL LAWSON

*(Approved by the Chancellor  
and signed in his absence)*

1/11/84

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10 DOWNING STREET

*From the Private Secretary*

15 August 1984

OIL EMERGENCIES

The Prime Minister has seen and noted your Secretary of State's minute of 31 July, in which he reported that agreement had been reached in the IEA on new arrangements for handling an oil "sub-crisis". Subject to any comment from colleagues, the Prime Minister is content.

I am sending copies of this letter to the Private Secretaries to the members of OD, and to Richard Hatfield (Cabinet Office).

David Barclay

John Neilson Esq  
Department of Energy

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er

David,

Charles asked for  
reactions to Peter Walker's  
minute to the PM on 31.7.84.  
Please see notes below - 'no  
comments' from all concerned.

Sue

15/8/84

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10 DOWNING STREET

*From the Private Secretary*

8 August 1984

MINES IN THE GULF OF SUEZ AND THE RED SEA

The Prime Minister was grateful for Lady Young's minute of 7 August on the above.

The Prime Minister agrees that we should make clear our willingness to help, and she hopes that this can be done at the earliest possible opportunity. She has further commented that she would see no objection to our responding to an American request rather than an Egyptian one on this occasion. She would be content with either approach.

I am sending copies of this letter to Richard Mottram (Ministry of Defence), Callum McCarthy (Department of Trade and Industry), Dinah Nichols (Department of Transport), Michael Reidy (Department of Energy) and Richard Hatfield (Cabinet Office).

David Barclay

Peter Ricketts, Esq.,  
Foreign and Commonwealth Office

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cc PC  
 (2)  
 Prime Minister

CDP  
 31/7.

Prime Minister

OIL EMERGENCIES

see PC 3 map

MS

In my memorandum, OD(83)17, of 25 November 1983 on oil supplies from the Gulf I invited OD colleagues to endorse the conclusions of a note by officials circulated therewith. One of the main conclusions was that, if international agreement could be secured, the UK's interest in an oil supply emergency would be better served by activating the International Energy Agency (IEA) emergency allocation scheme than by relying on securing agreement to alternative "sub-crisis" measures, and that action in a temporary supply interruption should focus on mobilisation of stocks rather than measures to restrain demand. A major element in our thinking was that the activation of an existing well-developed scheme was likely to provide a more effective response to the emergency than trying at the time to reach a fresh agreement on alternative measures.

Over the last four months there have been further discussions, under the auspices of the IEA, on the framework for handling a sub-crisis. As a result of this, agreement has been reached in the IEA on new arrangements to facilitate a response to such a crisis.

The main emphasis of the agreement is on co-ordinated stockdraw by leading IEA Members. The arrangements suit our concerns better than the sub-crisis measures previously agreed and should prove effective in achieving our objectives in a sub-crisis.

One aspect is of particular benefit. Earlier this year, after an internal review of its policies for an oil emergency, the US Administration announced that it would draw down its 400 million barrel Strategic Petroleum Reserve in substantial quantities at an early stage in a crisis. In an emergency this development will be of great help in calming the oil market and containing price rises, and thus in achieving the objectives we agreed last November. The US has however been looking to its allies



to take "mutually supportive action": without this assurance the US Congress would be unlikely to support arrangements which might give the impression that the US was bearing the whole burden of oil emergency preparedness for the free world. The US Department of Energy has accepted the new IEA agreement as constituting the necessary response by its allies. We are thereby getting what is in effect a free (for this country) insurance policy, and we should therefore be seen to be fully committed to the new agreement.

With the new arrangements now available, the arguments in favour of activating the IEA emergency allocation scheme are now less strong than they were. Though we may of course still wish to argue for early activation of the scheme in a full-scale emergency, in any emergency of the type currently foreseeable our response is likely to be to facilitate the early drawdown of stocks by the leading industrialised countries.

I am copying this minute to members of OD Committee and Robert Armstrong.

A handwritten signature in blue ink, appearing to read 'G. Brown', is written over the typed name.

Secretary of State for Energy  
31 July 1984



SLH



C. LCO COL  
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LPSO

10 DOWNING STREET

From the Private Secretary

30 July, 1984

Dear Richard,

Deployment of Mine Countermeasures Force in the Mediterranean

The Defence Secretary minuted the Prime Minister on 26 July to recommend that the mine countermeasures force in the Mediterranean should be withdrawn to the United Kingdom.

The Prime Minister agrees with this recommendation, subject to the views of other OD colleagues. But she wishes the Americans to be informed before a final decision is taken. In the event that they were to express strong opposition to the proposed withdrawal of the force, the Prime Minister would not exclude reviewing the decision.

I am sending copies of this letter to the Private Secretaries of members of OD and to Richard Hatfield (Cabinet Office).

yes. sure  
  
C. D. POWELL

Richard Mottram, Esq.,  
Ministry of Defence

IO 3/9/4/2

PRIME MINISTERDEPLOYMENT OF THE MINE COUNTERMEASURES FORCE IN THE MEDITERRANEAN

My minute to you of 24th May on the deployment of our mine countermeasures force to the Mediterranean proposed that we should review the future of the force during August. In fact, a decision is needed by 7th August since the support ship Oil Endeavour must leave Italy by that time if she is to be converted back to her normal configuration before her contract expires on 24th September. If the force is required to stay in the Mediterranean, the extra cost of continuing the deployment for a further 6 months would be some £1 million, largely consisting of charter charges for the support vessel.

2. The original decision to send an MCM force to the Mediterranean was of course taken in response to a direct American request. The deployment undoubtedly had a valuable political effect both on the United States and on our friends in the Gulf (in particular the Omanis who had previously expressed interest in such a deployment). But in the light of developments since then I am not convinced that the arguments in favour of a continued deployment are as strong as they were. Since the original decision was taken in March it has become clear that the principal threat to shipping in the Gulf comes from airborne attacks from both belligerents. The threat of mining, always low, appears to have receded further. The Iranians have made it clear that they would only consider mining the Straits of Hormuz if their oil exports from the Gulf were completely cut off and, despite attacks against shipping using the Kharg terminal, there seems to be little prospect of Iraq achieving this.

Prime Minister  
 This seems good sense,  
 though it would be  
 friendly to warn the Americans  
 before a final decision.  
 Agree subject to this  
 Yes, not condition & the views of colleagues?

CDD

27/7



3. In these circumstances the maintenance of a British MCM force in the Mediterranean looks increasingly irrelevant from the viewpoint of military need. From a political standpoint also, I think that the circumstances have changed. In particular the mood in Washington has hardened against any suggestion of military intervention in the Gulf, no doubt not least in view of the forthcoming election. Also, the Omanis have shown no particular desire for the force to remain in close proximity, and have been satisfied with our recent gesture of support in the form of the temporary deployment of a maritime reconnaissance Nimrod. I would therefore judge that it is not necessary to retain the force for political reasons, and I recommend that it be withdrawn to the United Kingdom.

4. I am sending copies of this minute to colleagues on OD and to Sir Robert Armstrong.

Ministry of Defence  
26th July 1984

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FM TEHRAN

10. DOWNING STREET,

TO PRIORITY FCO

TELNO 415 OF 25 July 84

INFO PRIORITY MODUK (D14), BAGHDAD, GULF POSTS, WASHINGTON,  
UKNIS NEW YORK, UKDEL NATO.

MY LETTER OF 3 JUNE TO HASKELL : IRAN/IRAQ. MS

SUMMARY.

1. SIGNS OF A SIGNIFICANT TACTICAL CHANGE IN THINKING ON THE WAR. THE IRANIANS MAY HAVE REALISED THAT A MAJOR OFFENSIVE WOULD HAVE LITTLE CHANCE OF SUCCESS. THEY ARE SHOWING A MORE CONCILIATORY FACE TO THE GULF STATES. THEY WANT IRAQ TO RENOUNCE CHEMICAL WEAPONS AND ATTACKS ON SHIPPING. BUT THEY ARE STICKING TO THEIR CONDITIONS FOR PEACE.

DETAIL.

2. SINCE MID-JUNE, THERE HAS BEEN MOUNTING EVIDENCE OF WHAT COULD BE A SIGNIFICANT CHANGE IN IRANIAN TACTICAL THINKING ABOUT THE WAR. THE LONG-EXPECTED OFFENSIVE HAS NOT MATERIALISED, SUGGESTING STRONGLY THAT THE IRANIANS HAVE REALISED THAT IT WOULD HAVE LITTLE CHANCE OF SUCCESS. WE HAVE HEARD FROM A USUALLY RELIABLE SOURCE THAT A DECISION WAS TAKEN BY THE SUPREME DEFENCE COUNCIL IN JUNE TO DELAY THE OFFENSIVE PENDING RE-EQUIPMENT WITH HEAVY WEAPONS. RAFSANJANI'S SPEECH OF 6 JULY, IN WHICH HE SAID THE OFFENSIVE COULD COME NEXT DAY, IN 3 MONTHS OR NEXT YEAR COULD BE INTERPRETED IN A NUMBER OF WAYS, BUT WILL HAVE PREPARED PDULIC OPINION FOR FURTHER DELAY. BY NEVERTHELESS MAINTAINING ITS FORCES ON THE FRONT IN BATTLE READINESS, IRAN SEES HERSELF AS CONTINUING TO PUT PRESSURE ON IRAQ. SHE STILL HAS THE OPTION OF MOUNTING AN OFFENSIVE, BUT OBSERVERS HERE (INCLUDING EC COLLEAGUES) TEND MORE AND MORE TO THE OPINION THAT SHE WILL NOT RISK A MAJOR ONE (CF. BAGHDAD'S SIGNAL 160955Z).

3. AT THE SAME TIME THE THREAT TO IRAN FROM THE IRAQI ATTACKS ON SHIPPING HAS FORCED IRAN TO RE-EVALUATE HER ATTITUDE TO REGIONAL STATES AND THE WIDER WORLD (MY TELNO 408 - NOT TO ALL). WHEREAS THE INITIAL IRANIAN RESPONSE TO THE ATTACKS AND SCR 552 WAS SABRE-RATTLING TOWARDS THE GULF STATES, THE CONTINUED IRAQI ~~ATTACKS~~ AND THE SAUDI SUCCESS IN SHOOTING DOWN AN IRS GC JUNE HAVE CONTRIBUTED TO A CHANGE IN TACTICS. THIS IS EVIDENCED IN THE CONCILIATORY EXCHANGES WITH THE SAUDIS AND, IT SEEMS, ALSO THE UAE AND PERHAPS KUWAIT.

4. THE IRANIANS CURRENT AIM IS TO REDUCE TENSION IN THE AREA AND THE THREAT TO THEMSELVES. THEY ARE INSISTING, WITH THE SAME AIM, THAT IRAQ SHOULD RENOUNCE THE USE OF CHEMICAL WEAPONS AND AGREE TO A CEASEFIRE AGAINST SHIPPING IN THE GULF. MEANWHILE THEY ARE DERIVING THE MAXIMUM PROPAGANDA BENEFIT FROM THE IRAQIS FAILURE TO RESPOND TO THE UN SECRETARY-GENERAL'S APPEAL.

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5. BUT ON THE QUESTION OF PEACE IT IS DIFFICULT TO SEE MUCH CHANGE IN THE IRANIAN ATTITUDE. THE IRANIAN LEADERS HAVE REPEATED THEIR ORIGINAL CONDITIONS FOR ENDING THE WAR, AND HAVE REPEATED ALSO THE ADDED CONDITION THAT SADDAM MUST BE DEPOSED. THEY ARE NOT PREPARED TO SIT DOWN WITH THE IRAQIS, AND THEY REACTED STRONGLY AGAINST SUGGESTIONS THAT THE OIC'S PEACE COMMITTEE MIGHT BE EMBARKING ON A NEW INITIATIVE. IT IS POSSIBLE TO SEE IN SOME OF THEIR STATEMENTS SOME FLEXIBILITY ON HOW THEIR CONDITIONS MIGHT BE INTERPRETED, BUT THEY ARE NOT PROVIDING AN EASY OPENING FOR EVEN INDIRECT TALKS.

6. IN SHORT, THE IRANIANS SEEM AT PRESENT TO WANT TO HAVE IT BOTH WAYS: A DE-ESCALATION OF THE WAR BUT NO SERIOUS MOVE TOWARDS PEACE. ONE WONDERS IF IRAQ WILL YET BE PREPARED TO GIVE THEM THE BREATHING SPACE IN THE GULF WHICH THEY ARE SEEKING. IF THE IRANIAN AIM IS A PERIOD OF STALEMATE, NOT A SERIOUS MOVE TOWARDS A NEGOTIATED SETTLEMENT, THE IRAQIS MAY NOT CONSIDER IT TO BE IN THEIR INTEREST TO COOPERATE. THERE ARE DANGERS FOR THE IRANIAN LEADERSHIP TOO IN AN OBVIOUS STALEMATE, SINCE THE ABSENCE OF A NEW OFFENSIVE IS VIRTUALLY A MORAL DEFEAT FOR THEM. IT WOULD THEREFORE NOT BE SURPRISING IF THE IRANIANS TRIED AT LEAST A LIMITED OPERATION EVENTUALLY, PARTICULARLY IF THE IRAQI ATTACKS ON SHIPPING CONTINUE.

7. IT WILL CONTINUE TO BE AGAINST THE IRANIAN INTEREST TO STIR THINGS UP IN THE GULF AREA, BUT THEY WILL BE UNDER PRESSURE TO RETALIATE AGAINST ANY FURTHER IRAQI ATTACKS. AS SEEN FROM HERE, THEREFORE, THE BEST HOPE FOR DE-ESCALATING THE WAR - WHICH IS THE UK'S FIRST PRIORITY - STILL LIES IN GETTING THE IRAQIS TO HALT, OR AT LEAST SCALE DOWN, THEIR ATTACKS ON SHIPPING - WHETHER THROUGH PRESSURE OR PERSUASION.

SIMPSON-ORLEBAR

(REPEATED AS REQUESTED)

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FROM FCO 131730Z JULY 84

TO IMMEDIATE BIS TEHRAN

TELEGRAM NUMBER 230 OF 13 JULY

INFO IMMEDIATE BAGHDAD, AMMAN, GULF POSTS, WASHINGTON, PRIORITY

UKMIS NEW YORK, PARIS, HONG KONG (FOR PS/MR LUCE)

YOUR TELNO 388: 'BRITISH RENOWN'

1. BP SAY DAMAGE IS SLIGHT AND READILY REPAIRABLE. THE DUTCH SALVAGE COMPANY WHICH HAD CHARTERED THE 'BRITISH RENOWN' STILL WANT TO USE HER FOR LIGHTENING THE 'TIBURON 1'. LATTER IS NOW BEING TOWED TO THE VICINITY OF SIR ABU NU' AIR (25 12N, 54 13E), WHERE 'BRITISH RENOWN' WOULD ARRIVE ON THE EVENING OF 15 JULY. BP ALSO WISH TO CONTINUE WITH THE TASK, AND THE TANKER'S NEW CREW ARE WILLING.
2. HOWEVER, BP WOULD LIKE AS MUCH ASSURANCE AS POSSIBLE THAT THE ATTACK WILL NOT BE REPEATED. THEY ARE CONTACTING NIOC TO THIS EFFECT, BUT HAVE ASKED US TO MAKE REPRESENTATIONS IN SUPPORT.
3. PLEASE THEREFORE SPEAK URGENTLY TO THE MFA, SAYING THAT WHILE WE STILL AWAIT A REPLY TO OUR PROTEST, WE SHOULD LIKE THE IRANIAN AUTHORITIES TO BE AWARE THAT THE 'BRITISH RENOWN' IS INTENDING TO CONTINUE HER INTERRUPTED MISSION. WE HAVE ALREADY ASKED FOR A GENERAL ASSURANCE THAT THE ATTACK ON

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*Iran/Iraq*

*with copy*

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10 JULY WILL NOT BE REPEATED, BUT IT WOULD BE PARTICULARLY UNFORTUNATE IF THE 'BRITISH RENOWN' WERE ATTACKED AGAIN. WE ARE SPEAKING SIMILARLY TO THE IRANIAN EMBASSY HERE.

4. SHOULD THE IRANIANS REVERT TO THE QUESTION OF PROOF OF IRANIAN RESPONSIBILITY (PARA 3 OF YOUR TUR) YOU SHOULD SAY THAT WE HAVE ABUNDANT EVIDENCE OF THIS, INCLUDING THE FOLLOWING:

(A) THE ATTACK CAME IMMEDIATELY AFTER A RECONNAISSANCE FLIGHT BY AN IRANIAN AIR FORCE MARITIME PATROL AIRCRAFT, EXACTLY LIKE ALL THE PREVIOUS IRANIAN ATTACKS. THIS COULD NOT HAVE BEEN COINCIDENTAL.

(B) ALL THE IRAQI AIR ATTACKS HAVE BEEN BY EXOCET MISSILE. WE HAVE CONFIRMED THAT ATTACK ON THE 'BRITISH RENOWN' WAS BY MAVERICK MISSILE WHICH IS IN SERVICE WITH THE IRANIAN AIR FORCE.

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TELEGRAM NUMBER 229 OF 12 JULY  
INFO MOD DS11

YOUR TELNO 226 OF 11 JULY :  
PRIME MINISTER'S MESSAGE TO SULTAN QABOOS'

1. FOLLOWING IS A REVISED TEXT OF THE PRIME MINISTER'S MESSAGE.

'YOUR MAJESTY,

THANK YOU FOR LETTING ME HAVE YOUR VIEWS ON THE PRESENT STATE OF THE GULF WAR IN YOUR CONVERSATION WITH OUR AMBASSADOR ON 27 JUNE. HE HAS SUBSEQUENTLY PASSED ON A REQUEST FROM YOUR GOVERNMENT THAT IN THE LIGHT OF THE PRESENT SITUATION THE UNITED KINGDOM SHOULD CONSIDER TEMPORARILY DEPLOYING AN AIRBORNE EARLY WARNING AIRCRAFT TO OMAN. MY COLLEAGUES HAVE SUBSEQUENTLY BEEN ABLE TO DISCUSS THESE ISSUES BOTH WITH GENERAL CREASEY AND WITH MR YOUSEF AL-ALAWI. I SHOULD LIKE, IF I MAY, TO COVER BOTH YOUR MESSAGES IN THIS REPLY.

IN THE MESSAGE PASSED TO BRITISH OFFICIALS BY MAJOR GENERAL ALI MAJID AL MA'AMARI, YOU ASKED US TO TRY TO PERSUADE SHAIKH ZAID NOT TO ACCEPT SAUDI ARABIA'S OFFER TO POSITION FIGHTER AIRCRAFT IN THE UNITED ARAB EMIRATES. IN THE SUBSEQUENT MESSAGE PASSED TO THE AMBASSADOR BY GENERAL CREASEY YOU EXPRESSED CONCERN AT POSSIBLE AMERICAN PRESSURE ON SAUDI ARABIA TO INVOLVE OMAN MORE ACTIVELY IN PREPARING TO COUNTER IRANIAN INCURSIONS. YOU ALSO SUGGESTED THAT IT WOULD BE TO OMAN'S ADVANTAGE TO DEMONSTRATE INDEPENDENCE OF AMERICAN ASSISTANCE THROUGH THE AVAILABILITY IF NEEDED OF HELP FROM ELSEWHERE.

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10 DOWNING STREET

*From the Private Secretary*

12 July 1984

The Prime Minister's Message to Sultan Qaboos of Oman

Thank you for your letter of 11 July enclosing a revised text of the Prime Minister's message to Sultan Qaboos.

The Prime Minister agrees the additions made to the draft. She has, however, asked for some further changes to be made. I have thus deleted paragraph 2, which is really only padding; also the passage on the risk that deployment of British or other non-Arab forces could be regarded by the Iranians as a provocation, since this sits rather uneasily with our agreement to deploy a Nimrod.

I enclose a retyped version of the message which should now be despatched and delivered as soon as possible.

Charles Powell

Len Appleyard, Esq.,  
Foreign and Commonwealth Office.

*Subject a master  
epi*

PRIME MINISTER'S  
PERSONAL MESSAGE  
SERIAL No. T123/84

MESSAGE FROM THE PRIME MINISTER TO SULTAN QABOOS OF OMAN

Your Majesty,

Thank you for letting me have your views on the present state of the Gulf War in your conversation with our Ambassador on 27 June. He has subsequently passed on a request from your Government that in the light of the present situation the United Kingdom should consider temporarily deploying an airborne early warning aircraft to Oman. My colleagues have subsequently been able to discuss these issues both with General Creasey and with Mr. Yousef al-Alawi. I should like, if I may, to cover both your messages in this reply.

In the message passed to British officials by Major General Ali Majid al Ma'amari, you asked us to try to persuade Shaikh Zaid not to accept Saudi Arabia's offer to position fighter aircraft in the United Arab Emirates. In the subsequent message passed to the Ambassador by General Creasey you expressed concern at possible American pressure on Saudi Arabia to involve Oman more actively in preparing to counter Iranian incursions. You also suggested that it would be to Oman's advantage to demonstrate independence of American assistance through the availability if needed of help from elsewhere.

I should like to assure you that I have studied both messages very carefully and sympathetically. My own conclusion is that stationing Saudi aircraft in the United Arab Emirates is more likely to diminish than to increase the threat of attack on the Emirates or on Oman. Since the shooting down of an Iranian F4 by the Royal Saudi Air Force on 5 June, Iranian aircraft appeared, at least for a while, to be more circumspect in their movements. Most of the attacks which have been made on ships since then, including one on a British ship (about which we have made a strong protest to the Iranians), took place further out in the Gulf than earlier Iranian attacks in an area where there was less chance of interception by the Saudis. To extend Saudi air cover to the Emirates would surely help to put the Iranians still more on the

/ defensive

defensive. We have also noted that the tone of Iranian public statements in recent weeks has been more restrained, and that they have declared themselves willing to stop all attacks on shipping provided that Iraq exercises similar restraint.

I can see that it could be argued that if the UAE's air defences were strengthened, the Iranians might decide to concentrate their attacks on Oman. But surely against this the Iranians would have to calculate that gratuitously to attack a country like Oman, which has been neutral in the conflict, would rouse opinion in the Gulf and in the world at large against them.

The Nimrod early warning aircraft to which you referred will not in fact enter service with the RAF for some considerable time. But in response to your request I want us to do everything we can to help at this time. We have therefore agreed with General Creasey to deploy to Oman next week one aircraft of the maritime reconnaissance version of the Nimrod for joint exercises lasting one week.

I found your views on the possible motivation of the various participants in this question profoundly interesting. We ourselves have had extensive contact with American officials, both diplomatic and military, and have gained the clear impression from them that United States policy is exactly as Vice-President Bush has described it to you. That is to say, they wish to ensure that the Gulf countries, particularly Saudi Arabia and Kuwait, have the means to defend themselves so that the need for any direct US involvement is reduced. They are also being careful to avoid any provocative action of their own in the Gulf area. Recent inaccurate press reports about the movements of American warships stationed at Bahrain have caused the Americans as much concern as they have caused us. While no country can ever answer unreservedly for the policies and attitudes of another, I do not believe our confidence in American motives and intentions is misplaced.

As regards the other members of the Gulf Security Council, I understand and respect your concern that closer military cooperation

/ with

with them should not lead to Omani involvement in the conflict. In general, however, I welcome progress by the members of the Council towards greater cooperation in their own defence, since this again should reduce the risk of external military involvement in the Gulf and hence the danger of escalation. I understand that the meeting of the GCC Foreign Ministers on 12/14 June made some useful progress towards cooperation between the air defence systems of Saudi Arabia, Kuwait and Bahrain. In my view, the arguments in favour of greater cooperation at this difficult time, in the common interest, are very persuasive. I hope that my discussions on this subject with His Highness Shaikh Khalifa bin Zaid al-Nahyan, Crown Prince of Abu Dhabi, when he visits London next week, will help to substantiate the point.

With my best wishes and greetings for the Eid.

Margaret Thatcher.

TO BE CHECKED  
AGAINST DELIVERY

②  
COP

11/7.

STATEMENT TO PARLIAMENT BY MR RICHARD LUCE, MP MINISTER OF STATE FOR FOREIGN AND COMMONWEALTH AFFAIRS, WEDNESDAY 11 JULY 1984 ON:

'BRITISH RENOWN' - IRANIAN ATTACK

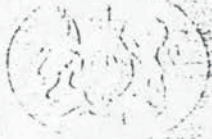
With permission, Mr Speaker, I should like to make a statement on yesterday's attack on a British vessel in the Gulf, north-east of Bahrain.

At approximately 1200 GMT, a British owned and registered tanker, the 'British Renown' was attacked from the air and struck by two missiles, which I am glad to report caused little damage and no casualties among the crew, nearly all of whom were British subjects. The 'British Renown' is now anchored nine miles off Dubai, and a member of the staff of our Consulate General has gone on board to render any assistance that may be needed.

All the available evidence is that the attack was made by aircraft of the Iranian Air Force. Accordingly, in the absence in Tehran of the Iranian Chargé d'Affaires, we have summoned the next most senior member of the Iranian Embassy in order to deliver a strong protest. Her Majesty's Government have made it clear that this deliberate, unprovoked and wholly unjustified attack is totally unacceptable.

My Right Honourable Friend the Secretary of State for Transport has reviewed his advice to British shipping in the Gulf in the light of this incident. While it is for the companies themselves to inform their crews about the risks involved, he has re-emphasised the need for British ship-owners to take this incident into full consideration in deciding whether to enter the Gulf and to exercise all necessary vigilance while there.

/Her Majesty's



Her Majesty's Government deplures this incident, and indeed all attacks on shipping in the Gulf area. They are further proof of the need to see an early end to the continuing conflict between Iran and Iraq. We shall continue to support all serious efforts to bring that conflict to an end, and in the meantime will vigorously uphold the principle of freedom of navigation, which has been reaffirmed by successive Security Council Resolutions.

+



Foreign and Commonwealth Office

London SW1A 2AH

PRIME MINISTER.  
Agree revised  
message?

Duty Clerk  
11/7/84

11 July 1984

Charles  
have deleted  
pages some  
which were  
just rec'd  
me

Dear Charles.

The Prime Minister's message to Sultan Qaboos of Oman

With your letter dated 5 July to Roger Bone you enclosed the revised text of the Prime Minister's message to Sultan Qaboos. We telegraphed this to Muscat on 5 July but unfortunately the Sultan has been incommunicado (on his yacht) since then. Mr Slater now has an appointment to see the Sultan on 17 July.

As drafted, the Prime Minister's message has been overtaken by the Defence Secretary's agreement to deploy a Nimrod maritime patrol aircraft to Oman next week, for joint exercises lasting about a week, and to a lesser extent by recent developments in the Gulf. We have concluded, therefore, with regret that we should ask you to put these papers again before the Prime Minister, with a view to updating the message to the Sultan. I enclose a redraft. For ease of reference, the sentences added or altered from the message previously agreed have been underlined.

Yours ever,

Len Appleyard

(L V Appleyard)  
Private Secretary

C D Powell Esq  
10 Downing Street



MESSAGES FROM SULTAN QABOOS: REDRAFTED REPLY FROM THE  
PRIME MINISTER

Your Majesty,

Thank you for letting me have your views on the present state of the Gulf war in your conversation with our Ambassador on 27 June. He has subsequently passed on a request from your Government that in the light of the present situation the United Kingdom should consider temporarily deploying an airborne early warning aircraft to Oman. My colleagues have subsequently been able to discuss <sup>(these)</sup> issues both with General Creasey and with <sup>Mr</sup> Yousef al-Alawi. I should like, if I may, to cover both your messages in this reply.

~~As you know, I have repeatedly expressed our hope for the earliest possible end to the conflict between Iran and Iraq, and to the appalling loss of human life and material damage that has resulted from it. All efforts aimed at bringing this about, particularly those of the Secretary-General of the United Nations, have our support. I am encouraged by the response by both sides to the Secretary-General's appeal for an end to attacks on civilian centres of population. Although it is too early to be sure that this restraint will continue, I hope that in time it may provide a foundation on which moves towards a wider ceasefire be based.~~

In the message passed to British officials by Major General Ali Majid al Ma'amari, you asked us to try to persuade Shaikh Zaid not to accept Saudi Arabia's offer to position fighter aircraft in the United Arab Emirates. In the subsequent message passed to the Ambassador by General Creasey you expressed concern at possible American pressure on Saudi Arabia to involve Oman more actively in preparing to counter Iranian incursions. You also suggested that it would be to Oman's advantage to demonstrate independence of American assistance through the availability if needed of help from elsewhere.

I should like to assure you that I have studied both messages very carefully and sympathetically. My own conclusion is that stationing

/Saudi

Saudi aircraft in the United Arab Emirates is more likely to diminish than to increase the threat of attack on the Emirates or on Oman. Since the shooting down of an Iranian F4 by the Royal Saudi Air Force on 5 June, Iranian aircraft appeared, at least for a while, to be <sup>more</sup> circumspect in their movements. Most of the attacks which have been made on ships since then, including one on a British ship (about which we have made a strong protest to the Iranians), took place further out in the Gulf than earlier Iranian attacks in an area where there was less chance of interception by the Saudis. To extend Saudi air cover to the Emirates would surely help to put the Iranians still more on the defensive. We have also noted that the tone of Iranian public statements in recent weeks has been more restrained, and that they have declared themselves willing to stop all attacks on shipping provided that Iraq exercises similar restraint.

I can see that it could be argued that if the UAE's air defences were strengthened, the Iranians might decide to concentrate their attacks on Oman. But surely against this the Iranians would have to calculate that gratuitously to attack a country like Oman, which has been neutral in the conflict, would rouse opinion in the Gulf and in the world at large against them.

*delete*  
The Nimrod early warning aircraft to which you referred will not in fact enter service with the RAF for some considerable time. ~~(We must take account of the risk that the deployment of British or other non-Arab forces to the area at present could be regarded by the Iranians as a provocation and might actually increase the danger of their taking precipitate action.)~~ But in response to your request I want us to do everything we can to help at this time. We have therefore agreed with General Creasey to deploy to Oman next week one aircraft of the maritime reconnaissance version of the Nimrod for joint exercises lasting one week.

I found your views on the possible motivation of the various participants in this question profoundly interesting. We ourselves have had extensive contact with American officials, both diplomatic and military, and have gained the clear impression from them that United States policy is exactly as Vice-President Bush has described

/it to

it to you. That is to say, they wish to ensure that the Gulf countries, particularly Saudi Arabia and Kuwait, have the means to defend themselves so that the need for any direct US involvement is reduced. They are also being careful to avoid any provocative action of their own in the Gulf area. Recent inaccurate press reports about the movements of American warships stationed at Bahrain have caused the Americans as much concern as they have caused us. While no country can ever answer unreservedly for the policies and attitudes of another, I do not believe our confidence in American motives and intentions is misplaced.

As regards the other members of the Gulf Security Council, I understand and respect your concern that closer military cooperation with them should not lead to Omani involvement in the conflict. In general, however, I welcome progress by the members of the Council towards greater cooperation in their own defence, since this again should reduce the risk of external military involvement in the Gulf and hence the danger of escalation. I understand that the meeting of the GCC Foreign Ministers on 12/14 June made some useful progress towards cooperation between the air defence systems of Saudi Arabia, Kuwait and Bahrain. In my view, the arguments in favour of greater cooperation at this difficult time, in the common interest, are very persuasive. I hope that my discussions on this subject with His Highness Shaikh Khalifa bin Zaid al-Nahyan, Crown Prince of Abu Dhabi, when he visits London next week, will help to substantiate the point.

With my best wishes and greetings for the Eid.

Margaret Thatcher.



FCS/84/195

NBPM  
CDD  
11/7.

SECRETARY OF STATE FOR DEFENCE

Merchant Shipping in the Gulf and the Armilla Patrol

1. Thank you for sending me a copy of your note of 25 June, addressed to the Prime Minister, setting out your plans for the Armilla Patrol.
2. Although there has been three further attacks on tankers in the Gulf (two by Iran - including one on a British ship - and one by Iraq) since your note was written, I have no objection to your proposals. In particular, I agree that the Armilla ships should remain within 5 days' sailing of the Gulf, but should not patrol inside the Gulf itself. Visits to the Gulf States by the ships should however be encouraged as a sign of our continuing interest in preserving stability in the area.
3. I am copying this note to the Prime Minister, other members of OD, the Secretary of State for Transport and Sir Robert Armstrong.

GEOFFREY HOWE

Foreign and Commonwealth Secretary

log : lang/roq was 174

191 JUL 1984

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CONFIDENTIAL

FILE

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cc. SPC

10 DOWNING STREET

*From the Private Secretary*

10 July 1984

Supply of Spares and Ships to Iran

The Prime Minister was informed this afternoon of the attack, thought to be by Iranian aircraft, on a British tanker in the Gulf. She has said that the supply of two Yarrow support ships and of armoured vehicle spare parts to Iran should be frozen, at least until the circumstances of the attack have been clarified.

I am sending copies of this letter to Richard Mottram (Ministry of Defence), Callum McCarthy (Department of Trade and Industry), Janet Lewis-Jones (Lord President's Office) and Richard Hatfield (Cabinet Office).

Charles Powell

R.B. Bone, Esq.,  
Foreign and Commonwealth Office.

CONFIDENTIAL

SP

CONFIDENTIAL

GRS 95  
CONFIDENTIAL  
DESKBY 090830Z  
FM MUSCAT 090540Z JUL  
TO IMMEDIATE FCO  
TELEGRAM NUMBER 221 OF 9 JULY 84

*mt*

YOUR TELEGRAMS NUMBERS 218 AND 219: MESSAGE TO THE SULTAN

1. I HAVE BEEN PRESSING FOR AN EARLY AUDIENCE WITH THE SULTAN IN ORDER TO DELIVER THE PRIME MINISTER'S MESSAGE. BUT THE SULTAN IS AT SEA ON HIS YACHT AND HIS STAFF HAVE SO FAR BEEN UNABLE TO GIVE ME AN APPOINTMENT. I REGRET THEREFORE THAT I HAVE NOTHING NEW TO CONTRIBUTE TO THE DISCUSSIONS WITH CREASEY TODAY.

2. IF MY APPOINTMENT WITH THE SULTAN IS DELAYED MORE THAN ANOTHER DAY IT MAY BE NECESSARY TO ALTER THE MESSAGE TO TAKE ACCOUNT OF WHATEVER CONCLUSIONS YOU REACH WITH CREASEY.

SLATER

LIMITED

MED

PUSD

DEF D

PS

PS/MRLUCE

PS/PUS

SIR J LEAHY

MR EGERTON

COPIES TO

PS/NO10 D ST ✓

HD/DSII, MOD.

CONFIDENTIAL



10 DOWNING STREET

Prime Minister

You didn't

finish this.

C D P

6/7

Agree reluctantly. I hope it  
will not affect  
potential Defence Orders  
from the Gulf &  
S. and M. etc.

Note from 15<sup>th</sup> April minute  
we have then to make  
further decisions within  
3 months. No  
commitment - MB



SECRET



10 DOWNING STREET

*From the Private Secretary*

5 July, 1984

Reply to Messages from Sultan Qaboos of Oman

Thank you for your letter of 4 July enclosing a revised draft reply to Sultan Qaboos' message about the Saudi offer of military assistance to the United Arab Emirates.

The Prime Minister has approved the draft with some amendments. I enclose a revised version. I should be grateful if you could arrange for its early despatch.

I am copying this letter and enclosure to Richard Mottram (Ministry of Defence).

C. D. POWELL

R. B. Bone, Esq.,  
Foreign and Commonwealth Office

SECRET

NR.

JR.

SUBJECT.

MESSAGES FROM SULTAN QABOOS: REPLY FROM THE PRIME MINISTER

PRIME MINISTER'S

PERSONAL MESSAGE

SERIAL No. T120AM 8f

Your Majesty,

Thank you for letting me have your views on the present state of the Gulf war in your conversation with our Ambassador on 27 June. He has subsequently passed on a request from your Government that in the light of the present situation the United Kingdom should consider temporarily deploying an airborne early warning aircraft to Oman. I should like, if I may, to cover both messages in this reply.

As you know, I have repeatedly expressed our hope for the earliest possible end to the conflict between Iran and Iraq, and to the appalling loss of human life and material damage that has resulted from it. All efforts aimed at bringing this about, particularly those of the Secretary-General of the United Nations, have our support. I am encouraged by the response by both sides to the Secretary-General's appeal for an end to attacks on civilian centres of population. Although it is too early to be sure that this restraint will continue, I hope that in time it may provide a foundation on which moves towards a wider ceasefire might be based.

In the message passed to British officials by Major General Ali Majid al Ma'amari, you asked us to try to persuade Shaikh Zaid not to accept Saudi Arabia's offer to position fighter aircraft in the United Arab Emirates. In the subsequent message passed by General Creasey you expressed concern at possible American pressure on Saudi Arabia to involve Oman more actively in preparing to counter Iranian incursions. You also suggested that it would be to Oman's advantage to demonstrate independence of American assistance through the availability if needed of help from elsewhere.

I should like to assure you that I have studied both messages very carefully and sympathetically. My own

/conclusion

conclusion is that stationing Saudi aircraft in the United Arab Emirates is more likely to diminish than to increase the threat of attack on the Emirates or on Oman. Since the shooting down of an Iranian F4 by the Royal Saudi Air Force on 5 June, Iranian aircraft have been more circumspect in their movements. The only attack which has been made on an Arab ship since then took place much further out in the Gulf than earlier Iranian attacks in an area where there was markedly less chance of interception by the Saudis. To extend Saudi air cover to the Emirates would surely put the Iranians still more on the defensive. We have also noted that the tone of Iranian public statements in recent weeks has been more restrained, and that they have declared themselves willing to stop all attacks on shipping provided that Iraq exercises similar restraint.

I can see that it could be argued that if the UAE's air defences were strengthened, the Iranians might decide to concentrate their attacks on Oman. But surely against this the Iranians would have to calculate that gratuitously to attack a country like Oman, which has been neutral in the conflict, would rouse opinion in the Gulf and in the world at large against them.

The Nimrod early warning aircraft to which you referred will not in fact enter service with the RAF for some considerable time. We would still hope to continue deploying the maritime reconnaissance version of the Nimrod to Oman from time to time, as we did earlier this year. But we must take account of the risk that the deployment of British or other non-Arab forces to the area at present could be regarded by the Iranians as a provocation and might actually increase the danger of their taking precipitate action. But I want us to do everything we can to help at this time. We shall pursue the matter with General Creasey when he is in London on 9 July.

/I found your

I found your views on the possible motivation of the various participants in this question profoundly interesting. We ourselves have had extensive contact with American officials, both diplomatic and military, and have gained the clear impression from them that United States policy is exactly as Vice-President Bush has described it to you. That is to say, they wish to ensure that the Gulf countries, particularly Saudi Arabia and Kuwait, have the means to defend themselves so that the need for any direct US involvement is reduced. They are also being careful to avoid any provocative action of their own in the Gulf area. Recent inaccurate press reports about the movements of American warships stationed at Bahrain have caused the Americans as much concern as they have caused us. While no country can ever answer unreservedly for the policies and attitudes of another, I do not believe our confidence in American motives and intentions is misplaced.

As regards the other members of the Gulf Security Council, I understand and respect your concern that closer military cooperation with them should not lead to Omani involvement in the conflict. In general, however, I welcome progress by the members of the Council towards greater cooperation in their own defence, since this again should reduce the risk of external military involvement in the Gulf and hence the danger of escalation. I understand that the meeting of the GCC Foreign Ministers on 12/14 June made some useful progress towards cooperation between the air defence systems of Saudi Arabia, Kuwait and Bahrain. In my view, the arguments in favour of greater cooperation at this difficult time, in the common interest, are very persuasive. I hope that my discussions on this subject with His Highness Shaikh Khalifa bin Zaid al-Nahyan, Crown Prince of Abu Dhabi, when he visits London in two weeks' time, will help to substantiate the point.

With my best wishes and greetings for the Eid.

Margaret Thatcher



Prime Minister

Foreign and Commonwealth Office

London SW1A 2AH

Revised message to Sultan Qaboos. I have tried to personalize it rather more.

4 July 1984

Agree message?

John Barber

C.D.P 4/7

See slight amendments in do need better not

Reply to Messages from Sultan Qaboos of Oman

Thank you for your letter of 2 July about the draft reply to Sultan Qaboos's message about the Saudi offer of military assistance to the United Arab Emirates. You will have seen from Muscat telegram numbers 209 and 210 of 2 July, of which I enclose copies for ease of reference, that the Sultan has sent a further message via General Creasey, this time expressing concern about American intentions in the Gulf area, and asking for a gesture of British support: specifically the temporary deployment of an early warning aircraft to Oman. We have discussed this with the Ministry of Defence.

In the light of the Prime Minister's comments on the earlier draft reply to Sultan Qaboos, and of the latest message, we have amended the draft reply to Sultan Qaboos considerably. We continue to believe that his concerns about the Gulf situation and about Saudi and US attitudes are largely unfounded. Even if the deployment of a Nimrod early warning aircraft to the Gulf were possible (they will not be in service with the RAF for some time), we would see difficulty in responding to the Sultan's request, both because of the danger that we might create an expectation of a permanent commitment, and because, at a time of lessening tension in the Gulf, such a visible augmentation of the British military presence could be regarded as provocative. It would in any case run directly counter to the advice we have consistently given to the Americans, that their own military profile in the region should be kept as low as possible. However, the proposed discussions with General Creasey on 9 July may identify some other way in which we can help to meet Omani concerns.

I am sending copies of this letter to the recipients of the earlier correspondence and also to Richard Mottram (MOD).

*[Handwritten signature]*

(R B Bone)  
Private Secretary

C D Powell Esq  
10 Downing Street

GRS 460

CONFIDENTIAL (Eclipse)

CONFIDENTIAL ECLIPSE

FM MUSCAT 021200Z JULY 84

TO IMMEDIATE FCO

TELEGRAM NUMBER 210 OF 2 JULY 84

INFO MODUK DS 11

MU NIPT: SITUATION IN THE GULF: OMANI ATTITUDES

1. FOLLOWING IS THE TEXT OF THE FORMAL COMMUNICATION WHICH I HAVE RECEIVED FROM GENERAL CREASEY:

1) HIS MAJESTY SUMMONED CDS FOR AN AUDIENCE AFTER THE EID CALLS AT SALALAH ON SATURDAY 30 JUNE.

2) HIS MAJESTY DISCUSSED THE SITUATION IN THE GULF. HE EXPRESSED HIS CONCERN AT SAUDI ARABIAN AND KUWAITI EFFORTS TO GET OMAN ACTIVELY INVOLVED IN BOTH SHIP PROTECTION AND COUNTER IRANIAN AIR OPERATIONS IN THE UPPER GULF. OMAN HAS NO INTENTION OF GETTING SO INVOLVED.

3) HIS MAJESTY BELIEVES THAT THE UNITED STATES OF AMERICA ARE PRESSING SAUDI ARABIA TO BE MORE POSITIVE IN THEIR REACTION TO IRANIAN INCURSIONS AND THREATS. HE ALSO BELIEVES THAT AMERICA, FOR HER OWN PURPOSES, ARE ALSO PRESSING SAUDI ARABIA TO PUT PRESSURE ON OMAN TO GET HER MORE ACTIVELY INVOLVED.

4) HIS MAJESTY BELIEVES THAT BOTH AMERICA AND SAUDI ARABIA WOULD LIKE TO SEE OMAN'S PRESENT INDEPENDENT POSITION, BOTH MILITARY AND POLITICAL, ERODED. ACTIVE INVOLVEMENT IN THE UPPER GULF, WITH THE CONCOMITANT OUTSIDE CONTROL OF OMAN'S FORCES PROBABLY FROM RIYADH, WOULD BE A FIRST BUT IMPORTANT STEP TOWARDS THIS.

5) HIS MAJESTY CONSIDERS THAT SAUDI ARABIA HAS SUFFICIENT AIR AND NAVAL FORCES FOR ALL FORESEEABLE CIRCUMSTANCES IN THE UPPER GULF. HOWEVER HE BELIEVES THAT THERE IS A RISK OF IRAN CARRYING OUT SNEAK AIR ATTACKS AGAINST OMAN (PARTICULARLY AGAINST THE CAPITAL AREA) MOUNTED FROM BANDAR ABBAS OR CHAH BAHAR.

6. OMAN'S WEAKNESS EITHER IN DEFEATING OR DETERRING SUCH ATTACKS IS IN RADAR COVERAGE, PARTICULARLY LOW LEVEL. THIS IS BEING RECTIFIED, BUT IT IS A LONG TERM PROCESS.

7. FOR THE SHORT TERM, CONTINGENCY PLANS WITH THE AMERICANS EXIST AND HAVE BEEN PRACTICED. HOWEVER HIS MAJESTY IS VERY CLEAR AND FIRM THAT TODAY SUCH A SOLUTION IS POLITICALLY UNACCEPTABLE.

8. AGAIN FOR POLITICAL REASONS, THE SULTAN WISHES TO DEMONSTRATE THAT THE GAP CAN BE FILLED WITHOUT AMERICAN ASSISTANCE. THE SULTAN DOES NOT BELIEVE THAT AN ATTACK IS PARTICULARLY IMMINENT, BUT HE CONSIDERS IT TO BE MOST IMPORTANT THAT HE DEMONSTRATES AS SOON AS POSSIBLE BOTH HIS ABILITY TO DEFEND HIMSELF AND ALSO HIS INDEPENDENCE.

CONFIDENTIAL (Eclipse)

/a.

CONFIDENTIAL (Eclipse)

9. HE THEREFORE INSTRUCTED CDS TO REPRESENT HIS VIEWS TO LONDON THROUGH THE BRITISH AMBASSADOR. HE REQUESTS THAT HMG BE BRIEFED ACCORDINGLY, AND THEY ARE REQUESTED TO MAKE AVAILABLE AN AIRBORNE EARLY WARNING AND CONTROL CAPABILITY TO FILL THE GAP.

10. IT IS HOPED THAT AN EXERCISE DEPLOYMENT OF ONE AIRCRAFT TO SEED CAN BE MOUNTED AS SOON AS POSSIBLE. THIS COULD BE FOLLOWED BY A PLANNED SERIES OF SUCH EXERCISES, BACKED BY A CONTINGENCY DEPLOYMENT SCHEME, OR POSSIBLY BY A MORE REGULAR PRESENCE. OMAN WOULD, OF COURSE, CONSIDER MEETING ANY EXTRA COSTS INVOLVED.

11. CDS OMAN WILL BE AVAILABLE IN LONDON ON MONDAY 9 JULY FOR DISCUSSIONS

Slater

(REPEATED AS REQUESTED)

IRAN/IRAQ

STANDARD(PALACE)

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ECD(E)

MAED

ESSD

ERD

ESID

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CONS EM UNIT

DEFENCE D

MR EGERTON

CABINET OFFICE

ADDITIONAL DISTRIBUTION  
IRAN/IRAQ

2.

CONFIDENTIAL (Eclipse)

GRS 473

CONFIDENTIAL (Eclipse)

CONFIDENTIAL ECLIPSE

FM MUSCAT 021105Z JULY 84

TO IMMEDIATE FCO

TELEGRAM NUMBER 203 OF 2 JULY

INFO MODUK DS11

MY TELEGRAM NO 203

SITUATION IN THE GULF: OMANI ATTITUDES

1. CREASEY TELLS ME THAT WHEN HE PAID HIS EID CALL ON THE SULTAN IN SALALAH ON 30 JUNE, THE SULTAN ASKED HIM TO STAY ON AFTERWARDS FOR A PRIVATE AUDIENCE, AT WHICH AIR VICE MARSHALL BENNETT WAS ALSO PRESENT. THE SULTAN REPEATED, AS HE HAD TO ME, THAT HE WAS CONCERNED AT THE EXTENSION OF SAUDI INFLUENCE AMONGST THE GCC STATES AND WAS CONVINCED THAT THE UNITED STATES GOVERNMENT WAS URGING THE SAUDIS ON. THE SULTAN THEREFORE CONSIDERED THAT HE NEEDED SOME GESTURE OF BRITISH SUPPORT ON THE MILITARY FIELD.
2. CREASEY HAS GIVEN ME A FORMAL REQUEST (TEXT IN MIFT) FOR BRITAIN TO MAKE AVAILABLE TO OMAN AN AIRBORNE EARLY WARNING AND CONTROL CAPABILITY. WHAT IS ENVISAGED IS THE DEPLOYMENT OF AWACS AIRCRAFT (CREASEY SUGGESTED A NIMROD) TO OMAN FOR AN EXERCISE LASTING ABOUT A WEEK. THIS WOULD BE A BILATERAL UK/OMAN EXERCISE ON THE LINES OF THE RECENT DEPLOYMENT OF RAF TORNADOS TO THUMRAIT. AS YOU WILL SEE, THE OMAN GOVERNMENT IS PREPARED TO PAY THE COST OF THE DEPLOYMENT.
3. I COMMENTED TO CREASEY THAT THE SULTAN MUST HAVE BECOME EVEN MORE CONCERNED SINCE HE SAW ME LAST WEDNESDAY, BECAUSE HE HAD MADE NO MENTION OF THIS REQUEST TO ME THEN. CREASEY SAID THAT HE THOUGHT QABOOS HAD CONTINUED TO BROOD ON THE QUESTION AND WAS INCREASINGLY WORRIED THAT OMAN WOULD FIND ITSELF SUCKED INTO AN AMERICAN-INSPIRED, SAUDI-DOMINATED DEFENCE ARRANGEMENT. HE THEREFORE WANTED SOME GESTURE FROM THE UK TO REASSURE HIMSELF THAT OMAN COULD DEPEND FOR MILITARY SUPPORT ON OTHER FRIENDS BESIDES THE U.S.
4. I SAID THAT I DID NOT KNOW WHETHER OUR NIMROD AWACS WERE YET OPERATIONAL: (THE UNDERSTANDING OF MY AIR ATTACHE IS THAT THEY ARE NOT). CREASEY REPLIED THAT THE REQUIREMENT WAS POLITICAL RATHER THAN MILITARY: QABOOS BELIEVED THAT HE NEEDED A GESTURE OF SUPPORT FROM THE UK. CREASEY ADDED THAT, IF NO AWACS NIMRODS ARE AVAILABLE THEN PERHAPS THE DEPLOYMENT OF A MARITIME SURVEILLANCE NIMROD, OR EVEN AN AWACS SHACKLETON WOULD DO.

CONFIDENTIAL (Eclipse)

15.



CONFIDENTIAL (Eclipse)

5. I PUT IT TO CREASEY THAT THE DEPLOYMENT OF BRITISH AWACS AIRCRAFT TO OMAN MIGHT ATTRACT IRANIAN HOSTILITY, THE SULTAN HAD GIVEN ME TO UNDERSTAND THAT OMAN WAS TRYING TO AVOID THIS. CREASEY SAID THAT THE SULTAN CONSIDERED THAT THE RISK OF THIS WAS LOW AND WAS, IN ANY CASE, WORTH TAKING. HE THEN REPEATED THAT WHAT WAS NEEDED WAS A GESTURE OF SUPPORT BY HMG TO QABOOS.

6. CREASEY IS RETURNING TO THE UK ON FRIDAY 6 JULY AND WILL BE AVAILABLE FOR CONSULTATION IN LONDON ON MONDAY 9 JULY. MY DEFENCE ATTACHE IS TELEGRAPHING DETAILS OF CREASEY'S MOVEMENTS DIRECT TO MOD.

7. COMMENT: IT DOES NOT SEEM TO ME THAT THIS REQUEST HAS BEEN WELL THOUGHT OUT. BUT IT HAS BEEN MADE, AND IT CLEARLY REFLECTS A STATE OF GREAT CONCERN ON THE PART OF THE SULTAN. IF WE REFUSE THE REQUEST, QABOOS WILL, I THINK, BE VERY DISAPPOINTED AND MAY CONCLUDE THAT HE HAS NO ALTERNATIVE BUT TO RELY ON THE AMERICANS. I THEREFORE HOPE THAT WE SHALL BE ABLE TO FIND SOME WAY OF RESPONDING POSITIVELY. EVEN IF THE AWACS NIMRODS ARE NOT YET OPERATIONAL, WOULD IT BE POSSIBLE TO DEPLOY ONE OUT HERE ON A SORT OF PROVING FLIGHT? THIS MIGHT PROVIDE USEFUL EXPERIENCE. ALTERNATIVELY, DO WE HAVE ANY OTHER RADAR CAPABILITY WHICH WE COULD OFFER? I SUGGEST THAT WE SHOULD ACCEPT CREASEY'S OFFER OF A MEETING IN LONDON ON 9 JULY, SO AS TO WORK OUT SOME RESPONSE WHICH WILL MEET THE POLITICAL REQUIREMENT.

8. PLEASE SEE MIFT.

Slater

IRAN/IRAQ

STANDARD(PALACE)

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NENAD

NAD

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SOV D

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MAED

ESSD

ERD

ESID

CONS D

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DEFENCE D

MR EGERTON

CABINET OFFICE

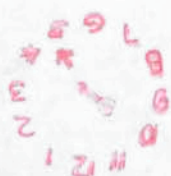
ADDITIONAL DISTRIBUTION

IRAN/IRAQ

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IRAA: but Sat: P4



4 JUL 1984

OUT TELEGRAM

Classification and Caveats

SECRET

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1 ZCZC  
2 GRS  
3 SECRET  
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6 FM FCO 03 Z July  
7 TO IMMEDIATE MUSCAT  
8 TELEGRAM NUMBER

9 MIPT: MESSAGES FROM SULTAN QABOOS

10 1. Following is text of reply from the Prime Minister:

11 Begins Your Majesty

12 Thank you for letting me have your views on the present  
13 state of the Gulf war in your conversation with our Ambassador  
14 on 27 June. He has subsequently <sup>passed on</sup> transmitted a request from <sup>your</sup> the  
15 Government of ~~Oman~~ that in the light of the present situation  
16 the United Kingdom should consider temporarily deploying an  
17 airborne early warning aircraft to Oman. I should like, if I  
18 may, to cover both <sup>messages</sup> communications in this reply.

19 As you know, the ~~British Government~~ <sup>I have repeatedly expressed our hope</sup> have consistently  
20 expressed the wish to see the <sup>for</sup> earliest possible end to the tragic  
21 conflict between Iran and Iraq, and to the appalling loss of human  
22 life and material damage that has resulted from it. We are  
23 ~~ready to support any~~ <sup>All</sup> efforts aimed at bringing this about,  
24 particularly those of the Secretary-General of the United Nations, <sup>have our support,</sup>  
25 ~~We are~~ <sup>I am</sup> encouraged by the response by both sides to the Secretary-

NNNN ends telegram	BLANK	Catchword General's
File number	Dept MED	Distribution Limited MED Defence Dept PUSD PS PS/Mr Luce PS/PUS Sir J Leahy Mr Egerton  cc PS/No.10 Hd/DS11 MOD
Drafted by (Block capitals) DK HASKELL		
Telephone number 233 5877		
Authorised for despatch		
Comcen reference	Time of despatch	

OUT TELEGRAM (CONT)

Classification and Caveats

SECRET

Page

2

1 >>>>

2 General's appeal for an end to attacks on civilian centres of  
3 population. Although it is of ~~course~~ much too early to be sure  
4 that this restraint will continue, ~~we~~ hope that in time it may  
5 provide a foundation on which moves towards a wider ceasefire  
6 might be based.

7 In the message passed to British officials by Major General  
8 Ali Majid al Ma'ari<sup>m</sup>, you asked us to try to persuade Shaikh  
9 Zaid not to accept Saudi Arabia's offer to position fighter  
10 aircraft in the United Arab Emirates. In the subsequent  
11 message passed by General Creasey you expressed concern at  
12 possible American pressure on Saudi Arabia to involve Oman more  
13 actively in preparing to counter Iranian incursions. You also  
14 suggested that it would be to Oman's advantage to demonstrate  
15 independence of American assistance through the availability  
16 if needed of help from elsewhere. I should like to assure you  
17 that both messages have ~~been studied~~ <sup>I have studied</sup> very carefully and sympathet-  
18 ically in London.

19 However, ~~there is good reason to think that~~ <sup>My own conclusion is that</sup> stationing Saudi  
20 aircraft in the United Arab Emirates ~~would~~ <sup>is more likely to</sup> diminish rather than to  
21 increase the threat of attack to the Emirates or to Oman. Since  
22 the shooting down of an Iranian F4 by the Royal Saudi Air Force  
23 on 5 June, Iranian aircraft have been a good deal more circum-  
24 spect in their ~~behaviour~~ <sup>movements</sup>. The only attack which has been made  
25 on an Arab ship since that date took place much further out  
26 in the Gulf than earlier Iranian attacks, in an area where there  
27 was ~~much less~~ <sup>markedly less</sup> chance of interception by the Saudis. To extend  
28 Saudi air cover to the Emirates would ~~put~~ <sup>surely</sup> the Iranians still more  
29 on the defensive. ~~It is also noteworthy~~ <sup>We have also noted</sup> that the tone of  
30 Iranian public statements in recent weeks has been much more  
31 restrained, and that they have declared themselves willing to  
32 stop all attacks on shipping provided that the Iraqis exercise  
33 similar restraint. <sup>I can see that it could</sup>  
34 ~~It might be argued, perhaps,~~ that if the UAE's air defences

NNNN ends  
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Catchword

were

OUT TELEGRAM (CONT)

Classification and Caveats  
SECRET

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2 were strengthened, the Iranians might decide to concentrate  
3 their attacks on Oman. <sup>But surely</sup> Against this, the Iranians would <sup>have</sup> need  
4 to <sup>to calculate</sup> take into account that gratuitously to attack a country like  
5 Oman which has been scrupulously neutral in the conflict would  
6 <sup>rouse</sup> inflame opinion in the Gulf and in the world at large against  
7 them.

8 ~~I also have to tell you that Nimrod early warning aircraft to~~  
9 ~~which you referred~~ will not in fact enter service with the RAF for some consider-  
10 able time. We would still hope to continue deploying the ~~marit-~~  
11 ~~ime~~ reconnaissance version of the Nimrod to Oman from time to  
12 time, as we did earlier this year. But we must of course take  
13 account of the risk that the deployment of British or other non-  
14 Arab forces to the area <sup>at present</sup> could be regarded by the Iranians  
15 as a provocation and might actually increase the danger of their  
16 taking precipitate action. ~~I am however naturally concerned to~~  
17 ~~do everything we can to help remedy any deficiencies in Oman's~~  
18 ~~own defence arrangements.~~ We shall pursue the matter with  
19 General Creasey when he is in London on 9 July.

20 I found your views on the possible motivation of the  
21 various participants in this question <sup>profoundly</sup> very interesting indeed.  
22 We ourselves have had extensive contact with American officials,  
23 both diplomatic and military, and have gained the clear impression  
24 from them that United States policy is exactly as Vice-President  
25 Bush has described it to you. That is to say, they wish to  
26 <sup>particularly Saudi Arabia and Kuwait, have the means to</sup> ensure that the Gulf countries defend themselves so that the need  
27 for any direct US involvement is reduced. ~~rather than enhanced.~~  
28 They are also being careful to avoid any <sup>provocative</sup> action  
29 of their own in the Gulf area. Recent <sup>inaccurate</sup> exaggerated press reports  
30 about the movements of American warships stationed at Bahrain  
31 have caused the Americans as much concern as they have caused us.  
32 While no country can ever answer unreservedly for the policies  
33 and attitudes of another, I do not believe our confidence in  
34 American motives and intentions is misplaced.

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Catchword

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OUT TELEGRAM (CONT)

Classification and Caveats  
SECRET

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1 >>>>

2 As regards the other members of the Gulf Security Council,  
3 I understand and respect your concern that closer military  
4 cooperation with them should not lead to Omani involvement in  
5 the conflict. In general, however, I welcome progress by  
6 the members of the Council towards greater cooperation in their  
7 own defence, since this again should reduce the risk of  
8 external military involvement in the Gulf and hence the danger  
9 of escalation. I understand that the meeting of the GCC Foreign  
10 Ministers on 12/14 June made some useful progress towards  
11 cooperation between the air defence systems of Saudi Arabia,  
12 Kuwait and Bahrain. In my view, the arguments in favour of  
13 greater cooperation at this difficult time, in the common  
14 interest, are very persuasive. I hope that my discussions on  
15 this subject with His Highness Shaikh Khalifa bin Zaid al-Nahyan,  
16 Crown Prince of Abu Dhabi, when he visits London in ~~two weeks~~<sup>two weeks</sup>  
17 time, will help to substantiate the point. ~~Ends~~

18 *With my best wishes and greetings for the Eid. Ends.*

19 HOWE

20 NNNN

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Catchword



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CABINET OFFICE

70 Whitehall, London SW1A 2AS Telephone 01-233 6109

S E C R E T

Je.0347.

3 July 1984

C D Powell Esq  
10 Downing Street

SECRETARY, JOINT INTELLIGENCE COMMITTEE

I refer to the final paragraph of your letter to Mr Bone of 2 July on the Saudi offer of military assistance to the United Arab Emirates.

You will wish to know that Mr Jeffrey James took over from Mr Savage as Secretary, JIC on 2 April 1984. Mr James is on leave until 9 July.

A J MOLESWORTH

Lieutenant Colonel  
for Secretary, JIC

S E C R E T

IRAQ PT4  
Internal Situation

ES JUL 1984





SECRET



file

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10 DOWNING STREET

From the Private Secretary

2 July, 1984

SAUDI OFFER OF MILITARY ASSISTANCE TO THE UNITED ARAB  
EMIRATES

Peter Ricketts letter of 29 June enclosed a draft message from the Prime Minister to Sultan Qaboos on this subject.

The Prime Minister agrees that she should send a message to Sultan Qaboos. But she finds the draft provided inadequate. In particular she takes the view that we must give more reasons why we reach the conclusion that the presence of Saudi aircraft in the UAE would not increase the threat from Iran either to the UAE or to Oman. The Prime Minister points out that it is possible to arrive at two quite different conclusions following Saudi destruction of an intruding Iranian aircraft on 5 June. Either one can take the view that the Iranians will not dare go anywhere near the UAE if Saudi aircraft are stationed there, and therefore they will keep away also from Oman. Or because they won't go near the UAE, they may go where Saudi aircraft are not to be found, that is they might attack installations in Oman. The Prime Minister feels that we have not succeeded in working out in our own minds which conclusion is justified. If we are convinced that it is the first, then the message should spell out the reasons why more fully and more convincingly.

The Prime Minister also wishes the message to mention Sheikh Khalifa's forthcoming visit and say that she will take the opportunity to discuss these matters with him.

I should be grateful if a revised draft can reach me to show the Prime Minister this evening.

I am sending a copy of this letter to Richard Hatfield (Cabinet Office) and also to Sir Anthony Duff and Bill Savage (Cabinet Office).

R. Bone, Esq.,  
Foreign and Commonwealth Office

CP

ST.

SECRET

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IMMEDIATE

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FM FCO 291400Z JUNE 84  
TO IMMEDIATE MUSCAT  
TELEGRAM NUMBER  
INFO ABU DHABI, ANMAN, BAHRAIN, JEDDA, KUWAIT, WASHINGTON

MIPT:PRIME MINISTER'S MESSAGE TO SULTAN QABOOS

"Your Majesty

Thank you for letting me have your views on the present state of the Gulf war in your conversation with our Ambassador on 27 June. As Mr. Slater has reported your wish to have a further discussion with him in the next few days, I thought this would be an opportune moment to let you know how I see the situation.

As you know, we very much want to see the earliest possible end to the conflict between Iran and Iraq and the appalling loss of human life and material damage that has resulted. For this reason we support all efforts to bring this about, particularly those made by the Secretary-General of the United Nations. The ready and - so far - fairly effective response by both sides to the Secretary-General's appeal for an end to attacks on civilian centres of population was encouraging. Although it is too early to be sure that this restraint will continue, it could in time provide a foundation on which moves towards a wider ceasefire could be based.

I have studied carefully the messages passed to British officials by Major General Ali Majid al Ma'anari, in which you asked that we try to persuade Shaikh Zaid not to accept Saudi Arabia's offer to position fighter aircraft in the United Arab Emirates.

I well understand your concern that nothing be done to increase the threat of Iranian air attack on your country.

/Saudi

But I do not think that it follows that the stationing of Saudi aircraft in the United Arab Emirates will necessarily increase that threat either to your country or to the Emirates. Indeed such a move could well deter any Iranian plans to extend the conflict to the lower Gulf.

Moreover, while I understand and respect your concern that closer military cooperation with the other members of the Gulf Cooperation Council should not lead to involvement in the conflict, progress towards such cooperation between the other countries of the Council in their own defence is generally to be welcomed. I understand that the meeting of Foreign Ministers of the GCC countries on 12-14 June made useful progress towards cooperation between the air defences of Saudi Arabia, Kuwait and Bahrain. I believe that the arguments in favour of great cooperation at this difficult time, in the common interest, are very persuasive.

Finally, I am extremely grateful for your views on the possible motivation of the various participants in this question. As you know, we ourselves have had extensive contact with United States officials, both diplomatic and military. It is our clear impression that United States policy is exactly as Vice President Bush has described it to you. United States concern, as we see it, is to avoid any provocative action in the Gulf and to ensure that the Gulf countries, particularly Saudi Arabia and Kuwait, have the means to defend themselves.

With my best wishes, and greetings for the 'Id.

Margaret Thatcher."



Foreign and Commonwealth Office

London SW1A 2AH

29 June 1984

Prime Minister

Agree message to

Sultan Qaboos

CDP 29/6

Dear Charles

Saudi Offer of Military Assistance to the United Arab Emirates (UAE)

Omani officials have told us that Saudi Arabia has offered the UAE military assistance, in the form of F15 aircraft and supporting personnel, to be positioned in the UAE. Sultan Qaboos has asked that the Prime Minister take any action possible to dissuade Shaikh Zaid from accepting the Saudi offer, first because the Sultan believes that such a move would risk extending the war to the lower Gulf, and second because he views the Saudi offer as intended to increase Saudi influence in the region.

THIS IS A COPY. THE ORIGINAL IS RETAINED UNDER SECTION 3 (4) OF THE PUBLIC RECORDS ACT

However, when Sultan Qaboos received our Ambassador at Muscat on 27 June, he asked when a reply would be forthcoming. There is consequently no reason why the Prime Minister's reply should not be transmitted by Mr Slater. He is expecting to be summoned by the Sultan again next week, which gives this question a degree of urgency.

In the Foreign Secretary's absence in Oslo, Mr Luce endorses Mr Slater's view that we should not take action with the UAE in the sense the Omanis ask. He doubts whether Shaikh Zaid will wish to jeopardise the UAE's links with Iran (a potential channel of communication which the other Gulf countries would probably wish to keep open). Even if Shaikh Zaid were persuaded to accept Saudi assistance in this or some other form, this would not in itself risk extending the war to the Southern Gulf. Indeed the opposite might be true: following the Saudi destruction of an intruding Iranian aircraft in Northern waters on 5 June the only Iranian attack has been well out of Saudi

/range

W) because they want to go near the U.A.E. they may go where Saudi planes are not i.e. to attack Oman installations.

It seems that we haven't worked out our own record very well. W. J. de P. D. O.



range in the Southern Gulf. The Iranian Air Force may well think twice before tangling with the Saudis again. The Omani contention that increasing the threat to Oman - already militarily much stronger - is inherently improbable.

To take action as the Sultan wishes would certainly infuriate the Saudis. Moreover, the Saudi offer of assistance is reported to have been made during a meeting of the Gulf Cooperation Council Foreign Ministers on 12-14 June, which seems to have made some progress towards coordination of the air defences of Saudi Arabia, Kuwait and Bahrain. If true, this is a welcome development and fully in line with our policy of encouraging greater cooperation between GCC countries. It would run wholly counter to that policy if we were to try to discourage cooperation - however one-sided - between Saudi Arabia and the UAE.

It is, however, clearly important to present our views to Sultan Qaboos in a way which will avoid leading him to think that his concerns have been brushed aside. He is clearly expecting a reply from the Prime Minister in person, and this will need to explain in some detail why we are not prepared to act as he wishes. I attach a possible draft in the form of a telegram to Muscat.

I am copying this letter to Richard Hatfield, and also to Sir A Duff and Bill Savage in the Cabinet Office.

*Yours ever,*  
Peter Ricketts

(P F Ricketts)  
Private Secretary

C D Powell Esq  
10 Downing Street

2 (I think we should mention Saudi Khalifa's visit from UAE in mid-July when we can discuss these things with him.)

3 N.B. If this does go ahead, it looks as if our chances of selling more aircraft to the Gulf are seriously reduced.

OUT TELEGRAM

*Coordinating letter  
not by 2/16*

	Classification and Caveats <b>SECRET</b>	Precedence/Deskby <b>IMMEDIATE</b>
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*46*

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1 ZCZC  
2 GRS  
3 SECRET  
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6 FM FCO 291400Z JUNE 84  
7 TO IMMEDIATE MUSCAT  
8 TELEGRAM NUMBER  
9 INFO ABU DHABI, AMMAN, BAHRAIN, JEDDA, KUWAIT, WASHINGTON  
10  
11 MIPT : PRIME MINISTER'S MESSAGE TO SULTAN QABOOS  
12 "Your Majesty  
13 Thank you for letting me have your views on the present  
14 state of the Gulf war in your conversation with our Ambassador  
15 on 27 June. As Mr Slater has reported your wish to have a  
16 further discussion with him in the next few days, I thought  
17 this would be an opportune moment to let you know how I see  
18 the situation. // As you know, we have ~~consistently~~ <sup>frequently</sup> expressed  
19 ~~our hope~~ <sup>want to see</sup> for the earliest possible end to the tragic conflict  
20 between Iran and Iraq and the appalling loss of human life and  
21 material damage that has resulted. <sup>for this reason</sup> We support any <sup>all</sup> efforts  
22 ~~aimed at~~ <sup>to</sup> bringing this about, particularly those <sup>made by</sup> of the  
23 Secretary-General of the United Nations. ~~We are, therefore,~~  
24 ~~greatly encouraged by~~ the ready and - so far - fairly effective  
25 response by both sides to the Secretary-General's appeal for an

///  
//  
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NNNN ends telegram		BLANK	Catchword end
File number	Dept MED	Distribution LIMITED	
Drafted by (Block capitals) A HEATH		MED PS PS/MR LUCE	
Telephone number 233 3982		PS/PUS SIR J LEAHY MR EGERTON PUSD	
Authorised for despatch		CC: PS/NO 10	
Comcen reference	Time of despatch		







CONFIDENTIAL-ECLIPSE

GRS 590

CONFIDENTIAL ECLIPSE

FM MUSCAT 281045Z JUN

TO PRIORITY FCO

TELEGRAM NUMBER 203 OF 28 JUNE 84

INFO ALL GULF POSTS, TEHRAN, WASHINGTON, UKDEL NATO, UKMIS NEW YORK, MOD

SITUATION IN THE GULF

1. I HAD A LONG TALK WITH THE SULTAN LAST NIGHT ABOUT THE SITUATION IN THE GULF.

2. MUCH OF OUR DISCUSSION WAS ON STANDARD LINES, BUT I WAS STRUCK BY THE STRENGTH OF QABOOS' DETERMINATION (MY TELEGRAM NUMBER 201) NOT TO RISK BECOMING INVOLVED IN THE IRAN-IRAQ WAR THROUGH CLOSER MILITARY COOPERATION WITH THE GCC. HE SAID THAT THE OTHER STATES IN THE GCC HAD NOTHING TO OFFER OMAN IN THE DEFENCE FIELD: OMAN WAS CAPABLE OF DEFENDING HERSELF AGAINST IRAN WITHOUT THEIR HELP. BUT ON THE OTHER HAND, IRAN WAS A POWERFUL NEIGHBOUR WITH WHOM OMAN HAD TO LIVE. AT THE MOMENT, THE IRANIANS WERE NOT DOING ANYTHING TO THREATEN OMAN AND SO OMAN WOULD NOT DO ANYTHING WHICH THE IRANIANS COULD REGARD AS PROVOCATIVE. (THE SULTAN WI HINTED THAT HE HAD HAD SOME SORT OF ASSURANCE FROM THE IRANIANS THAT, IF OMAN STAYED OUT OF THE CONFLICT, SHE WOULD LEFT ALONE.)

3. QABOOS SAID THAT IT WOULD SUIT THE IRAQIS VERY WELL TO DRAG OTHER GCC STATES INTO THE WAR AND HE THOUGHT THAT THE IRAQIS WERE PUSHING THE SAUDIS TO URGE GREATER GCC MILITARY COOPERATION. EVEN KING HUSSAIN, DURING HIS RECENT VISIT TO OMAN, HAD BEEN URGING THE SULTAN TO RALLY TO THE SUPPORT OF IRAQ. BUT QABOOS WAS CONVINCED THAT HIS PEOPLE DID NOT WISH TO BE DRAGGED INTO A WAR WITH IRAN ON BEHALF OF IRAQ AND SO HE WAS DETERMINED TO STAY OUT. THE SULTAN THEN WENT OVER THE STORY OF THE QUOTE KING FAHAD LINE UNQUOTE ( PARAGRAPH 3 OF MY TELEGRAM UNDER REFERENCE) AND REPEATED THAT OMAN HAD REFUSED TO AGREE TO ITS EXTENSION INTO THE STRAIGHTS OF HORMUZ.

4. QABOOS WENT ON TO SAY THAT HE WAS CONCERNED ABOUT SAUDI ACTIVITIES. THE GCC, AS AN INSTITUTION, HAD ALWAYS CARRIED WITH IT THE RISK THAT IT WOULD SERVE AS A VEHICLE FOR SAUDI DOMINATION OF THE OTHER GULF STATES. THIS WAS NOW BEGINNING TO HAPPEN: THE SAUDIS WERE USING THE THREAT OF WAR AS A MEANS OF EXTENDING THEIR OWN INFLUENCE, PARTICULARLY IN THE MILITARY FIELD. THE SAUDIS HAD VETOED A PROPOSAL THAT A JORDANIAN BATTALION SHOULD BE STATIONED IN BAHRAIN AND NOW THEY WERE TRYING TO POSITION SAUDI F.15 AIRCRAFT IN THE UAE. THE SULTAN SPECULATED THAT THE AMERICANS MIGHT BE

CONFIDENTIAL - ECLIPSE

BEHIND THIS. DURING HIS RECENT VISIT, VICE-PRESIDENT BUSH HAD ASSURED THE SULTAN THAT THE US INTENDED TO AVOID ANY PROVOCATEVE ACTION IN THE GULF. BUT THERE HAD BEEN ONE OR TWO ODD INCIDENTS, SUCH AS THE US NAVY'S UNSOLICITED CONVOYING OF TANKERS. QABOOS WAS NOW BEGINNING TO WONDER WHETHER THE AMERICANS WERE ALSO QUIETLY URGING ON THE SAUDIS. I SAID THAT OUR IMPRESSION WAS THAT THE US GOVERNMENT WERE WELL AWARE OF THE DANGERS OF PROVOCITIVE ACTION IN THE GULF AND WISHED TO AVOID ANY FURTHER EXTENSIONS OF THE CONFLICT. FOR EXAMPLE, WHEN THE SAUDIS HAD ASKED FOR STINGERS, THE US ADMINISTRATION, IN VIEW OF THEIR CLOSE RELATIONSHIP WITH SAUDI ARABIA, HAD FOUND IT IMPOSSIBLE TO REFUSE, BUT THEY SEEMED TO HAVE FOUND THE REQUEST EMBARRASSING. THE SULTAN COMMENTED THAT THIS MIGHT BE TRUE OF THE STATE DEPARTMENT, BUT WAS IT ALSO TRUE OF THE US MILITARY?

5. BEFORE TURNING TO ANOTHER SUBJECT QABOOS SAID HE WOULD LIKE TO SEE ME AGAIN NEXT WEEK TO RESUME THE DISCUSSION.

SLATER

( Repetition to TRIPOLI  
referred for departmental decision;  
repeated as requested to other posts. )

IRAN/IRAQ

STANDARD(PALACE)

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MR EGERTON

CABINET OFFICE

ADDITIONAL DISTRIBUTION  
IRAN/IRAQ

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CONFIDENTIAL - ECLIPSE



MO 3/9/4/2

45  
 Prime Minister  
 No changes proposed.  
 CDP  
 28/6

PRIME MINISTERMERCHANT SHIPPING IN THE GULF AND THE ARMILLA PATROL

Although the level of Iraqi and Iranian attacks on merchant shipping in the Gulf has reduced in the last fortnight I thought it would be prudent to review the current position and the role of the Armilla patrol. I am not proposing any major change in our stance: we obviously need to continue to steer a careful course between reassuring our merchant shipping and increasing the risk of involvement in the conflict. But I thought that I should share my assessment of the situation with you and our OD colleagues.

The role of the Armilla patrol is to maintain a UK presence in the area and give British shipping reassurance that assistance is nearby if required. I do not see any reason to change that role at present. Although the level of UK shipping in the Gulf has fallen in the last year there is no sign that shipping is being driven out by risks. Whilst insurance rates have risen significantly this is not serving as a deterrent and both the Iranians and the Gulf states are taking steps to compensate shipowners. There is no sign at present of either the shipping industry or the Gulf States asking for any form of protection - indeed there are clear indications that such a step would be seen as an unwelcome escalation.

One area which clearly needs to be kept under review is the adequacy of the advice issued to UK registered shipping of the risks they run in entering the Gulf. I understand that the General Council of British Shipping is about to issue comprehensive and detailed guidance on the situation in the Gulf covering in particular the Iraqi MEZ, the Iranian advice zone, UK Government advice, traffic



zones, positions and methods of attacks on shipping and necessary preparatory and defensive measures. This will be distributed to all members of the GCBS. Unless the situation deteriorates significantly I do not believe there is more we can do to make these risks clear.

The ships of the Armilla patrol are currently at a maximum of 5 days notice for the Gulf although the great majority of the time is spent in the patrol area in the Gulf of Oman or at the entrance to the Gulf. (I recently decided to cancel a visit to Colombo, which although within 5 days sailing, I judged to be too far away given the military situation). The ships would, if possible, assist a British ship under attack or render humanitarian aid to any ship once an attack had ceased. But, under present rules, they may not enter the Gulf itself, except on a prearranged visit or in an emergency, without prior Ministerial authority. Even though most of the UK merchant shipping is in the lower part of the Gulf, this restriction means that the Armilla ships might take a considerable time to reach any ship which had been attacked (in excess of 24 hours in the worst case). Nevertheless I do not propose that we should allow the Armilla ships to patrol inside the Gulf. This would only increase the risk of involvement in the conflict; in the event of an attack we could still not guarantee to be in the right area; and there would almost certainly be other shipping available to render assistance if required.

The present plan is that the Armilla ships will remain in the patrol area until mid-July when they are planned to visit the Seychelles. I shall review that visit nearer the time. I would not at present propose to reduce the formal maximum of 5 days notice since the ships are, in practice, well within this notice period for the bulk of the time and a reduction in notice would severely limit the number of ports where essential maintenance can be carried out. We are already using the facilities available within 5 days to the maximum possible. So far as visits are concerned the ships normally enter the Gulf at least once during a patrol. There are difficulties



in arranging visits to the Gulf states, nearly all of which stem from the sensitivities of the states themselves. However, such visits are a useful low key way of showing our presence without undertaking regular patrols in the Gulf. The next Armilla ships are planned to visit Saudi Arabia and the UAE and I shall try to expand this programme if possible.

I am copying this note to the other members of OD, the Secretary of State for Transport and Sir Robert Armstrong.

A handwritten signature in blue ink, appearing to be "M. J. A.", written in a cursive style.

Ministry of Defence  
25th June 1984

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LONDON

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GRS 163

SECRET

DESKBY 251030Z

FM FCO 250923Z JUNE 84

IMMEDIATE UKDEL FONTAINEBLEAU (FOR SECRETARY OF STATE'S PARTY)  
TELEGRAM NUMBER 1 OF 25 JUNE

IRAN/IRAQ : SITREP AT 0900Z 25 JUNE 1984

1. ON 24 JUNE IRAQ CLAIMED TO HAVE HIT 4 NAVAL TARGETS NEAR KHARG ISLAND. ONE HIT HAS SO FAR BEEN CONFIRMED: THE GREEK TANKER 'ALEXANDER THE GREAT' WAS DAMAGED, BUT ABLE TO DEPART LATER FOR DUBAI. THERE WERE NO (NO) CASUALTIES. THE VESSEL WAS ALONGSIDE THE SEA ISLAND SUBSIDIARY OIL TERMINAL WHICH WAS ALSO DAMAGED. THE ATTACK WAS MADE BY IRAQI HELICOPTERS, ARMED WITH EXOCET MISSILES. WE DO NOT (NOT) BELIEVE THAT THIS WAS A DELIBERATE ATTACK ON KHARG ISLAND ITSELF.

2. THE SITUATION ON LAND REMAINS QUIET. IRAN HAS NOW REPORTEDLY ACCEPTED STATIONING OF UN OBSERVERS ON IRANIAN TERRITORY.

3. WE HAVE NOTHING TO SUBSTANTIATE AN IRANIAN CLAIM REPORTED BY THE MEDIA TODAY THAT THEY HAVE EVIDENCE THAT THE US HAS SUPPLIED CHEMICALS FOR CHEMICAL WEAPONS TO IRAQ VIA SPAIN.

HOWE

NNNN

SECRET

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RETAINED UNDER SECTION 3 (4)  
OF THE PUBLIC RECORDS ACT

Iran / Iraq

GR 800

# CONFIDENTIAL

CONFIDENTIAL

FM WASHINGTON 201950Z JUN 84

TO IMMEDIATE FCO

TELNO 1926 OF 20 JUN

INFO PRIORITY MOSCOW, UKMIS NEW YORK, TEL AVIV, BEIRUT, DAMASCUS, AMMAN, CAIRO, BAGHDAD, TEHRAN, GULF POSTS, UKDEL NATO, PARIS, INFO SAVING OTHER MIDDLE EAST POSTS.

MIDDLE EAST.

1. MINISTER CALLED ON ASSISTANT SECRETARY MURPHY TODAY TO REVIEW DEVELOPMENTS IN THE MIDDLE EAST IN ADVANCE OF YOUR VISIT TO MOSCOW.

THE GULF.

*mf*

2. MURPHY SAID THAT US INTELLIGENCE ANALYSTS WERE NOW PREDICTING THAT THE IRANIAN LAND OFFENSIVE WOULD NOT TAKE PLACE BEFORE THE END OF JUNE OR EARLY JULY, THOUGH THEY COULD GIVE NO EXPLANATION FOR THE DELAY. THE IRAQI STRATEGY OF CUTTING OFF OIL EXPORTS FROM KHARG WAS NOT WORKING: IRANIAN OIL EXPORTS HAD RISEN OVER THE PAST TWO WEEKS PERHAPS TO AS MUCH AS 1.8 MILLION BPD. HE EXPECTED THE IRAQIS TO RESUME THEIR ATTACKS ON TANKERS. IT WAS NOT YET CLEAR WHETHER THE RECENT SAUDI ACTION WOULD DETER THE IRANIANS FROM RETALIATORY ATTACKS ON SHIPPING USING ARAB GULF PORTS. IF IT DID, THE IRANIANS MIGHT TURN TO SABOTAGE, MOBILISING FOR THIS PURPOSE THE HUNDREDS OF PEOPLE WHO HAD BEEN TRAINED IN IRAN AND INFILTRATED INTO THE GULF STATES.

3. KUWAIT WAS A PARTICULARLY SOFT TARGET. THE AMERICANS WERE THEREFORE TRYING IN THEIR PUBLIC STATEMENTS TO AVOID GIVING ANY IMPRESSION THAT KUWAIT HAD BEEN ABANDONED BY ITS FRIENDS IN THE WEST. THE KUWAITIS HAD RECENTLY REACTED MORE CALMLY THAN EARLIER TO THE AMERICAN UNWILLINGNESS TO SUPPLY STINGERS AT THIS TIME, TAKING THE LINE THAT THEY DID NOT WANT THIS TO BECOME A CONTINUING CONTENTIOUS ISSUE BETWEEN THEMSELVES AND THE US. NO FINAL DECISION HAD BEEN TAKEN. BUT IT WAS CLEAR THAT CONGRESS WOULD NOT APPROVE ANY SUPPLY OF STINGERS TO KUWAIT EVEN THOUGH THE AGITATION ON THE HILL ABOUT THE RECENT SALE TO SAUDI ARABIA HAD NOW SUBSIDED.

4. THE AMERICANS HAVE NOT YET PUT TOGETHER THEIR PROPOSED PACKAGE OF MILITARY ASSISTANCE FOR KUWAIT. MURPHY SAID THAT IT WAS LIKELY TO INCLUDE UPGRADING OF KUWAIT'S HAWK MISSILE BATTERIES, WHICH HAD NOT BEEN WELL MAINTAINED, AND ENHANCEMENT OF THEIR RADAR CAPABILITY. THE REPORT OF THE US MILITARY TEAM WHICH RECENTLY VISITED KUWAIT WAS STILL BEING STUDIED IN THE PENTAGON. MAINTENANCE WAS THE MAIN PROBLEM: THE KUWAITIS HAD ALSO EXPRESSED CONCERN TO THE US ABOUT THE POLITICAL RELIABILITY OF THE EXPATRIATES, MAINLY PAKISTANI SHIAS, ENGAGED IN THIS WORK.

5. ON THE SOVIET ANGLE, HANNAY GAVE A GENERAL ACCOUNT OF OUR THINKING DRAWING ON YOUR TELNO 549 TO MOSCOW (NOT TO ALL). MURPHY SAID THAT THIS WAS CLOSELY IN LINE WITH US VIEWS. THOUGH THERE HAD BEEN NO DETAILED DISCUSSION ON THE GULF, THE MESSAGE THEY HAD BEEN TRYING TO GET ACROSS TO THE RUSSIANS WAS THAT WESTERN MILITARY INTERVENTION, IF IT BECAME NECESSARY, WOULD IN NO SENSE BE DIRECTED AGAINST SOVIET INTERESTS. MURPHY THOUGHT THAT THE RUSSIANS MIGHT BE READY TO ACCEPT THIS: THEY HAD NO EASY ANSWERS ON THE GULF AS THEY DID ON ARAB-ISRAEL AND NOR HAD THEY BEEN INDULGING IN QUITE THE SAME KIND OF FACILE ANTI-US RHETORIC AS THE FORMER. THE US ASSESSMENT WAS THAT THE RUSSIANS WANTED CONTAINMENT OR, PREFERABLE, WINDING DOWN OF THE WAR, WHICH WOULD ENABLE THEM MORE EASILY TO KEEP THEIR FOOT IN THE DOOR IN TEHRAN. SHULTZ HAD TAKEN THE LINE PUBLICLY THAT THE GULF WAR HAD NOT BECOME AN EAST-WEST ISSUE AND THAT THE US AND USSR HAD SOME COMMON INTERESTS IN THE REGION. MURPHY HAD LITTLE INFORMATION ABOUT THE RECENT VISIT OF AN IRANIAN MFA OFFICIAL TO MOSCOW. IT SEEMED THAT VELAYATI MIGHT VISIT MOSCOW LATER IN THE YEAR. BUT THERE WAS NO SIGN OF IRANIAN FLEXIBILITY ON THE ISSUES - AFGHANISTAN AND TREATMENT OF THE TUDEH PARTY - OF MOST INTEREST TO THE RUSSIANS.

ARAB/ISRAEL.

6. MURPHY THOUGHT THERE WAS LITTLE TO BE DONE ON THIS ISSUE BEFORE THE ISRAELI ELECTIONS. A LABOUR-LED GOVERNMENT WOULD NOT INSTITUTE ANY DRAMATIC CHANGE IN POLICY. BUT THERE MIGHT BE A SENSE OF MOMENTUM AND CERTAIN DOORS MIGHT BECOME EASIER TO OPEN. LABOUR HAD ALWAYS BEEN WILLING, FOR EXAMPLE, TO NEGOTIATE A REDIVISION OF THE TERRITORY OF THE WEST BANK. UNDER LABOUR, ISRAELI/EGYPTIAN RELATIONS WERE LIKELY TO IMPROVE AND THIS MIGHT OFFER A FOUNDATION ON WHICH TO BUILD.

7. MURPHY NOTED THAT LABOUR MIGHT HAVE TROUBLE LIVING UP TO THEIR INTENTION TO WITHDRAW THE IDF FROM LEBANON WITHIN 6 MONTHS. THEY WOULD HAVE TO FACE THE SAME PROBLEMS AS LIKUD - WEAKNESS OF THE LAF, LACK OF A DIALOGUE WITH BEIRUT AND THE SYRIANS. SYRIAN OBJECTIVES VIS-A-VIS THE PLO AND LEBANON REMAINED UNCLEAR: THE SYRIANS HELD THE LEBANESE IN CONTEMPT AND HAD NO UNDERSTANDING OF THE COMPLEXITIES OF THE LEBANON POLITICAL AND SECTARIAN SCENE.

8. THE SITUATION IN SOUTHERN LEBANON WAS NOT IMPROVING. THE BRIDGES REMAINED CLOSED AND AGRICULTURE WAS PARALYSED. LAHAD'S FORCE WOULD NOT BE ABLE TO TAKE CHARGE OF SECURITY FOR AT LEAST TWO YEARS. DESPITE THIS AND THE DECREASE IN THE NUMBER OF ATTACKS ON ISRAELI FORCES MURPHY BELIEVED THAT THE ISRAELIS STILL WANTED TO WITHDRAW. HIS HOPE WAS THAT A RECONSTITUTED LAF, LAHAD'S FORCES AND UNIFIL COULD SOMEHOW BE BROUGHT TOGETHER TO ENSURE SECURITY.

**CONFIDENTIAL**



# CONFIDENTIAL

9. MURPHY SAID THAT THE U.N. SECRETARY-GENERAL HAD MADE CLEAR TO SHULTZ, FOLLOWING HIS VISIT TO THE MIDDLE EAST, THAT HE HAD NO TIME FOR THE PROPOSED INTERNATIONAL CONFERENCE BUT THAT HE WAS INTERESTED IN FINDING A WAY TO ENGAGE THE SECURITY COUNCIL. HE HAD NOT, HOWEVER, THOUGHT THROUGH WHAT THE COUNCIL MIGHT DO. KING HUSSEIN WAS IN FAVOUR OF THIS COURSE AND THE ISRAELIS PREDICTABLY OPPOSED, THOUGH THEY HAD BEEN MUCH FRIENDLIER TO PEREZ DE CUELLAR IN PRIVATE THAN IN PUBLIC. HANNAY SUGGESTED THAT THE SECURITY COUNCIL MIGHT OFFER LESS SCOPE FOR THE RUSSIANS THAN THE INTERNATIONAL CONFERENCE. MURPHY THOUGHT THAT THEY WOULD INEVITABLY PLAY AN UNHELPFUL ROLE.

FCO PSE PASS SAVING TO ADEN, ALGIERS, JERUSALEM, KHARTOUM, RABAT  
SAWAA, TRIPOLI, TUNIS.

WRIGHT

MIDDLE EAST  
STANDARD(PALACE)

NENAD	SEC D
MED	MAED
NAD	ES & SD
SAD	ERD
UND	ESID
EED	CONS D
SOV D	CONS EM UNIT
ECD	MR EGERTON
WED	
RID	CABINET OFFICE

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HD/NEWS D  
HD/DEFENCE D  
  
RESIDENT CLERK

PS/No.10 DOWNING ST (2)  
CABINET OFFICE D I O

*mt*

SIC  
GRS 1100

SECRET  
FROM AMMAN 191530Z JUN 84  
TO IMMEDIATE FCO  
TELNO 549 OF 19 JUN 1984

ADVANCE COPY  
IMMEDIATE

AND TO INFO ROUTINE MOD (FOR D14), GULF STATES, BAGHDAD,  
CAIRO, DAMASCUS, TEL AVIV, UKHIS NEW YORK, WASHINGTON, AND BIS TEHRAN.

MY TELNO 536: JORDAN GULF STATES AND IRAQ.

1. I SAW KING HUSSEIN THIS AFTERNOON: HE TOLD ME THAT HE WOULD BE GOING TO BAGHDAD LATER TODAY FOR A BRIEF VISIT, AND WISHED TO BRING YOU UP TO DATE ON HIS RECENT EXCHANGES WITH THE GULF STATES REGARDING THE POSSIBILITY OF JORDANIAN MILITARY ASSISTANCE.
2. THE KING WENT OVER ONCE AGAIN THE BACKGROUND TO HIS OFFER TO SEND A JORDANIAN INFANTRY BATTALION TO BAHRAIN (MY TEL NOS 527 AND 530). FOLLOWING HIS OWN VISIT TO BAHRAIN, THE KING HAD SENT ONE OF HIS DIVISIONAL COMMANDERS, WHO HAD PREVIOUSLY BEEN CLOSELY INVOLVED WITH THE BAHRAINIS, IN CHARGE OF AN ADVANCE RECCE PARTY. THE KING REMARKED AT THIS POINT THAT IF THE BAHRAINIS HAD STUCK TO THEIR ORIGINAL REQUEST FOR A MECHANISED INFANTRY BATTALION, TRANSPORTING THEM TO BAHRAIN WITH THEIR EQUIPMENT WOULD HAVE REQUIRED 54 C130 FLIGHTS AND THIS IN TURN WOULD HAVE INVOLVED HIS HAVING TO SEEK HELP IN TRANSPORTING THEM FROM SAUDI ARABIA OR ELSEWHERE SEMICOLON HOWEVER, WHEN THE BAHRAINIS HAD SAID THEY WANTED AN ORDINARY INFANTRY BATTALION, THIS HAD GREATLY REDUCED THE AIR TRANSPORT REQUIREMENT WHICH WOULD HAVE BEEN NECESSARY TO USE HIS OWN RESOURCES. THE RECCE TEAM

THIS HAD GREATLY REDUCED THE AIR TRANSPORT REQUIREMENT WHICH COULD BE MET FROM JORDAN'S OWN RESOURCES. THE RECCE TEAM HAD BEEN ABLE TO COMPLETE ALL THE NECESSARY ADVANCE PLANNING AND IT HAD BEEN HOPED TO SEND THE FORCE TO BAHRAIN AT THE BEGINNING OF AUGUST.

3. HOWEVER, ON THE NIGHT BEFORE THE JORDANIAN RECCE TEAM WAS DUE TO RETURN TO AMMAN, THE JORDANIAN GENERAL LEADING IT HAD BEEN TOLD THAT PRINCE BANDAR HAD JUST BROUGHT THE BAHRAINIS A MESSAGE FROM KING FAHD TO THE EFFECT THAT IT WOULD BE PRECIPITATE FOR BAHRAIN TO ACCEPT THE PRESENCE OF A JORDANIAN BATTALION AND THAT THE SAUDIS THEMSELVES WOULD SEND ANY TROOPS NEEDED AT THIS JUNCTURE FOR THE DEFENCE OF BAHRAIN. IF, HOWEVER, THERE WERE TO BE NEW DEVELOPMENTS AND HELP WERE NEEDED FROM OUTSIDE THE GULF, THE SAUDIS WOULD CALL ON THE JORDANIANS IN THE FIRST INSTANCE TO PROVIDE MILITARY ASSISTANCE. THE KING SAID THAT THE BAHRAINIS HAD FELT THAT THEY HAD NO ALTERNATIVE BUT TO ACCEPT SAUDI ADVICE, ALTHOUGH THE KING CLAIMED THEY HAD DONE SO SADLY AND RELUCTANTLY.

4. DURING KING HUSSEIN'S VISIT TO KUWAIT, THE KUWAITIS HAD TOLD HIM THAT THEY TOO MIGHT NEED JORDANIAN ASSISTANCE AND WOULD SEND THEIR AIR FORCE COMMANDER TO AMMAN FOR FURTHER TALKS. HE HAD VISITED AMMAN ON 17 JUNE AND HAD REQUESTED THE JORDANIANS TO HAVE READY 150 TRAINED PERSONNEL TO HANDLE THE MAINTENANCE OF THE KUWAITI MIRAGE F10S, AND ALSO TO HAVE AVAILABLE FOR IMMEDIATE DESPATCH ENGINES, SPARE PARTS AND POSSIBLY SOME RADARS. ACCORDING TO THE KING, THE REASONING BEHIND THIS REQUEST WAS THAT THE KUWAITIS AT PRESENT RELIED MAINLY ON PAKISTANIS AND OTHER FOREIGN EXPERTS TO SERVICE THEIR MIRAGES. SOME OF THESE EXPERTS WERE SHIITES AND THE KUWAITIS DID NOT FEEL THEY COULD RELY ON THEM TO REMAIN IN KUWAIT IN CASE OF AN IRANIAN ATTACK. HENCE THEIR WISH TO HAVE JORDANIAN EXPERTS AVAILABLE IMMEDIATELY IN CASE OF NEED.

5. COMMENTING ON HIS RECENT VISITS TO OMAN, ABU DHABI, AND QATAR, THE KING SAID THAT HE HAD HAD VERY SATISFACTORY TALKS WITH SULTAN QABUS WITH WHOM HE SAW EYE TO EYE ON THE NEED FOR CLOSER CO-ORDINATION AND PLANNING FOR THE DEFENCE OF THE GULF STATES. SULTAN QABUS HAD TOLD HIM THAT HE HAD BEEN APPEALING FOR THE PAST TWO YEARS FOR CLOSER CO-OPERATION IN DEFENCE MATTERS BETWEEN GCC MEMBERS BUT HAD BEEN UNABLE TO OBTAIN ANY SATISFACTORY RESPONSE. THE OMANIS HAD HOWEVER ALSO STRESSED THAT THEY DID NOT FEEL ABLE TO ACT ON THEIR OWN WITH JORDAN IN THE ABSENCE OF A UNANIMOUS DECISION BY THE GCC. IN BOTH QATAR AND ABU DHABI, THE KING SAID HE HAD FOUND CONSIDERABLE NERVOUSNESS OVER THE IRANIAN THREAT. HE HAD LEARNED THAT IT WOULD BE AT LEAST TWO YEARS BEFORE QATAR RECEIVED THE EQUIPMENT NEEDED TO DEFEND HERSELF AND THAT THERE WAS A CHRONIC LACK OF TRAINED MILITARY MANPOWER. HE HAD PROMISED BOTH QATAR AND ABU DHABI JORDANIAN MILITARY ASSISTANCE IN CASE OF NEED.

6. THE KING THEN SPOKE OF PRINCE BANDAR'S VISIT TO AMMAN ON 13 JUNE. THE KING SAID HE HAD SENT A FIRM MESSAGE TO KING FAHD THROUGH PRINCE BANDAR THAT IF ANYTHING WENT AWRY IN BAHRAIN, SAUDI ARABIA MUST TAKE FULL RESPONSIBILITY. THE KING HAD ALSO REFERRED IN HIS MESSAGE TO BAHRAINI CONCERN OVER THE

THROUGH PRINCE BANDAR THAT IF ANYTHING WENT AWRY IN BAHRAIN, SAUDI ARABIA MUST TAKE FULL RESPONSIBILITY. THE KING HAD ALSO REFERRED IN HIS MESSAGE TO BAHRAINI CONCERN OVER THE EXISTENCE OF AN IRANIAN FORCE EQUIPPED WITH HELICOPTERS CAPABLE OF CARRYING OUT A RAPID LANDING IN BAHRAIN SEMICOLON IF THIS WERE TO HAPPEN AND THEY WERE ABLE TO TAKE THE AIR FIELD, IT WOULD THEN BE TOO LATE FOR JORDAN TO INTERVENE.

7. THE KING ALSO REFERRED IN SPEAKING TO ME TO THE OIL PIPELINE WHICH HE CLAIMED THE IRANIANS WERE ALREADY CONSTRUCTING AND WHICH WOULD AVOID DEPENDENCE ON PASSAGE THROUGH THE STRAITS OF HORMUZ FOR THEIR OIL EXPORTS: HE REGARDED THIS AS A VERY SERIOUS DEVELOPMENT FOR THE GULF STATES. THE KING SEEMED SADDENED IF NOT ALTOGHER SURPRISED BY THE FAILURE OF HIS ATTEMPTS TO BOLSTER THE GULF STATES IN THE FACE OF THE IRANIAN THREAT AND BY WHAT HE SAW AS THE TOTALLY NEGATIVE AND UNHELPFUL ROLE OF THE SAUDIS. HOWEVER HE READILY AGREED WHEN I SUGGESTED TO HIM THAT THE GULF RULERS WERE PERHAPS GENUINELY TORN BETWEEN THEIR WISH FOR JORDANIAN HELP AND THEIR ANXIETY LEST CALLING IN THE JORDANIANS MIGHT PROVOKE THE IRANIANS INTO ATTACKING THEM. HE ALSO SAID THAT, IN VIEW OF HIS OFFER OF MILITARY ASSISTANCE, THE KUWAITIS MIGHT AGREE TO RESTORE THE RECENT CUT IN THEIR FINANCIAL ASSISTANCE TO JORDAN.

8. REFERRING TO THE VISIT TO BAGHDAD LATER TODAY, THE KING SAID HE BELIEVED THAT THE LONG AWAITED IRANIAN OFFENSIVE IN THE SOUTH WAS NOW IMMINENT. HE HAD A NUMBER OF PROBLEMS TO DISCUSS WITH THE IRAQIS, INCLUDING THE PROPOSED JORDAN - IRAQ PIPELINE. I TOOK THE OPPORTUNITY TO BRIEF HIM ON SIR JOHN MOBERLY'S RECENT MEETING WITH THE IRAQI FOREIGN MINISTER TO DELIVER YOUR MESSAGE (BAGHDAD TELNO 328).

URWICK  
BT

NNNN

TOP SECRET



Copy no <sup>5</sup> of <sup>he vsc</sup>

5 copies <sup>42</sup>

10 DOWNING STREET

*From the Private Secretary*

18 June 1984

Syrian Relations with Iran: Report  
3/00/021123-84

The Prime Minister has noted the commentary on this report conveyed in your letter of 11 June to John Coles.

I am copying this letter to Richard Mottram (Ministry of Defence), Sir Antony Duff and Mr. Robin O'Neill (Cabinet Office).

C.D. POWELL

Len Appleyard, Esq.,  
Foreign and Commonwealth Office.

TOP SECRET



DEPARTMENT OF TRADE AND INDUSTRY

1-19 VICTORIA STREET

LONDON SW1H 0ET 5422

Telephone (Direct dialling) 01-215)

GTN 215)

(Switchboard) 215 7877

Secretary of State for Trade and Industry

15 June 1984

CONFIDENTIAL

*No disagreement*  
*AM 15/6*

Rt Hon Michael Heseltine MP  
Secretary of State for Defence  
Ministry of Defence  
Main Building  
Whitehall  
LONDON  
SW1A 2HB

*D Michael,*

YARROW SHIPS : IRAN

Thank you for copying to me your minute of 1 June. I have also seen Geoffrey Howe's minute of 11 June.

2 The balance between the risks to our trade with Iraq and the Gulf States if we proceed, and to our trade with Iran if we do not, is a fine one. My own feeling is that the overall trade risk is minimised by your intention to delay the process of delivery and completion for as long as possible. I think this is particularly important because I understand that the Kharg, as well as the Yarrow ships, is likely to be ready to sail in August. I very much hope it will prove possible to delay the procedures as long as reasonable, and, if at all possible, ensure that the sailings are phased.

3 In agreeing to your proposal, I also have in mind that ECGD have a direct interest in the release of the Yarrow ships since this will effect a full recovery of the sums paid by them to Yarrow's in respect of this contract.

4 I am copying this minute to the Prime Minister, our OD colleagues and to Sir Robert Armstrong.

*[Handwritten signature]*  
NORMAN TEBBIT

JH2APO

Iraq: Iran / Iraq Reflecks P44



CONFIDENTIAL



Treasury Chambers, Parliament Street, SW1P 3AG  
01-233 3000

*R*  
Prime Minister, news  
already conveyed.  
No disagreement.  
P.S. *AM* 14/6.

14 June 1984

Simon Lowe Esq  
Private Secretary to the Secretary of State  
for Defence

Ministry of Defence  
Main Building  
Horseguards Avenue  
LONDON SW1

*Dear Sir,*

YARROW SHIPS: IRAN

The Chancellor has seen your Secretary of State's minute of 1 June to the Foreign Secretary, and the Foreign Secretary's reply of 11 June.

He agrees that we should not block delivery of these ships, but that the process of completion of the contracts should proceed as slowly as possible.

I am copying this letter to the Private Secretaries to the recipients of your Secretary of State's minute.

*Yours sincerely,*

*Robert Simpson*

Miss J C Simpson  
Private Secretary

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IRAC: Iran/Iraq Pt 4

1984



SECRET



file  
bc: PC  
cc: LCO CDL  
HMT DTI  
LPO CO  
MOD  
LPS

41

BTC

10 DOWNING STREET

*From the Private Secretary*

14 June 1984

Iran/Iraq: The Gulf War

The Prime Minister has noted the Foreign and Commonwealth Secretary's minute of 12 June on Iran/Iraq: the Gulf War.

I am copying this letter to the Private Secretaries to members of OD and to Richard Hatfield (Cabinet Office).

(C.D. Powell)

Len Appleyard, Esq.,  
Foreign and Commonwealth Office

SECRET

BTC

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10 DOWNING STREET

*From the Private Secretary*

13 June, 1984.

Yarrow Ships - Iran

The Prime Minister has seen your Secretary of State's minute of 1 June and the Foreign and Commonwealth Secretary's minute of 11 June.

Subject to the views of other OD colleagues, the Prime Minister agrees (albeit somewhat reluctantly) that you should proceed with signature of the oversight agreement for the two Yarrow support ships for Iran, but that you should seek to delay for as long as possible the process of delivery and completion.

I am sending copies of this letter to the Private Secretaries to the other members of OD and to Richard Hatfield (Cabinet Office)

A.J. COLES

Richard Mottram, Esq.,  
Ministry of Defence.

CONFIDENTIAL



10 DOWNING STREET

*From the Private Secretary*

13 June, 1984.

Chemicals for use in Chemical Weapons

The Prime Minister has noted Mr. Channon's letter of 11 June to Mr. Luce on this subject.

I am copying this letter to Hayden Warren-Gash (Mr. Luce's Office, Foreign and Commonwealth Office) and to Michael McCulloch (Mr. Raison's Office, Foreign and Commonwealth Office).

eP

Jonathan Rees, Esq.,  
Mr. Channon's Office,  
Department of Trade and Industry.

A handwritten signature in dark ink, appearing to be 'JR' or similar initials, located at the bottom right of the page.



PM/84/95

PRIME MINISTER

Prime Minister  
 Not discussed  
 but you will  
 wish to note.

C.D. Stannell 13/6

Prime Minister 40

For meeting with  
 Sir Geoffrey Howe  
 on 13 June

C.D. Stannell 12/6.

ms

Iran/Iraq: The Gulf War

1. You will recall that at the meeting of OD(EM) on 18 May, it was agreed that we should continue our contacts with the United States on contingency planning, with the aim of influencing American policy towards an intensification of diplomatic activity aimed at limiting the recent attacks on shipping and away from premature military intervention. I reported briefly on these discussions at Cabinet on 7 June, but thought that you and other OD(EM) colleagues would welcome a further account.

2. A team of officials from the Foreign and Commonwealth Office and the Ministry of Defence visited Washington on 22 and 23 May, and their discussions were followed up by my own meetings with Messrs Shultz and Weinberger in the margins of the NATO Ministerial meeting the following week. I met Shultz again in London on 5 June, having previously reviewed the position with the Defence Secretary and agreed on the line to be taken with the Americans. The Gulf situation was also discussed collectively and in various bilateral meetings during the Economic Summit. We now need to draw these threads together.

3. The official level talks in Washington confirmed that the overall US approach to the Gulf situation is essentially the same as our own. The Americans agree that the emphasis must be placed on diplomatic activity; that military action

/must be



must be very much a last resort; and that a clear, public request for help from the Gulf States is a prerequisite for any Western involvement. It is reassuring that this line has been affirmed in public statements, including those by President Reagan himself. I believe that this cautious and pragmatic approach owes a good deal to the series of UK/US talks, in which we have helped the Americans to think through the implications of an escalation of the Iran/Iraq conflict and to assess the disadvantages of precipitate action.

4. In my own meetings with Shultz and Weinberger on 28 and 29 May, I was careful to emphasise, as our officials had previously made clear, that our participation in exchanges on options for possible Western military operations had been entirely without commitment to UK involvement in any joint action. This was accepted by both, though remarks by Shultz about the number of cards which the Americans have on the table, and the likelihood of their being called, suggested that he is still somewhat more ready than the rest of his colleagues to contemplate direct US military involvement in the protection of shipping, and also more inclined to respond promptly to any attempt to close the Straits of Hormuz. But even he agreed that the US wanted to avoid being drawn in, other than by providing the Gulf States, especially Saudi Arabia, with the equipment they need for more effective self-defence. In practice, such US assistance has its limits, as is shown by the US Administration's refusal to sell Stinger missiles to Kuwait, having previously circumvented Congressional opposition to their sale to Saudi Arabia. We are instructing our Ambassador at Kuwait to tell the Kuwaitis that we are ready to sell them Blowpipe without delay and/or Javelin as soon as it is available, to fill this gap. We shall be looking for any other ways in which sales of British defence equipment can improve the Gulf States' own defensive capabilities and

/reduce



reduce the likelihood of an appeal for outside help.

5. Sir John Leahy's visit to Washington on 7 June provided further confirmation of the generally cautious American attitude to possible military involvement in the Gulf. Three or four points from his visit are perhaps worth stressing:

- (a) one circumstance in which the Americans would react quickly, and probably without consultation with us or their other allies, would be a direct Iranian attack on US assets in the Gulf area, possibly extending to non-military targets such as US Embassies.
- (b) in the unlikely event of a really serious disruption of oil supplies, the Americans might wish to start moving from diplomatic to military action earlier than we and others would wish (though such military action might in the first instance take the form merely of additional precautionary deployments).
- (c) the Americans attach great importance to the active association of their allies with any measures to protect shipping (which gives us very considerable leverage with them, should we wish to exert it).
- (d) the Americans have not followed up their earlier contacts with the Russians, to reassure them that any Western military action would be designed solely to protect shipping and would convey no threat to the Soviet Union.

Although we have already made the latter point to the Soviet Embassy in London, I shall ask our Ambassador in Moscow to reinforce it.

6. At the Economic Summit, the Gulf situation was in the forefront of all the participants' minds. It would have

/been



been unrealistic to expect that the Summit could achieve a breakthrough over a conflict which has lasted for nearly 4 years, and has defied the best efforts of a dozen or more would-be mediators; though this did not prevent the Governments of Egypt and Iraq appealing for economic measures which would bring pressure on Iran to accept negotiations for a ceasefire. Nevertheless, the Summit did agree on a statement by the chair reaffirming the participants' support for principles that have been threatened by the conflict, including respect for international humanitarian law and for freedom of navigation. It also expressed confidence in the international system's ability to cope with any foreseeable problems in the area of oil supplies.

7. Earlier, on 1 June, the UN Security Council adopted resolution 552 (I enclose a copy). Though founded on a complaint by the Gulf States about Iranian attacks on their shipping, it avoids specifically condemning Iran. We kept a low profile during negotiations on the text, but made clear our general sympathy and support for the Gulf States. As a result we earned the thanks of most of the latter without appreciably damaging our relations with Iran.

8. In a separate initiative on 8 June the UN Secretary-General appealed to both parties to cease their attacks on civilian population centres in each other's territories. This appeal was promptly accepted by Iran and, somewhat more surprisingly, by Iraq. Similar gestures have been made in the past, without facilitating progress towards a wider ceasefire. But the apparent interest of both countries in UN supervision of the response to the Secretary-General's appeal should be a hopeful sign.

9. Despite these developments at the United Nations, Iraqi attacks on ships going to Kharg Island and Bandar Khomeini have continued, and there has been one further retaliatory attack (which did little damage) by Iran. The shooting down





of at least one Iranian aircraft on 5 June showed, somewhat unexpectedly, that the Saudis were willing to display skill and political determination in their own defence, even though their leaders are now concerned about the possible consequences. However, the exaggerated publicity given to the US supporting role in the provision of AWACs and tanker aircraft, and the equally exaggerated reports about the escorting activities of US Navy ships in the Gulf, may have increased the risk of an incident directly involving US and Iranian ships or aircraft during the next few days, and this could have worrying consequences.

10. Nevertheless, the Iranians now face something of a dilemma, particularly if the Iraqi attacks on their shipping continue. In the face of Saudi readiness firmly to repel their incursions, they may eventually have to choose between

- (a) all-out retaliatory air attacks against Saudi Arabia or other Gulf States, with the risk of losing substantial numbers of their remaining aircraft.
- (b) continuing their own attacks on Arab ships, even though the Saudi defensive capability will either put their aircraft at risk or compel them to reduce the frequency and effectiveness of the attacks.
- (c) resorting to sabotage action against eg Arab offshore oil installations, or to a terrorist campaign within the more vulnerable Gulf States.
- (d) accepting that it would be better to cut their losses and concentrate on the land war with Iraq, where the long-postponed Iranian offensive is still awaited.

The Iranian attack on a Kuwaiti tanker on 10 June, much further from the Arab side of the Gulf than previous attacks, may

/indicate



indicate an intention to pursue option (b). Though the situation remains volatile, I do not believe that the likelihood of a serious disruption of shipping movements and oil supplies has become any greater as a result of the past few days' events.

11. However, if the situation should deteriorate and the Americans are presented with, or engineer, a request for Western military help, we shall have a difficult decision to make. As I have said, I believe our involvement in discussions on possible military options with the Americans was both necessary and beneficial, in ensuring that their attitude to the possibility of a major crisis is now realistic and appropriately cautious. But we have always recognised that such involvement would inevitably heighten US expectations that, if a crisis developed, we should be prepared if necessary to participate with them in operations to protect neutral shipping in the Gulf and/or to keep open the Straits of Hormuz. I believe it is vital that we should maintain complete independence to take this decision ourselves. We should continue to be chary of military involvement in any but the most extreme circumstances (we are not a major consumer of oil from the Gulf), and should continue doing everything possible to prevent a crisis reaching the point of military action by Western forces. But if the situation deteriorates, we shall require a very careful calculation of where the national interest lies, balancing the inevitable damage to our relations with the Americans and the Arab States if we stay out, with the military and political costs of embarking upon what could turn out to be a dangerously open-ended commitment. An important additional argument in favour of a very cautious approach, which we need to keep in mind, is our present understanding that any UK forces so involved would operate in cooperation with, but separate from, US forces. This would require the

/commitment



commitment of fairly substantial naval and land-based air assets. For the moment, I do not think any decisions are needed one way or the other. But we must clearly continue to watch the situation closely.

12. I am sending copies of this minute to OD colleagues and to Sir R Armstrong.

A handwritten signature in blue ink, appearing to be 'G. Howe', written in a cursive style.

GEOFFREY HOWE

Foreign and Commonwealth Office  
12 June 1984

GRS 400

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DESKBY FCO 020900Z  
FM UKMIS NEW YORK 020045Z JUNE 84  
TO IMMEDIATE FOREIGN AND COMMONWEALTH OFFICE  
TELEGRAM NUMBER 581 OF 1 JUNE  
INFO IMMEDIATE BAGHDAD TEHRAN WASHINGTON GULF POSTS  
INFO PRIORITY BONN PARIS THE HAGUE ISLAMABAD CAIRO NEW DELHI  
INFO ROUTINE MOSCOW UKDEL NATO

112

MBR022/1	
- 5 JUN 1984	
DESK	FILED
	9/10

MIPT: SECURITY COUNCIL: ATTACKS ON GULF SHIPPING. (112)

FOLLOWING IS TEXT OF SCR 552 OF 1 JUNE:

THE SECURITY COUNCIL,  
HAVING CONSIDERED THE LETTER DATED 21 MAY 1984 FROM THE  
REPRESENTATIVES OF BAHRAIN, KUWAIT, OMAN, QATAR, SAUDI ARABIA  
AND THE UNITED ARAB EMIRATES (S/16574) COMPLAINING AGAINST  
IRANIAN ATTACKS ON COMMERCIAL SHIPS EN ROUTE TO AND FROM THE  
PORTS OF KUWAIT AND SAUDI ARABIA,

NOTING THAT MEMBER STATES PLEDGED TO LIVE TOGETHER IN PEACE  
WITH ONE ANOTHER AS GOOD NEIGHBOURS IN ACCORDANCE WITH THE  
UNITED NATIONS CHARTER,

REAFFIRMING THE OBLIGATIONS OF MEMBER STATES TO THE PRINCIPLES  
AND PURPOSES OF THE UNITED NATIONS CHARTER,

REAFFIRMING ALSO THAT ALL MEMBER STATES ARE OBLIGED TO REFRAIN  
IN THEIR INTERNATIONAL RELATIONS FROM THE THREAT OR USE OF FORCE  
AGAINST THE TERRITORIAL INTEGRITY OR POLITICAL INDEPENDENCE OF  
ANY STATE,

TAKING INTO CONSIDERATION THE IMPORTANCE OF THE GULF REGION  
TO INTERNATIONAL PEACE AND SECURITY AND ITS VITAL ROLE TO THE  
STABILITY OF WORLD ECONOMY,

DEEPLY CONCERNED OVER THE RECENT ATTACKS ON COMMERCIAL SHIPS,  
EN ROUTE TO AND FROM THE PORTS OF SAUDI ARABIA AND KUWAIT,

CONVINCED THAT THESE ATTACKS CONSTITUTE A THREAT TO THE SAFETY  
AND STABILITY OF THE AREA AND HAVE SERIOUS IMPLICATIONS FOR  
INTERNATIONAL PEACE AND SECURITY,

1. CALLS UPON ALL STATES TO RESPECT IN ACCORDANCE WITH  
INTERNATIONAL LAW THE RIGHT OF FREE NAVIGATION,
2. REAFFIRMS THE RIGHT OF FREE NAVIGATION IN INTERNATIONAL WATERS  
AND SEA LANES FOR SHIPPING EN ROUTE TO AND FROM ALL PORTS AND  
INSTALLATIONS OF THE LITTORAL STATES THAT ARE NOT PARTY TO THE  
HOSTILITIES:

3. CALLS UPON ALL STATES TO RESPECT THE TERRITORIAL INTEGRITY OF THE STATES THAT ARE NOT PARTY TO THE HOSTILITIES AND TO EXERCISE THE UTMOST RESTRAINT AND TO REFRAIN FROM ANY ACT WHICH MAY LEAD TO A FURTHER ESCALATION AND WIDENING OF THE CONFLICT:
4. CONDEMNS THESE RECENT ATTACKS ON COMMERCIAL SHIPS EN ROUTE TO AND FROM THE PORTS OF KUWAIT AND SAUDI ARABIA:
5. DEMANDS THAT SUCH ATTACKS SHOULD CEASE FORTHWITH AND THERE SHOULD BE NO INTERFERENCE WITH SHIPS EN ROUTE TO AND FROM STATES THAT ARE NOT PARTY TO THE HOSTILITIES:
6. DECIDES, IN THE EVENT OF NON-COMPLIANCE WITH THIS RESOLUTION, TO MEET AGAIN TO CONSIDER EFFECTIVE MEASURES THAT ARE COMMENSURATE WITH THE GRAVITY OF THE SITUATION IN ORDER TO ENSURE THE FREEDOM OF NAVIGATION IN THE AREA:
7. REQUESTS THE SECRETARY-GENERAL TO REPORT ON THE PROGRESS OF THE IMPLEMENTATION OF THIS RESOLUTION:
8. DECIDES TO REMAIN SEIZED OF THE MATTER.

THOMSON

IRAN/IRAQ

STANDARD(PALACE)

MED

NENAD

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DEPARTMENT OF TRADE AND INDUSTRY  
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LONDON SW1H 0ET

Telephone (Direct dialling) 01-215 5144  
GTN 215) 5144  
(Switchboard) 215 7877

From the Minister for Trade

Prime Minister

Richard Luce Esq MP  
Minister of State  
Foreign and Commonwealth Office  
Whitehall  
LONDON  
SW1

CIP  
- 12/6

11 June 1984

Dear Richard,

CHEMICALS FOR USE IN CHEMICAL WEAPONS

Since my Private Secretary wrote to yours on 4 May my officials have been in touch with yours about the details of the Export Licensing arrangements for chemicals which could be used to make chemical weapons, following discussions with the British Chemical Industry.

I propose to make an order next week extending to all destinations our controls on exports of the five substances which the ten Member States of the Community agreed in April should be the subject of similar action. Subject to further discussions which my officials expect to have with individual British companies shortly, we plan to introduce licensing arrangements which will avoid the need for individual application for each export to countries where we are satisfied there is no risk of diversion to the combatants in the Gulf war.

I have also considered what action should be taken in respect of the three chemicals which we brought under control to Iran and Iraq in April but which are not on the Common Community List. My initial thought was to control the export of these three to all destinations along with the five on the Community List. But ICI export substantial quantities of one of these - dimethylamine - which is used as a fire retardant for polyurethane foam. We have also now established that this substance is produced and exported by companies in West Germany, Belgium and the Netherlands as well as in the United States and Japan. Yet none of these countries controls the export of dimethylamine, although we have urged them to consider the possibility. ICI have made it clear that they would object strongly to being placed at a competitive disadvantage if the UK alone were to widen its export control measures on this product.





I have therefore concluded that we should leave things as they are so far as the extra three chemicals are concerned: in other words it is only their direct export to Iran and Iraq which should be controlled. I do however firmly support your efforts to persuade our partners in the Community and in other OECD countries to take action to control the export of these other products and I should be very ready, in the context of a general agreement to control the export of dimethylamine, to widen the controls on this substance.

I am sending a copy of this letter to the Prime Minister and to Timothy Raison.

A handwritten signature in dark ink, appearing to be 'P. Channon', written over a diagonal line.

PAUL CHANNON

Handwritten initials 'PC' in dark ink, positioned below the printed name.

IRAQ PT 4

Internal Substation



12 JUN 1984



FCS/84/168

SECRETARY OF STATE FOR DEFENCE

Yarrow Ships - Iran

Prime Minister. *cc/k*  
 The Foreign and Defence Secretaries  
 are agreed about the proposition  
 in para. 1 below.

Content, subject to od colleagues:

*Reluctantly -*  
 Yes not A.S.C. 1/6.

Thank you for your minute of 1 June, proposing that MOD should go ahead with signature of the oversight agreement for the two Yarrow support ships for Iran, but that we should seek to spin out for as long as we can the process of delivery and completion.

I agree with your proposal. As you note, the main contract has been signed, the Iranians have already paid £17.9 million (the bulk of the sum outstanding for the two ships), and it will be extremely difficult for MOD to delay signature of the oversight agreement any further. The Head of our Interests Section in Tehran has now separately advised that we cannot spin things out any longer without being accused of bad faith by the Iranians. In addition to financial penalties if we fail to go ahead, therefore, there will also be an adverse effect on our general relations (our exports to Iran in 1983 were worth £628 million: our second largest market in the Middle East). We are in any case playing for time by slowing down the issue of visas to the Iranian commissioning crews.

We have explained our position on the Yarrow ships to the Americans and to many of the Arab states, and they seem to have, reluctantly, accepted that we cannot now block ~~delivery of the ships~~. As the MOD oversight agreement is only an adjunct to the main contract (which may become public at any moment), I therefore also believe that we should proceed with it, although I share your view that we

/should



should spin out the process of delivery and completion for as long as we can.

We shall subsequently need to consider the gradual release of the spares for the armoured vehicles, on the lines suggested in my minute of 10 April to the Prime Minister, although this continues to be an even more difficult case. But I agree that we should be able to leave this in abeyance for a little longer, provided that we can retain the Iranians' confidence by going ahead with the next step on the Yarrow ships.

I am copying this minute to the Prime Minister, other OD colleagues and to Sir Robert Armstrong.

GEOFFREY HOWE

Foreign and Commonwealth Office  
11 June 1984

IRAQ AT4  
Internat Stwtan

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5 4 3 2

19 JUN 1984

MI3180 4 XXX 96

**KUWAITI TANKER HIT BY MISSILE**

**BAHRAIN SUNDAY - A KUWAITI SUPERTANKER WAS HIT TODAY IN AN ATTACK BY AN UNIDENTIFIED AIRCRAFT IN THE LATEST STRIKE AGAINST SHIPPING IN THE IRAN-IRAQ WAR, GULF SHIPPING SOURCES CONFIRMED.**

**THEY SAID APPARENTLY ONE MISSILE HAD STARTED A FIRE ABOARD THE 163,448-TON TANKER KAZIMAH, BUT THE BLAZE WAS BROUGHT UNDER CONTROL AND THE VESSEL WAS NOW HEADING FOR QATAR.**

**THE KAZIMAH WAS SAILING IN BALLAST FOR KUWAIT WHEN THE ATTACK OCCURRED, ACCORDING TO AN OFFICIAL OF THE KUWAIT OIL TANKER COMPANY, WHICH OWNS THE VESSEL.**

--

101406 JUN 84

PRIME MINISTER

BBC Radio News reports that leaders on both sides have agreed that the fighting must stop, following a message from Perez de Cuellar. *(Text attached)*

*sc*  
Duty Clerk

10 June 1984

PS

PS/MR LUCE

PS/PUS

SIR J BULLARD

SIR J LEAHY

MR EGERTON

HD/MED

HD/NENAD

HD/UND

HD/CONS. D

HD/CONS. EM UNIT

HD/NEWS D

HD/DEFENCE D

IMMEDIATE

PS/No.10 DOWNING ST (2)

CABINET OFFICE D I O



CONFIDENTIAL

FM UKMIS NEW YORK 100100Z JUN 84

TO IMMEDIATE FOREIGN AND COMMONWEALTH OFFICE

TELEGRAM NUMBER 601 OF 9 JUNE

INFO IMMEDIATE TEHRAN BAGHDAD GULF POSTS WASHINGTON MODUK (D14)

INFO PRIORITY PARIS THE HAGUE MOSCOW CAIRO UKDEL NATO.

MIPT: IRAN/IRAQ

FOLLOWING IS THE TEXT OF THE SECRETARY-GENERAL'S CONFIDENTIAL MESSAGE TO THE PRESIDENTS OF IRAN AND IRAQ.

QUOTE

IT WAS PROFOUNDLY DISTRESSED ON LEARNING OF THE HEAVY CIVILIAN CASUALTIES CAUSED BY THE AERIAL ATTACK ON THE TOWN OF BANEH ON 5 JUNE 1984, WHICH HAS NOW BEEN CONFIRMED BY THE INTERNATIONAL COMMITTEE OF THE RED CROSS, AND THE RETALIATORY AND COUNTER-RETALIATORY ATTACKS THAT FOLLOWED ON TOWNS IN IRAN AND IRAQ.

DELIBERATE MILITARY ATTACKS ON CIVILIAN AREAS CANNOT BE CONDONED BY THE INTERNATIONAL COMMUNITY. THE INITIATION OF SUCH ATTACKS IN THE PAST, AND THE REPRISALS AND COUNTER-REPRISALS THEY PROVOKE, HAVE RESULTED IN MOUNTING LOSS OF LIFE AND SUFFERING TO INNOCENT AND DEFENCELESS CIVILIAN POPULATIONS. IT IS IMPERATIVE THAT THIS IMMEDIATELY CEASE.

THEREFORE IT CALL UPON THE GOVERNMENTS OF THE REPUBLIC OF IRAQ AND OF THE ISLAMIC REPUBLIC OF IRAN TO DECLARE TO THE SECRETARY-GENERAL OF THE UNITED NATIONS THAT EACH UNDERTAKES A SOLEMN COMMITMENT TO END, AND IN THE FUTURE REFRAIN FROM INITIATING, DELIBERATE MILITARY ATTACKS BY AERIAL BOMBARDMENT, MISSILES, SHELLING OR OTHER MEANS, ON PURELY CIVILIAN POPULATION CENTRES. MAY IT SUGGEST, WITH RESPECT, THAT THE HOLY MONTH OF RAMADAN IS A PARTICULARLY APPROPRIATE TIME FOR BOTH GOVERNMENTS TO UNDERTAKE THIS HUMANITARIAN PLEDGE.

THE SECRETARY-GENERAL EXPECTS THAT SUCH SOLEMN COMMITMENTS WILL BE SCRUPULOUSLY OBSERVED BY BOTH PARTIES. ONCE THE RESPECTIVE DECLARATIONS REQUESTED HAVE BEEN RECEIVED,

THE SECRETARY-GENERAL EXPECTS THAT SUCH SOLEMN COMMITMENTS WILL BE SCRUPULOUSLY OBSERVED BY BOTH PARTIES. ONCE THE RESPECTIVE DECLARATIONS REQUESTED HAVE BEEN RECEIVED, COMMUNICATED TO THE OTHER PARTY AND ENTERED INTO EFFECT, I WOULD BE PREPARED, IF THIS WERE TO PROVE NECESSARY, TO INITIATE STEPS TO INTRODUCE SUCH MEASURES AS MIGHT BE ESSENTIAL TO VERIFY THAT THE COMMITMENTS ARE ADHERED TO.

I APPEAL, IN THE NAME OF THE INTERNATIONAL COMMUNITY, TO BOTH GOVERNMENTS TO RESPOND BY 1200 HOURS GMT ON 11 JUNE 1984 BY FURNISHING THE DECLARATIONS I HAVE REQUESTED, TO BE MADE EFFECTIVE AT 0001 HOURS GMT ON 12 JUNE 1984.

UNQUOTE

THOMSON

NNNN

OO WASHINGTON

OO TEHRAN

OO BAGHDAD

OO ABU DHABI

OO BAHRAIN

OO DOHA

OO DUBAI

OO KUWAIT

OO JEDDA

OO MUSCAT



CONFIDENTIAL

pa  
dms  
11/6



Foreign and Commonwealth Office

London SW1A 2AH

8 June 1984

Prime Minister

Dear John,

Iran/Iraq

In view of the bilateral meetings which the Prime Minister will be having tomorrow, I thought that you might like to have a note on events in the Gulf since the briefing we provided for the Prime Minister's use at yesterday's dinner.

There have been no further attacks on shipping. There is still no confirmation that the Liberian-registered 'Dashaki' was hit by a mine on 6 June: it may have been an engine-room explosion. On the other hand, drifting mines from Iraqi-laid minefields near Bandar Khomeini have been an occasional hazard for some time.

Both sides are continuing to shell civilian targets. The Iranians have shelled the Iraqi port city of Basra where there is a British community of about 75 - there have been no reports of any British casualties. The MOD have no confirmation of press reports that the Iraqis have acquired long-range missiles from the USSR and cluster bombs from Chile. These claims may be intended to build up Iraqi confidence and deter the Iranians from launching their long-awaited major land offensive.

Yesterday evening the Iraqi Ambassador called at the FCO to hand over a copy of his Foreign Minister's appeal to the London Summit for a new initiative to end the war (this message was mentioned in yesterday's briefing).

Yours ever,

(P F Ricketts)  
Private Secretary

Peter Ricketts

A J Coles Esq  
10 Downing Street

CONFIDENTIAL

IRAN/IRAQ

ADVANCE COPIES 18

PS  
PS/MR LUCE  
PS/PUS  
SIR J BULLARD  
SIR J LEAHY  
MR EGERTON  
HD/MED  
HD/NENAD  
HD/UND  
HD/CONS. D  
HD/CONS. EM UNIT  
HD/NEWS D  
HD/DEFENCE D  
RESIDENT CLERK

PS/No.10 DOWNING ST (2)

CABINET OFFICE D I O



GRS 1150

CONFIDENTIAL

FROM WASHINGTON 072256Z JUN 84

TO IMMEDIATE FCO

TELEGRAM NUMBER 1806 OF 7 JUNE

INFO IMMEDIATE BAGHDAD TEHRAN GULF POSTS UKMIS NEW YORK MODUK  
PRIORITY PARIS AMMAN MOSCOW

**IMMEDIATE  
ADVANCE COPY**

WASHINGTON TELNO. 1778: THE GULF  
SUMMARY

1. EXCEPT IN THE EVENT OF A DIRECT IRANIAN ATTACK ON THEM,  
THE US DO NOT INTEND TO INTERVENE MILITARILY IN THE GULF WITHOUT  
A PUBLIC REQUEST AND SOME ALLIED PARTICIPATION. CONVERGENCE OF  
US AND UK THINKING BUT US WOULD PREFER A SPEEDIER MILITARY  
RESPONSE TO CLOSURE OF THE STRAITS OF HORWUZ.
2. SAUDI MOOD OF RESTRAINED JUBILATION OVER DOWNING OF IRANIAN  
PLANE(S). NO MEANS OF INFLUENCING IRANIAN REGIME. IRANIAN  
LAND OFFENSIVE STILL EXPECTED. US INTEND TO REJECT KUWAIT'S REQUEST  
FOR STINGERS. SIR J LEAHY EXPRESSED ANNOYANCE AT CONTINUED  
STIMULATION OF PRESS INTEREST IN BRITISH MILITARY SUPPLIES TO IRAN.

**DETAIL**

3. SIR J LEAHY DISCUSSED THE SITUATION IN THE GULF TODAY WITH  
MURPHY, OTHER SENIOR STATE DEPARTMENT OFFICIALS AND KEMP  
(NSC STAFF). (NEITHER SIDE HAD RECEIVED AN ACCOUNT OF YOUR TALKS  
WITH SHULTZ AND THE PRESIDENT IN LONDON EARLIER THIS WEEK).

4. THE AMERICANS REITERATED THAT, EXCEPT IN THE EVENT OF A DIRECT  
IRANIAN ATTACK ON US FORCES OR FACILITIES, THEY HAD NO INTENTION  
OF INTERVENING MILITARILY IN THE GULF WITHOUT A PUBLIC REQUEST  
FROM THE GCC AND SOME ALLIED PARTICIPATION. IF THE IRANIANS WERE

INTERFERING MILITARILY IN THE GULF WITHOUT A PUBLIC REQUEST FROM THE GCC AND SOME ALLIED PARTICIPATION. IF THE IRANIANS WERE TO ATTACK A US SHIP OR, FACILITY THERE MIGHT BE LITTLE TIME FOR CONSULTATION BEFORE RETALIATORY ACTION NEEDED TO BE TAKEN. MURPHY IMPLIED THAT A STRIKE AGAINST A TARGET ON THE IRANIAN MAINLAND WOULD BE THE PREFERRED OPTION. AN IRANIAN TERRORIST ATTACK AGAINST A US EMBASSY MIGHT POSE A MORE DIFFICULT PROBLEM; THERE WOULD BE PUBLIC PRESSURE FOR RETALIATION BUT IT WOULD BE HARD TO ESTABLISH RESPONSIBILITY SUFFICIENTLY CLEARLY AND A HOST COUNTRY WOULD BE UNLIKELY TO REQUEST US MILITARY ACTION.

5. MURPHY WELCOMED THE CONVERGENCE OF US AND UK THINKING BUT SHOWED SOME SENSITIVITY TO THE SUGGESTION THAT THE US/UK BILATERAL TALKS MIGHT HAVE LED TO CHANGES IN US POLICY. HE ACKNOWLEDGED THAT THE AMERICANS WERE NOW LESS APPREHENSIVE ABOUT THE CONSEQUENCES OF AN INTERRUPTION IN GULF OIL SUPPLIES. KEMP, HOWEVER, ARGUED THAT CLOSURE OF THE STRAITS WOULD LEAD TO AN INCREASE IN THE INDEBTNESS OF BRAZIL AND OTHER COUNTRIES AND RISK A CRISIS IN THE WORLD BANKING SYSTEM AND THUS REQUIRE A RAPID RESPONSE.

6. IN SUBSEQUENT DISCUSSION THE AMERICANS APPEARED TO ACCEPT THAT AFTER AN INITIAL REACTION IT WOULD TAKE SOME TIME FOR THE EFFECTS OF AN INTERRUPTION OF GULF OIL SUPPLIES TO WORK THROUGH ON THE WORLD MARKET. THEY ESTIMATED THAT ONE MILLION BPD MORE OF GULF PRODUCTION COULD BE EXPORTED VIA THE RED SEA PIPELINE AND THAT, ON THE MOST FAVOURABLE ASSUMPTIONS, UP TO A TOTAL OF FIVE MILLION BPD COULD BE PROVIDED BY INCREASED PRODUCTION FROM OTHER SOURCES. THE US WERE PREPARED TO RELEASE UP TO TWO MILLION BPD FROM THE STRATEGIC RESERVE TO MEET DOMESTIC NEEDS. NEVERTHELESS, THE AMERICANS FELT THAT IMMEDIATE CONSULTATIONS AND EARLY ACTION, AT A MINIMUM THE MOVING OF MCM FORCES NEARER THE SCENE OF ACTION, WOULD BE REQUIRED IN THE EVENT OF MINING OF THE STRAITS. THOUGH THEIR RULES OF ENGAGEMENT ALLOWED FOR ATTACKS ON FORCES LAYING MINES IT WOULD PROBABLY NOT BE POSSIBLE TO PREVENT ALL IRANIAN MINELAYING OPERATIONS IN THE STRAITS.

7. PRESSED TO SAY AT WHAT POINT THE UK WOULD BE PREPARED TO INTERVENE MILITARILY, LEAHY MADE CLEAR THAT WE WERE NOT COMMITTED TO ANY MILITARY INTERVENTION, WHICH WE SAW VERY MUCH AS A LAST RESORT. THERE COULD BE NO QUESTION OF OUR AGREEING IN ADVANCE THAT THIS OR THAT CONTINGENCY AUTOMATICALLY TRIGGERED A MILITARY RESPONSE SINCE THE IMMEDIATE CONSEQUENCES EVEN OF A CLOSURE OF THE STRAITS WOULD NOT BE CATASTROPHIC, WE DID NOT BELIEVE IT MADE SENSE TO RUSH INTO A MILITARY RESPONSE. IT WOULD BE DESIRABLE TO EXPLORE THE POSSIBILITY OF UN SUPPORT FOR ANY COUNTER MEASURES. THE AMERICANS WERE SCEPTICAL, BUT ACKNOWLEDGED THAT THE RUSSIANS MIGHT PREFER THIS TO WESTERN ACTION. IN REPLY TO A QUESTION, PLACKE THOUGHT THAT THE FRENCH WOULD BE PREPARED TO TAKE ACTION IF THE NEED AROSE, THOUGH ON THEIR OWN TERMS. THE REGULAR DISCUSSIONS BETWEEN THE US NAVAL COMMANDER IN THE GULF AND THE FRENCH COMMANDER IN DJIBOUTI THOUGH USEFUL HAD SHED NO LIGHT ON FRENCH CONTINGENCY PLANNING.

8 MURPHY SAID THAT THE AMERICANS NOW BELIEVED THAT POSSIBLY ONLY ONE IRANIAN F-4 WAS SHOT DOWN ON 5 JUNE. THE SAUDI AIR FORCE WAS STILL CLAIMING THAT SECOND F-4 HAD BEEN DOWNED BUT THERE WAS NO CONFIRMATION FROM AWACS OR OTHER SOURCES. THE INTERCEPTIONS HAD BEEN AUTHORISED AT A HIGH LEVEL IN ACCORDANCE WITH REVISED

~~CONFIRMATION FROM AWACS OR OTHER SOURCES. THE INTERCEPTIONS HAD BEEN AUTHORIZED AT A HIGH LEVEL IN ACCORDANCE WITH REVISED SAUDI RULES OF ENGAGEMENT WHICH HAD BEEN APPROVED BY THE DEFENCE MINISTER THE PREVIOUS DAY. THE SAUDI MOOD WAS OF RESTRAINED JUBILATION, BUT THEY WERE NOT KEEN TO PUSH THEIR LUCK AND WERE TRYING BY EVERY POSSIBLE MEANS TO GET THE MESSAGE TO THE IRANIANS THAT THEY DID NOT WANT TO TAKE PART IN A SHOOTING WAR IN THE GULF.~~

9. LEAHY ASKED ABOUT IRANIAN VIEWS OF US INVOLVEMENT IN THIS INCIDENT. MURPHY SAID THAT THE IRANIAN PUBLIC STATEMENT HAD BLAMED IT ON THE US BUT THAT HE HAD NO INDICATION OF THEIR PRIVATE VIEWS. THE AMERICANS DETECTED NO SOFTENING OF IRANIAN INTRANSIGENCE. NO EMISSARY OR INTERMEDIARY OVER THE PAST TWO YEARS HAD SUCCEEDED IN CHANGING THEIR VIEWS AT ALL. IT WAS DIFFICULT TO FIND A WAY OF PUTTING ACROSS US VIEWS IN TEHRAN WITHOUT THEIR BEING MISINTERPRETED. THE WILLINGNESS OF INDIVIDUAL IRANIANS TO LISTEN TO THE US SEEMED TO BE INVERSELY PROPORTIONATE TO THEIR INFLUENCE WITHIN THE REGIME. KHOMEINI AND HIS IMMEDIATE CIRCLE HAD NO INTEREST IN CHANGING THEIR STEREOTYPED VIEWS ON US POLICY.

10. MURPHY CONFIRMED THAT THE AMERICANS STILL EXPECT THE IRANIANS TO LAUNCH THEIR LAND OFFENSIVE WITHIN THE NEXT TWO OR THREE WEEKS. HE DISCOUNTED REPORTS THAT THE DELAY WAS DUE TO DISSENT WITHIN THE ARMED FORCES OVER PROSECUTION OF THE WAR. FLOODING IN THE MARSHES AND THE NEED TO ACQUIRE PROTECTIVE EQUIPMENT AGAINST CW SEEMED MORE PLAUSIBLE EXPLANATIONS. THE IRAQI DEFENCES SHOULD HOLD, ALBEIT WITH SOME DIFFICULTY, BUT THERE REMAINED A QUESTION MARK OVER IRAQI MORALE. LEAHY SUGGESTED THAT THERE WAS NO LOGICAL REASON FOR THE IRANIANS TO CARRY OUT THEIR OFFENSIVE WITH THE ODDS APPARENTLY STACKED AGAINST THEM. THE AMERICAN ASSESSMENT WAS NEVERTHELESS THAT PREPARATIONS WERE TOO FAR ADVANCED FOR THE OFFENSIVE TO BE CALLED OFF NOW: KHOMEINI PROBABLY GENUINELY BELIEVED THAT GOD WOULD GIVE HIM VICTORY.

11. MURPHY SAID THAT THE KUWAITI REQUEST FOR STINGERS WAS AWKWARD. THE SUBJECT HAD NOT COME UP DURING THE DEFENCE MINISTER'S VISIT TO THE US IN APRIL, BUT KUWAITI INTEREST HAD PROBABLY BEEN AROUSED BY THE RECENT VISIT OF THE US MILITARY TEAM AND SALE OF STINGER TO SAUDI ARABIA. THE KUWAITIS WERE, ILL-ADVISEDLY, MAKING THE REQUEST A LITMUS TEST OF THEIR RELATIONSHIP: THE FACT WAS THAT THE US MILITARY RELATIONSHIP WITH SAUDI ARABIA WAS OF MUCH LONGER STANDING AND THERE WAS NO CONFIDENCE IN CONGRESS THAT THE KUWAITIS WOULD BE ABLE TO SAFEGUARD THE TECHNOLOGY INVOLVED AND KEEP THE MISSILES OUT OF PALESTINIAN HANDS. NO FINAL DECISION HAD BEEN TAKEN, BUT THE CONGRESSIONAL REACTION TO THE SALE TO THE SAUDIS MADE A NEGATIVE RESPONSE TO THE KUWAITIS ALMOST CERTAIN. THE AMERICANS WERE LIKELY TO TELL THE KUWAITIS WITHIN THE NEXT FEW DAYS THAT THEY COULD NOT SUPPLY STINGER, SOFTENING THIS BLOW BY OFFERING OTHER LESS CONTROVERSIAL MILITARY EQUIPMENT AND IMPROVED ARRANGEMENTS FOR SHARING AWACS DATA. IT WAS IMPORTANT HOWEVER NOT TO GIVE THE IRANIANS THE IMPRESSION THAT THE WEST DID NOT CARE ABOUT KUWAIT.

12. WE ASKED WHETHER GIVING THE KUWAITIS A NEGATIVE ANSWER

~~AS WE ASKED WHETHER GIVING THE KUWAITIS A NEGATIVE ANSWER~~  
WAS MORE SENSIBLE THAN SIMPLY TEMPORISING. MURPHY ACKNOWLEDGED  
THAT THIS WAS A POSSIBILITY BUT THOUGHT THAT THE EMERGING  
CONSENSUS IN WASHINGTON WAS TO GIVE AN EARLY REPLY SO THAT  
THE KUWAITIS COULD LOOK ELSEWHERE TO MEET THEIR REAL AIR DEFENCE  
NEEDS (THOUGH THEY ALREADY HELD SATS). HE ASKED WHETHER WE COULD  
MAKE JAVELIN AVAILABLE IMMEDIATELY. LEAHY THOUGHT THAT THIS WOULD  
BE VERY DIFFICULT; JAVELIN WAS BEING INTRODUCED INTO SERVICE WITH  
OUR OWN FORCES ONLY LATER THIS YEAR. BUT HE AGREED TO LOOK INTO  
THE TIMING AND POSSIBILITY OF OUR OFFERING JAVELIN.

13. MURPHY SAID THAT THE AMERICANS HAD HAD NO RECENT  
DETAILED DISCUSSIONS OF THE GULF WITH THE RUSSIANS. BUT  
THEY HAD MADE IT CLEAR BOTH IN WASHINGTON AND IN MOSCOW  
THAT THE US INTEREST IN THE REGION WAS, AS HAD BEEN STATED  
PUBLICLY, IN FREEDOM OF NAVIGATION AND THAT THEY WERE DOING  
NOTHING TO THREATEN SOVIET INTERESTS. THE RUSSIANS HAD  
NO READY RESPONSE, AS THEY HAD ON ARAB/ISRAEL (AND US  
AID TO ISRAEL). LEAHY MENTIONED THAT WE HAD IT IN MIND  
TO DISCUSS THE GULF WITH THE RUSSIANS FAIRLY SOON; MURPHY  
THOUGHT THAT COULD BE USEFUL.

14. PICKING UP A REFERENCE IN YESTERDAY'S WASHINGTON POST  
TO BRITISH ARMS SUPPLIES TO IRAQ WHICH APPEARED TO REFLECT  
FURTHER OFFICIAL BRIEFING. LEAHY MADE CLEAR THAT THERE  
WAS GROWING IRRITATION IN LONDON AT THE PUBLIC EMPHASIS  
ON THE BRITISH ROLE. AS THE AMERICANS KNEW, WE WERE  
CONTINUING TO SCRUTINISE ALL EXPORT LICENCE APPLICATIONS  
CAREFULLY AND TO APPLY A VERY RESTRICTED INTERPRETATION OF  
NON-LETHAL WEAPONS. THIS WAS A VERY BAD TIME FOR PUBLIC  
DISPLAY OF DISHARMONY BETWEEN US OVER ANYTHING RELATING TO THE  
SITUATION IN THE GULF. ENOUGH WAS ENOUGH. MURPHY TOOK  
THE POINT. HE AVOIDED A DIRECT ANSWER AS TO WHETHER THE  
ADMINISTRATION INTENDED TO APPROACH THE FRENCH ABOUT THE  
SUPPLY OF EXOCETS TO IRAQ BUT ACKNOWLEDGED THAT THIS QUESTION  
WAS INCREASINGLY BEING RAISED BY THE PRESS AND CONGRESS.

WRIGHT

NNNN

NI2230 4 XXX 155

DOWNED PLANE BELIEVED TO BE IRANIAN  
MANAMA, BAHRAIN, TUESDAY - SAUDI ARABIAN AIR FORCE JETFIGHTERS  
SHOT DOWN AN UNIDENTIFIED WARPLANE IN A BRIEF DOGFIGHT OVER THE GULF  
WATERS TODAY, THE SAUDI DEFENCE MINISTRY ANNOUNCED.

THE SAUDI STATE RADIO INTERRUPTED REGULAR PROGRAMMES TO ANNOUNCE  
THE DOWNING, WHICH IT SAID OCCURRED AT 10.33 B.S.T.

THE INTRUDING PLANE WAS BELIEVED TO BE IRANIAN, ACCORDING TO  
SOURCES REACHED BY TELEPHONE IN THE EASTERN SAUDI ARABIAN PROVINCE.

THE DEFENCE MINISTRY STATEMENT INDICATED THAT U.S.-BUILT ADVANCE  
WARNING AND CONTROL SYSTEM (AWACS) PLANES DETECTED THE PLANE THE  
MOMENT IT CAME INTO SAUDI AIRSPACE.

MOMENTS LATER, THE STATEMENT SAID, INTERCEPTING JETFIGHTERS TOOK  
TO THE AIR, ENGAGED THE PLANE AND SHOT IT DOWN. THE STATEMENT DID NOT  
IDENTIFY THE PLANE.

THERE ARE FOUR U.S. AWACS JETS IN EASTERN SAUDI ARABIA, PILOTED  
BY AMERICANS AND SAUDI NAVIGATORS.

--

051600 JUN 84

IRAN/IRAQ

ADVANCE COPIES 18



PS  
PS/MR LUCE  
PS/PUS  
SIR J BULLARD  
SIR J LEAHY  
MR EGERTON  
HD/MED  
HD/NENAD  
HD/UND  
HD/CONS. D  
HD/CONS. EM UNIT  
HD/NEWS D  
HD/DEFENCE D

PS/No.10 DOWNING ST (2)

CABINET OFFICE D I O

RESIDENT CLERK

**IMMEDIATE**

**ADVANCE COPY**

*Prime Minister.*

*This would be significant.*

*F/C.O. are investigating.*

*A.S.C. 4/6.*

CONFIDENTIAL

FROM KUWAIT 041130Z JUN84

TO IMMEDIATE FCO

TELNO 218 OF 04 JUNE 84

AND TO IMMEDIATE MODUK

AND INFORMATION IMMEDIATE GULF POSTS, WASHINGTON, PARIS, BAGHDAD,  
TEHRAN.

**ATTACKS ON SHIPPING IN THE GULF.**

1. WE HAVE RECEIVED CONFIRMATION OF TODAY'S KUWAIT PRESS REPORTS THAT US NAVAL VESSELS HAVE BEGUN PROTECTING OIL TANKERS AND COMMERCIAL SHIPS IN THE GULF. KOTC HAVE TOLD US THAT THE TANKER RAS AL JALAI'A WAS ESCORTED BY TWO US NAVAL VESSELS FROM APPROXIMATELY 27 DEGREES NORTH TO JUST OFF BAHRAIN, FROM THERE TWO OTHER US VESSELS TOOK UP THE TASK ESCORTING THE TANKER TO NEAR ARABI ISLAND, ABOUT 140 MILES SOUTH OF KUWAIT. NO RADIO CONTACT WAS MADE AT ANY TIME.

2. ANOTHER KOTC TANKER, THE RAS AL BASHIR, WAS ESCORTED IN THE SAME MANNER, THOUGH THIS TIME THE US NAVAL VESSELS CAME SO CLOSE TO THE TANKER THAT THE SWEDISH MASTER WAS FORCED TO BREAK RADIO SILENCE IN ORDER TO PREVENT A COLLISION. THE MASTER DESCRIBED THE US ATTITUDE AS INSISTENT AND THREATENING.



DEPARTMENT OF TRANSPORT  
2 MARSHAM STREET LONDON SW1P 3EB

01-212 3434

John Prescott Esq MP  
House of Commons  
LONDON SW1A 0AA

24 May 1984

*Dear John*

Thank you for sending me a copy of your letter of 21 May to the Foreign Secretary about the dangers facing British seafarers in the Arabian Gulf. I share the concern you express for the safety of seafarers and have looked carefully at the points you made.

The Government views with serious concern the increase in attacks on shipping in the Gulf. We have made urgent protests to both Iraq and Iran to end hostilities as soon as possible and have reiterated our view that, in the meantime, freedom of navigation in the Gulf and through the Straits of Hormuz must be respected. But although the policies of the belligerents in their attacks on shipping are deplorable I do not think they go quite so wide as you describe them. There is always a large number of ships in the Gulf and I do not think it can be said that the belligerents have tried to attack every ship in that area.

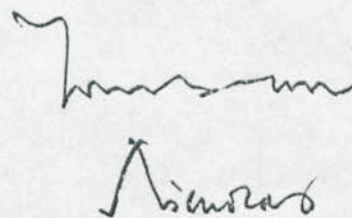
The Government does not have the power to issue directions to British shipping not to enter the Gulf. But it has watched the situation there closely ever since the beginning of hostilities in 1980, and has issued advice



and guidance through the General Council of British Shipping on the changing pattern of events: most recently yesterday. This assists owners in their assessment of the risks for both ships and crews involved in trading to the Gulf.

You said seafarers were liable to find themselves serving in the Gulf through no choice of their own. Where there are undoubted risks this would clearly be unsatisfactory. I have therefore been glad to learn that it is the practice of British owners to inform seamen when a voyage is likely to take them into the Gulf, and that they are free to avoid that area if they wish. I also understand that seamen are afforded an opportunity to leave a ship operating in the Gulf before that ship enters the war zone. I am told that, by agreement between the General Council of British Shipping and the seafarers' unions the area covered by the war zone was substantially extended on 17 May: and that it now begins a considerable distance from the area where the majority of attacks have taken place. The effect of this arrangement appears to be that seamen going into the war zone are volunteers, having the option to be replaced without affect to their careers. This is surely right.

My Department will continue to watch critically events in the Gulf and to assess their consequences for British shipping and will issue such further advice and guidance as the situation may demand.

A handwritten signature in dark ink, appearing to read 'Nicholas Ridley', with a stylized flourish above the name.

NICHOLAS RIDLEY

Following is the advice issued to shipping by HM Government on 23 May:

"The Iran/Iraq conflict continues to present a threat to shipping. A Panamanian vessel was sunk on 19 May, following an attack which took place near Kharg Island. This obviously underlines the heightened risks involved in operating in the Gulf. These risks are likely to persist. The Government therefore advises Masters and Owners to pay particular attention to this development before deciding to send their vessels into this area."



DEPARTMENT OF TRANSPORT  
2 MARSHAM STREET LONDON SW1P 3EB

01-212 3434

J Slater Esq  
President  
National Union of Seamen  
Maritime House  
Old Town  
Clapham  
LONDON SW4 OJP

24 May 1984

*Dear Mr Slater*

As I have responsibility within Government for shipping matters, the Foreign Secretary has passed to me your telex of 20 May in which you urge that British Masters be instructed not to proceed to the Gulf.

I fully appreciate the concern you express for the safety of your members. We have looked at the points you made very carefully. But the Government does not possess the legal powers to issue an instruction to British shipping of the kind you sought. I understand, however, that you have an agreement with the General Council of British Shipping which ensures that crew members are given the opportunity of leaving vessels before they enter a war risk area. In other words, British seamen are free agents to accept or decline to work on ships going to the zones of potential risk, and there is consequently no possibility of your members having to enter such zones against their will.

Let me assure you that the Government continues to watch very carefully developments in the Iran/Iraq conflict, and we shall continue to issue advice to the shipping industry as appropriate. Some further advice was issued yesterday. I have made arrangements for you to receive a copy.

Given public interest in the subject, I intend to make the contents of this letter public.

*Yours sincerely*  
*Nicholas Ridley*

NICHOLAS RIDLEY

HOUSE OF COMMONS

Mr Eddie Loyden (Lab - Liverpool, Garston):

To ask the Secretary of State for Transport, what steps he is taking to safeguard the lives of British seamen operating in the Persian Gulf.

MR NICHOLAS RIDLEY

The Government has watched the safety of navigation in the Arabian Gulf closely since the beginning of hostilities between Iraq and Iran in 1980; and has periodically issued guidance through the General Council of British Shipping to British shipowners on the changing pattern of events; most recently on 23 May in the terms set out below. Such advice helps those involved to assess the risks to vessels and their crews in the Gulf.

It is British shipowners' normal practice to inform their crews when a voyage will involve a passage within the Gulf, and afford seamen an opportunity to leave a ship if they wish before it enters the declared war zone.

The Government will continue to watch events in the Gulf critically, to assess their consequences for British shipping, and to issue further advice as the situation demands.

A British seaman will if necessary be able to call on the services of Consular officials in the usual way.

Following is the guidance issued on 23 May:-

"The Iran/Iraq conflict continues to present a threat to shipping. A Panamanian vessel was sunk on 19 May following an attack which took place near Kharg Island. This obviously underlines the heightened risks involved in operating in the Gulf. These risks are likely to persist. The Government therefore advises masters and owners to pay particular attention to this development before deciding to send their vessels into this area."

Iraq. Int Sit Pt 4.

05 JUN 1984





MO 26/9/15

*Await views of  
Foreign Secretary and then D. U.*

*AB 5/6*

FOREIGN AND COMMONWEALTH SECRETARY

YARROW SHIPS

I have seen the account of the further discussions with the Americans on the supply of these ships reported in telegram no 1618 of 23rd May. The main contract for supply of the ships has been signed, and this produces a tight limit on the completion of the vessels if financial penalties are to be avoided. We cannot therefore long delay a decision on whether we are to let the contracts run ahead and face the consequences of that politically and internationally or whether we are to suspend them or cancel them and tell the Iranians that this is the inevitable consequence of their attacks on international shipping in the Gulf.

2. The only overt reason we have for delay at present is that MOD have a Farsi version of the agreement under which the RN will exercise oversight of the completion of the vessels on behalf of the Iranians, and are checking it for accuracy. This excuse will become totally transparent within a matter of days. Further delay then can only mean that we have to tell the Iranians that their actions have caused us to reconsider our previous statements that completion of the vessels could go ahead subject to satisfactory renegotiation of the contracts. Such a course of action could bring substantial financial loss starting with the compensation payments which IMS would have to make under the contract for the £17.9M which the Iranians have already paid to IMS and their inevitable consequential claim against MOD for having imposed such a requirement on them. There would be a clear risk of further claims in respect of the value of the rest of the Yarrow contract, the spares contracts and the original tank contracts, together with damage to our wider commercial interests with Iran.





3. On the other hand, simply going ahead with the contracts and signing an agreement for RN oversight would cause obvious presentational problems at the present time. We have, of course, gone to great lengths to persuade the Americans and the Gulf States of the reasons for proceeding with the supply of the vessels: the facts that they would pose no threat to the forces of the Gulf States or Allied navies in a Gulf conflict and that, in any case, they will not be completed for three or four months and are not likely to be in Iranian hands until the end of the year at least. But there is no doubt that it will be difficult to persuade the Gulf States and the Americans that we are justified in completing the agreement with the Iranians and there could, of course, be implications for current sales prospects in the area.

4. The Iranians do not seem to be pressing us at all on the supply of tank spares (your minute of 10th April to the Prime Minister) and I think that this question can be left for the time being as it stands with the Iranians seeming to accept that we are taking a long time to comb through the long lists of spares to decide which are non lethal. On the Yarrow ships however I think that we need to decide very soon on what the next steps are. The news that the main contract has in fact been signed might in any case become known before long. My own instinct would be to proceed, but to spin out the process of delivery and completion for as long as we can. I should be grateful for your views.

5. I am copying this minute to the Prime Minister, our OD colleagues and to Sir Robert Armstrong.

*WJH*

Ministry of Defence

1st June 1984

IRAE : Int Sit Pt 4

File

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Andrew,

As discussed, a copy for  
your personal information  
and not for P.M. We may

30 May 1984 well put an  
up to date  
version in at  
the weekend.

MR REDWOOD

THE OIL MARKET

Press reports of a rapid build-up of stocks by oil companies and a virtual halt to tanker traffic through the Gulf are greatly exaggerated.

DP  
20/5

Spot Prices

The best indication of the market's lack of panic is given by the spot market. North Sea spot prices are at term levels while the Arabian light OPEC marker crude is trading at 60 cents per barrel below official prices. Although the increased tension in the Gulf has resulted in firmer prices than would otherwise have been the case, the market generally remains calm. Indeed, without the recent events in the Gulf we would be worrying about a potential price collapse.

Although the spot price would undoubtedly increase rapidly if the Straits of Hormuz were closed, there would be very little trading at the higher prices. The prospects for a rapid fall in prices will depend largely upon market perceptions rather than realities. These perceptions will be conditioned by the initial reactions of the UK Government, the IEA, other producing countries and the perceived willingness of consuming countries to draw on stocks. Provided that there are clear immediate statements of intent by all these parties, the market would expect the price to begin to fall and a closure of the Straits for even six months to be manageable.

The general feeling is that the Straits would only be closed for a short period of time. The market is generally reassured by the statements from President Reagan and is comforted by the 55-60 million barrels of oil which Saudi Arabia has in floating storage outside the Gulf.

Stocks

The trade figures for April do indicate a 5% increase in total UK stocks. On a wider scale, stock build-up in the IEA in April amounted to about 1%. However, the overall impression, confirmed by informal discussions with oil companies, is that the general approach is to refrain from reducing stocks further rather than a general policy to build up stocks. The companies have spent the last three years running down stocks in order to produce a better working capital position and they are reluctant to reverse this trend, except in response to events rather than expectations. Closure of the Straits of Hormuz has been

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billed many times before. The companies have made their contingency plans and remain generally relaxed.

Nevertheless, they are tending to buy further forward than normal with the emphasis on more secure sources of supply. However, this is only occurring for July oil and no company appears to be buying forward into August or September.

#### Traffic in the Gulf

There are conflicting reports about the extent to which the flow of tankers through the Gulf has been disrupted by recent events. Despite press reports that traffic is nearly at a standstill, information provided by posts and the companies seems to indicate that at a maximum traffic has been reduced by perhaps 20%. It is quite normal for there to be 30 tankers waiting outside the Gulf and press reports that this indicates an unwillingness to venture into the Gulf are misleading.

However, loadings at Kharg Island are significantly down. Estimates vary widely but the general impression is that between half to one million barrels per day were loaded last week compared with a normal level of 1.6 million barrels per day.

Conflicting information is also being received about loadings at Kuwait. Some posts indicate that these are proceeding normally whereas some company information indicates that loadings are perhaps down by as much as 50%. However, this is blamed more on insurance rates than on the risk of physical attack.

#### Fuel Oil Supplies

Oil burn is a vital part of the CEGB's endurance strategy. However, we would not expect the closure of the Straits of Hormuz to require a change in strategy. Continued supplies are likely to be a price rather than availability question and provided we are prepared to pay higher spot prices, we should be able to continue with 100% oil burn.

The CEGB are holding maximum oil stocks which amounts to about two weeks of oil burn. They are also buying forward on the spot market. It is important that the CEGB reduce their exposure to the spot market in the critical few weeks following any closure of the Straits.

UK stocks could meet CEGB demand for 20 weeks. There may be some problems in giving the CEGB priority on fuel oil stocks, particularly as they have only recently become a

large purchaser. Nevertheless, this should not present any major difficulties although we may come under international pressure to reduce oil burn. If the situation did become critical, we could always take wide-ranging powers under the Energy Act, 1976 to regulate supplies within the UK.

### Conclusions

The oil market remains calm and there are no signs of panic. Spot prices are not above term prices. There is a modest build-up in stocks and an increasing tendency to buy further forward.

Closer examination of the situation in the Gulf supports the generally relaxed attitude being taken by the companies. Traffic through the Gulf appears not to be significantly reduced although loadings at Kharg Island are down.

The market is confident that the Straits would only be closed for a short period. However, it is equally relaxed that closure of up to six months would be manageable.

Although it is possible that the oil companies and the market is complacent, we are generally reassured by the attitude which they are adopting. If the Straits were closed, the immediate reaction of all parties concerned will be crucial in ensuring that price and the supply remains under control. Perceptions rather than realities will be determining. Although the spot price will undoubtedly jump if a crisis occurs, prompt response and reassuring statements by all concerned should ensure that high prices last for only a relatively short time.

DLP.

DAVID PASCALL



MR COLLES ✓

MR 20/5.

10 DOWNING STREET

*From the Private Secretary*

30 May 1984

*Dear Peter,*

Your Secretary of State had a telephone conversation with the Prime Minister at Chequers during the evening of Sunday 27 May, on his return from Salon de Provence. I gave Len Appleyard an oral account of the conversation immediately afterwards.

The Foreign Secretary raised three points. The first related to Hong Kong, and has been pursued separately. Secondly, there was a discussion about merchant shipping in the Gulf. The Prime Minister asked for a report on the presence of British merchant ships in the area, and this was provided on the following day, Monday 28 May.

The third point to be discussed was the possibility of a UN naval force to help keep the peace in the Gulf. The Foreign Secretary asked whether the Prime Minister thought that this was an idea worth pursuing. The Prime Minister's view was that it was not. She said that such a force would be in an impossible position, without a clear command structure and unable to intervene. She would be most reluctant for the Royal Navy to play any part.

I am sending a copy of this letter to Richard Mottram (Ministry of Defence).

*Yours ever,  
David*

David Barclay

Peter Ricketts, Esq.,  
Foreign and Commonwealth Office.

GRSUSO  
CONFIDENTIAL

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*ms*

FM WASHINGTON 300235Z MAY, 1984  
TO PRIORITY F C O  
TELEGRAM NUMBER 1670 OF 29 MAY  
INFO BAGHDAD, JEDDA, KUWAIT, TEHRAN, TOKYO, UKMIS NEW YORK, UKDEL  
NATO AND MODUK (DS II).

SECRETARY OF STATE'S MEETING WITH SECRETARY WEINBERGER: GULF

1. THE SITUATION IN THE GULF WAS THE FIRST SUBJECT DISCUSSED AT THE SECRETARY OF STATE'S MEETING WITH WEINBERGER AT 0930 ON 29 MAY.

2. WEINBERGER REFERRED TO THE US SUPPLY OF STINGER MISSILES TO SAUDI ARABIA. WITH THEIR AIR DEFENCE CAPABILITY ENHANCED, THE SAUDIS BELIEVED THAT THEY COULD HOLD THEIR OWN. CONTAINING THE SPREAD OF THE WAR WAS IMPORTANT. BUT THE US ADMINISTRATION SAW LITTLE CHANCE OF ITS ENDING SOON. WITH THEIR OVERWHELMING NUMBERS, AND UNCONCERN ABOUT CASUALTIES, THE IRANIANS MIGHT BE PREPARED TO PLOUGH ON FOR SOME CONSIDERABLE TIME, AND INDEED PERHAPS UNTIL THERE WAS A CHANGE OF GOVERNMENT IN TEHRAN. FOR STRATEGIC, POLITICAL AND ECONOMIC REASONS THE US WOULD LIKE TO GET ALONGSIDE THE GOVERNMENT IN TEHRAN, BUT JUDGED THAT OVERTURES TO KHOMEINI WOULD BE POINTLESS.

3. THE SECRETARY OF STATE SAID THAT WE TOO SAW LITTLE HOPE OF AN EARLY END TO THE WAR: AND DISADVANTAGES FOR THE WEST IN A WIN FOR EITHER SIDE: THE BEST OUTCOME WOULD BE A DRAW. CONCEIVABLY, OF COURSE, THE FAILURE OF ANOTHER OFFENSIVE ON THE GROUND MIGHT CAUSE TEHRAN TO CHANGE ITS TUNE, BUT THE ODDS WERE AGAINST THIS.

4. WEINBERGER STRESSED THE IMPORTANCE OF DRYING UP ARMS SUPPLIES TO IRAN. THE SECRETARY OF STATE SAID THAT WE HAD CLOSED DOWN UK SUPPLIES LONG SINCE: THERE HAD BEEN LESS THAN POUNDS STERLING 20 MILLION OF SALES OF UK-MANUFACTURED EQUIPMENT IN THE LAST FOUR YEARS, AND THAT INCLUDED CIVIL AERO-ENGINES. ARAB LEAGUE SPOKESMEN, HOWEVER, ALLEGED THAT SOME US-MANUFACTURED KIT WAS STILL GETTING THROUGH. WEINBERGER SAID THAT THIS MUST BE EX-VIETNAM SUPPLIES, COMING THROUGH THIRD PARTIES, AND ENQUIRED ABOUT UK-BUILT NAVAL VESSELS FOR IRAN. THE SECRETARY OF STATE SAID THAT BOTH THE KHARG AND THE TWO SMALLER SUPPORT CRAFT WERE VERY LONGSTANDING ORDERS, ON WHICH WE HAD HELD BACK FOR A CONSIDERABLE TIME: THEY HAD NO MILITARY SIGNIFICANCE.

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5. WEINBERGER THEN REFERRED TO US/UK CONTINGENCY PLANNING. IT WAS IMPORTANT TO GET IN A POSITION WHERE WE COULD BOTH RESPOND POSITIVELY, IF WE SO WISHED, TO A PUBLIC REQUEST, WERE ONE EVENTUALLY FORTHCOMING, FROM THE SAUDIS FOR MILITARY INTERVENTION. NATO SHOULD ALSO CONSIDER THE IMPACT ON THE ALLIANCE IF GULF OIL SUPPLIES WERE TO DRY UP. AND THE PRESENT JAPANESE GOVERNMENT MIGHT BE PREPARED TO PLAN MORE ACTIVELY HOW BEST TO RESPOND TO AN INTERRUPTION OF OIL SUPPLIES.

6. THE SECRETARY OF STATE AGREED THAT THE JAPANESE HAD A GREATER INTEREST IN THE QUESTION THAN DID MOST COUNTRIES. AS FOR THE UK/US TALKS, HE STRESSED THAT THEY HAD BEEN CONDUCTED ENTIRELY WITHOUT COMMITMENT ON OUR SIDE. WEINBERGER SAID THAT THIS WAS UNDERSTOOD. THE TALKS HAD NEVERTHELESS BEEN VALUABLE.

7. FOR DISCUSSION ON NON-GULF SUBJECTS, SEE MIFT: NOT TO ALL.

WRIGHT

THIS TELEGRAM  
WAS NOT  
ADVANCED

IRAN/IRAQ

STANDARD(PALACE)

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CONS EM UNIT

DEFENCE D

MR EGERTON

CABINET OFFICE

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IRAN/IRAQ

2  
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Foreign and Commonwealth Office

London SW1A 2AH

From The Minister of State

29 May 1984

Richard Luce MP

*The Prime Minister has  
already agreed.*

*Dear Prime Minister,*

*A.S.C. 20  
5  
f.a.*

DEPLOYMENT OF THE MCM FORCE IN THE MEDITERRANEAN

In Sir G Howe's absence in Washington I am commenting on the Defence Secretary's minute of 24 May recommending that we approach the Italian Government requesting facilities for our MCM Force at a suitable base in Southern Italy or Sicily.

At a time when the situation in the Gulf is giving cause for considerable concern, the use of facilities in Italy, rather than others somewhat closer in the Eastern Mediterranean, is not ideal. I note, however, that the facilities at Akrotiri in the Sovereign Base Areas are unsuitable, that difficulties attach to other possibilities in the area and that the intention would in any case be for the main elements of the Force to spend much of their time on exercise and visits in the Eastern Mediterranean. In view of these considerations I agree that we should approach the Italians as the Defence Secretary recommends.

Our Ambassador in Rome is aware of this possibility and has stressed the importance of presenting our request carefully to the Italian authorities. He has indicated that he will wish in the first instance to pursue the matter with the Defence Minister, Signor Spadolini. It is important therefore that the first approach to the Italians should be through our Ambassador. FCO and MOD officials are in touch over an appropriate telegram of instructions.

Finally, I agree that the future of the Force might be reviewed at the end of August unless of course events in the Gulf make this necessary before then.

The Prime Minister  
No 10  
Downing Street  
LONDON SW1

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Copied to:-

The Rt Hon Michael Heseltine MP  
Secretary of State for Defence  
Ministry of Defence  
Main Building  
Whitehall  
LONDON SW1A 2HB

The Rt Hon Norman Tebbit MP  
Secretary of State for Trade and Industry  
1 Victoria Street  
LONDON SW1H 0ET

The Rt Hon Peter Walker MP  
Secretary of State for Energy  
Department of Energy  
Thames House South  
Millbank  
LONDON SW1P 4QJ

The Rt Hon Nicholas Ridley MP  
Secretary of State for Transport  
Department of Transport  
2 Marsham Street  
LONDON SW1P 3EB

Sir Robert Armstrong GCB CVO  
Secretary of the Cabinet  
Cabinet Office  
70 Whitehall  
LONDON SW1A 2AS

IRAQ : Mt. Sul : Pt 4



30 MAY 1950

PS  
PS/MR LUCE  
PS/PUS  
SIR J BULLARD  
SIR J LEAHY  
MR EGERTON  
HD/MED  
HD/NENAD  
HD/UND  
HD/CONS. D  
HD/CONS. EM UNIT  
HD/NEWS D  
HD/DEFENCE D  
RESIDENT CLERK

PS/No.10 DOWNING ST (2) ✓

CABINET OFFICE D I O



PP THE HAGUE

PP UKREP BRUSSELS

GR 900

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FM WASHINGTON 290345Z MAY 84

TO IMMEDIATE FCO

TELEGRAM NUMBER 1651 OF 28 MAY

INFO IMMEDIATE UKMIS NEW YORK, PARIS, BONN, PRIORITY OTHER EC POSTS

FOLLOWING FROM PRIVATE SECRETARY

SECRETARY OF STATE'S DINNER WITH SHULTZ: GULF

1. DURING HIS BILATERAL DINNER WITH SHULTZ THIS EVENING, THE SECRETARY OF STATE SAID HE THOUGHT THAT THE US/UK BILATERAL DISCUSSIONS WHICH HAD TAKEN PLACE ON POSSIBLE CONTINGENCIES IN THE GULF HAD BEEN USEFUL. HIS IMPRESSION WAS THAT OUR APPROACH TO THE BASIC ISSUES WAS NOW VERY SIMILAR. HE REFERRED TO THE DISCUSSION BETWEEN EC FOREIGN MINISTERS OVER THE WEEKEND, WHICH HAD CONCLUDED THAT FROM THE ECONOMIC POINT OF VIEW IT WAS FORTUNATE THAT THE RECENT ESCALATION IN THE WAR HAD TAKEN PLACE WHEN THE OIL MARKET WAS RELATIVELY CALM. BUT IT WAS DIFFICULT TO SEE WHAT COULD BE DONE TO BRING THE WAR TO AN END. HIS OWN CONCLUSION WAS THAT WE HAD LITTLE CHOICE BUT TO LET IT RUN ITS COURSE, IN THE MEANTIME TAKING EVERY OPPORTUNITY TO USE AVAILABLE DIPLOMATIC LEVERAGE TO TRY TO KEEP IT IN CHECK.

2. SHULTZ WELCOMED THE BILATERAL CONSULTATIONS WE HAD HAD. HE SHARED THE SECRETARY OF STATE'S JUDGEMENT THAT OUR VIEWS HAD COME CLOSER TOGETHER THAN THEY HAD BEEN AT THE START. THE SITUATION IN THE WAR SEEMED TO BE ONE OF STALEMATE. THE IRANIANS MIGHT TRY TO BREAK THE STALEMATE BUT IF THEY DID HE FEARED THE IRAQIS MIGHT MAKE FURTHER USE OF CHEMICAL WEAPONS. THIS WOULD BE A CALAMITY. IT WOULD BE AN EVEN GREATER CALAMITY IF IT SUCCEEDED.



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3. SHULTZ WENT ON TO SAY THAT WHAT SEEMED TO BE HAPPENING NOW WAS THAT BOTH THE BELLIGERENTS WERE GOING OUTSIDE THE BOUNDARIES OF THEIR OWN WAR. IRAQ WAS TRYING TO INVOLVE OTHERS. THE US DEPLORED THE ATTACKS THE IRAQIS WERE MAKING ON NEUTRAL SHIPPING BUT IT WAS HARD TO IMAGINE THAT THE IRANIANS WOULD NOT CONTINUE TO RETALIATE.

4. SHULTZ WAS SCEPTICAL ABOUT THE LIKELY EFFECTIVENESS OF A UN SECURITY COUNCIL RESOLUTION. HE SAID WE COULD NOT HIDE FROM THE FACT THAT THE WAR WAS ESCALATING. THE QUESTION WAS WHAT COULD BE DONE ABOUT IT. THERE WAS ALREADY SOME DEGREE OF US INVOLVEMENT. THE AWACS AIRCRAFT WERE CARRYING OUT 24 HOUR MONITORING AND THE SAUDI AIR FORCE HAD ALREADY SCRAMBLED TWICE. THIS EXPOSED THE US TO CONSIDERABLE RISK. THE IRANIANS TREATED ANYONE WHO WAS HELPING THE IRAQIS AS THE ENEMY. THEY WOULD KNOW OF THE AWACS PATROLS OVER SAUDI TERRITORY. THEY WOULD KNOW OF THE PRESENCE OF US SHIPS AND HAD NOTED US STATEMENTS IN OPPOSITION TO ANY ATTEMPTS TO CLOSE THE STRAITS. THE AMERICANS HAD A LOT OF CARDS ON THE TABLE AND SHULTZ FELT THERE WAS A CONSIDERABLE POSSIBILITY THAT THEY WOULD GET CALLED. THIS WAS A VERY DANGEROUS SITUATION AND IT WAS EXTREMELY IMPORTANT THAT WE SHOULD ACT IN CONCERT.

5. THE SECRETARY OF STATE STRESSED THAT THE BILATERAL DISCUSSIONS WE HAD HELD WERE VERY MUCH ON A CONTINGENCY BASIS AND THEIR RESULTS WERE SUBJECT TO FURTHER MINISTERIAL CONSIDERATION IN LONDON. THE IMPLICATIONS OF BECOMING DRAWN INTO THE CONFLICT NEEDED VERY CAREFUL CONSIDERATION. THE IRANIAN ATTACKS ON SHIPPING WERE ALREADY HAVING SOME EFFECT. SOME OF THAT EFFECT WAS DAMAGING TO IRAN AND THEY MIGHT COME TO RECOGNISE THIS. HE ASKED HOW SHULTZ SAW THE SITUATION IN TEHRAN.

6. SHULTZ REPLIED THAT THERE SEEMED TO BE CONFLICTING CURRENTS BUT HE DID NOT YET KNOW WHAT TO MAKE OF THEM. HE HAD RECENTLY DISCUSSED THE PROBLEM WITH YAKOUB KHAN WHO DID NOT CLAIM TO HAVE ANY BETTER UNDERSTANDING.

7. SHULTZ WENT ON THAT WE OUGHT TO DISCUSS WHAT SHOULD BE DONE IN THE EVENT THAT THE IRANIANS ATTACK US AIRCRAFT OR SHIPS. IN SUCH CIRCUMSTANCES THERE WOULD BE LITTLE TIME TO CONSULT. US COMMANDERS WOULD ACT ON THE BASIS OF THEIR RULES OF ENGAGEMENT. THE SECRETARY OF STATE AGREED THAT WE NEEDED TO BE EXTREMELY CLEAR ON RULES OF ENGAGEMENT. IN THE LEBANON THERE HAD BEEN DIFFERENCES OVER THIS. HE HAD NOT YET HAD THE CHANCE TO LOOK AT THE RESULTS OF THE US/UK MILITARY/MILITARY TALKS ON THIS. HE SUGGESTED THAT HE AND SHULTZ SHOULD DISCUSS THIS ASPECT FURTHER WHEN THEY MET IN LONDON IN THE MARGINS OF THE ECONOMIC SUMMIT. SHULTZ AGREED, ADDING THAT THE SITUATION WAS SERIOUS AND COULD GET WORSE. IT WOULD BE IMPORTANT TO KEEP COOL HEADS. BUT IF, AFTER AN ATTACK, TOO MUCH TIME WAS ALLOWED TO PASS BEFORE THERE WAS A REACTION, THE MOMENT TO DO SOMETHING EFFECTIVE COULD BE LOST.

8. GRATEFUL IF HASKELL WOULD AUTHORISE FURTHER REPITITIONS AS HE THINKS APPROPRIATE.

WRIGHT

IRAN/IRAQ

ADVANCE COPIES 28

23

PS (6)  
PS/MR LUCE  
~~PS/PUS~~

IMMEDIATE

PS/No.10 DOWNING ST (2)

CABINET OFFICE D I O

SIR J BULLARD  
SIR J LEAHY  
MR EGERTON  
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RESIDENT CLERK

GR 330

CONFIDENTIAL

FM WASHINGTON 281655Z MAY 84

TO IMMEDIATE FCO

TELNO 1648 OF 28 MAY

INFO IMMEDIATE BAGHDAD, TEHRAN, JEDDA, GULF POSTS, MODUK (DS11 AND DROW), PRIORITY UKMIS NEW YORK, UKDEL NATO, PARIS, AMMAN, TEL AVIV, ROUTINE CAIRO, DAMASCUS, BEIRUT.

MY TELNO 1640: THE GULF: U.S. POLICY.

SUMMARY.

1. THE PRESIDENT HAS DECIDED TO SEND 400 STINGER MISSILES AND 200 LAUNCHERS TO SAUDI ARABIA WITHIN THE NEXT FEW DAYS. A SMALL US ARMY TEAM WILL TRAIN THE SAUDIS IN THEIR USE. ONE USAF KC-10 TANKER AIRCRAFT HAS BEEN DEPLOYED TO SAUDI ARABIA.

DETAIL.

2. PLACKE AND KANTER (STATE DEPARTMENT) HAVE CONFIRMED TO US THAT, AS IS REPORTED IN TODAY'S NEW YORK TIMES, THE PRESIDENT HAS DECIDED TO SEND 400 STINGER MISSILES AND 200 LAUNCHERS TO SAUDI ARABIA WITHIN THE NEXT FEW DAYS, USING HIS EMERGENCY POWERS TO WAIVE THE REQUIREMENT THAT CONGRESS SHOULD HAVE 30 DAYS TO CONSIDER SUCH SALES. A FORMAL ANNOUNCEMENT WILL PROBABLY BE MADE ON 29 MAY. A US ARMY TEAM OF 20-30 SPECIALISTS WILL TRAIN THE SAUDIS TO USE THE STINGER.

3. THE STATE DEPARTMENT SAY THAT THE DECISION TO INCREASE THE NUMBER OF STINGERS TO BE DELIVERED IMMEDIATELY WAS TAKEN AFTER A US REASSESSMENT OF SAUDI REQUIRMENTS, NOT IN RESPONSE TO SAUDI PRESSURE. THEY WILL ALSO HAVE WANTED TO ENSURE THAT THE SAUDIS' IMMEDIATE NEEDS WERE MET, WITHOUT THAT BEING DEPENDENT ON CONGRESSIONAL APPROVAL: ACCORDING TO THE MEDIA THE ISRAELI CABINET AND LEADING MEMBERS OF THE US/JEWISH LOBBY HAVE EXPRESSED STRONG OPPOSITION TO THIS SALE.

4. KANTER ALSO CONFIRMED THAT, IN RESPONSE TO A SAUDI REQUEST, ONE USAF KC-10 TANKER AIRCRAFT HAD BEEN DEPLOYED TO SAUDI ARABIA. THIS WOULD BE USED AS NECESSARY IN SUPPORT OF THE US AWACS AND THE SAUDI AIR FORCE F-15S.

WRIGHT

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CONFIDENTIAL

DESMBT 281700Z

FM FCO 281500Z MAY 84

TO IMMEDIATE WASHINGTON

TELEGRAM NUMBER

AND INFO PRIORITY UKMIS NEW YORK, GULF POSTS, BAGHDAD, TEHRAN,  
PARIS, BONN, ISLAMABAD, CAIRO, NEW DELHI, STOCKHOLM, ANKARA,  
AMMAN, TOKYO, SEOUL, UKDEL NATO

FOR SECRETARY OF STATE'S PARTY FROM MAED/MED

IRAN/IRAQ: ATTACKS ON SHIPPING SITREP

1. There have been no reports of further attacks on shipping since 25 May when Iraq claimed to have hit six ships near Bandar Khomeini. The level of shipping movements through the Straits of Hormuz has not altered significantly in recent weeks. The London offices of BP and Shell confirm that they are continuing with normal trading, but they are not going to Kharg. Shell say that there is currently a natural downturn in the level of their operation.
2. General Council of British Shipping sources indicate that there are currently ten UK registered ships in the Gulf. These are mainly located in the South, but one OCL cargo ship is reported to be heading for Kuwait. There are reports

of

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Iran/Iraq standard

Additional dist Iran/Iraq

PS

PS/Mr Luce

PS/No 10

PS/Mr Heseltine

PS/Mr Walker

S/Chancellor of Exchequer

PS/Mr Tebbit PS/Mr Ridley

CONFIDENTIAL

IMMEDIATE

DESKBY 281700Z

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1 <<<<

2 of a few crewmen refusing to proceed North of Ras Tanura, but  
3 these have been replaced by volunteers flown out from the UK,  
4 apparently attracted by substantial bonuses.

5 Begin underlining Diplomatic Activity end underlining

6 3. On the diplomatic front Kuwait, Bahrain and Saudi Arabia  
7 have been active over the week end lobbying for UK support for  
8 a Security Council resolution which clearly condemns Iran.

9 In the case of Saudi Arabia, the Foreign Minister (Jedda telno  
10 268) has written to the Secretary of State emphasising the  
11 need to differentiate between Iranian attacks on Kuwaiti and  
12 Saudi vessels and Iraq's operations in quote the zone of the  
13 war unquote. Initial soundings of the non-aligned states  
14 suggest that at least some (eg Egypt and Pakistan) will be press-  
15 ing for a more balanced resolution on the grounds that one-  
16 sided condemnation of Iran will achieve nothing. For their  
17 part, the Iraqis issued a communique (on 27 May) making it clear  
18 that they will strongly resist any attempts to put them on the  
19 same footing as Iran in the Security Council discussions. The  
20 Iraqis argue that their attacks on shipping are in retaliation  
21 for Iran denying them use of their own Gulf ports, and for  
22 Iranian insistence on continuing with the land war.

23 4. The support, or lack of it, for the Arab position will  
24 become apparent when the Security Council resumes the debate  
25 on 29 May. HM Representative in New York has been told to  
26 maintain a low profile, and he has confirmed that no fresh  
27 instructions are required for that meeting.

28 HOWE

29 NNNN



GRS 180

UNCLASSIFIED

FM TEHRAN

TO PRIORITY FCO

TELNO 301 OF 27 MAY 1984

INFO PRIORITY MODUK (DI4), BAGHDAD, GULF POSTS, DAMASCUS, WASHINGTON, UKMIS NEW YORK, PARIS, TUNIS, CAIRO, ALGIERS.

L

SAVING TO UKDEL NATO, UKREP BRUSSELS, UKDEL OECD.

MY TELNO 294 : IRAN/IRAQ - VISIT OF SYRIAN VICE-PRESIDENT TO IRAN.

1. KHADDAM LEFT TEHRAN ON 24 MAY. STATEMENTS BY HIMSELF AND THE IRANIAN FOREIGN MINISTER INDICATED AN IDENTITY OF VIEW OVER THE NEED TO PREVENT EXPANSION OF THE CONFLICT BUT MADE CLEAR THAT SYRIA WAS NOT ATTEMPTING TO MEDIATE FOR AN END TO THE WAR AS A WHOLE.

2. KHADDAM WAS QUOTED AS SAYING THAT BAGHDAD'S RECENT ATTACKS AGAINST TANKERS AND OTHER VESSELS HAD AGGRAVATED THE SITUATION IN THE REGION. THE IRANIAN FOREIGN MINISTER SAID THAT THE SYRIAN DELEGATION HAD REAFFIRMED SYRIA'S SUPPORT FOR IRAN AND WHAT HE CALLED IRAN'S LEGITIMATE DEFENSIVE WAR AGAINST SADDAM'S POLITICAL SYSTEM.

3. RAFSANJANI HAS TOLD A PRESS CONFERENCE THAT KHADDAM VISITED IRAN AT THE WRITTEN REQUEST OF PRINCE FAHD, IN ORDER TO INFORM HIMSELF OF IRAN'S ATTITUDE AND WHETHER IRAN INTENDED TO EXPAND THE WAR IN A MANNER TO ENGULF SAUDI ARABIA AS WELL. THE IRANIAN ANSWER HAD BEEN A DEFINITE NO. IRAN WOULD LEAVE SAUDI ARABIA ALONE PROVIDED THAT IT CONDEMNED THE BAGHDAD REGIME IN RELATION TO THE WAR AND REMOVED ITSELF FROM THE SCENE OF ACTION.

4. MY TUR, PARA 3 LINE 3 SHOULD READ 'SOME OF IT AT A DISCOUNT AND SOME FOR FREE, AND THE RE-SCHEDULING .....

FCO PASS SAVING UKDEL ~~NATO~~, UKREP ~~BRUSSELS~~, UKDEL ~~OECD~~.

SIMPSON-ORLEBAR

IRAN/IRAQ

STANDARD(PALACE)

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MR EGERTON  
CABINET OFFICE

ADDITIONAL DISTRIBUTION  
IRAN/IRAQ



Note: DTP have  
now replied,  
covering this point,  
so no further  
action is required.

10 DOWNING STREET

Ans  
29/5

MR PRESCOTT MP.

Phoned to lodge a protest with No 10 about the situation in the Gulf + the fact that Seamen are being pressganged into war. He said ships are soft options for warring parties. He has written to FES + SST/Tran, but has had no replies yet. He feels British should do the same as Japanese and tell their

ships not to go near  
the Gulf

Duty Clerk

26.5.84.

No 10

ms

FOSDE 012/26

OO UKDEL SALON DE PROVINCE

GRS 293

CONFIDENTIAL

FM F C O 261230Z MAY 84

TO IMMEDIATE SALON DE PROVENCE (FOR SECRETARY OF STATE'S PARTY)

TELEGRAM NUMBER 18 OF 26 MAY 84

INFO IMMEDIATE UKMIS NEW YORK, WASHINGTON, GULF POSTS, BAGHDAD, TEHRAN, PARIS, BONN, ISLAMABAD, CAIRO, NEW DELHI, STOCKHOLM, ANKARA, AMMAN, TOKYO, SEOUL, UKDEL NATO.

IRAN/IRAQ: ATTACKS ON GULF SHIPPING: SITREP

1. NO FURTHER REPORTS OF ATTACKS ON SHIPPING IN THE GULF SINCE THE IRAQI CLAIM (STILL UNCONFIRMED) TO HAVE HIT SIX SHIPS NEAR BANDAR KHOMEINI ON 25 MAY.

2. THE UN SECURITY COUNCIL DEBATE HAS BEEN ADJOURNED UNTIL TUESDAY 29 MAY. THE GCC WILL BE CONSIDERING WHAT AMENDMENTS WILL BE NECESSARY TO MAKE THEIR DRAFT ACCEPTABLE TO THE NON-ALIGNED (UKMIS NEW YORK TELNOS, 545 AND 546). UKMIS DO NOT (NOT) REQUIRE FRESH INSTRUCTIONS.

3. UNCONFIRMED REPORT THAT THE JAPANESE WILL STOP SENDING THEIR OWN TANKERS TO KUWAIT AND NORTHERN SAUDI PORTS AS WELL AS TO KHARG.

4. LLOYD'S HAVE INCREASED WAR RISK INSURANCE PREMIUMS PAYABLE ON VESSELS TRAVELLING TO KHARG ISLAND AND BUSHIRE FROM 2 PER CENT TO 7 AND A HALF PER CENT. SHAIKH YAMANI SUGGESTED ON 25 MAY THAT LLOYD'S MIGHT EFFECTIVELY CLOSE THE STRAITS OF HORMUZ BY CANCELLING INSURANCE COVER, BUT MR. STEPHEN MERRETT, A LLOYD'S COUNCIL MEMBER, HAS DENIED THIS, SAYING THAT IN PRACTICE THERE WAS NO POSSIBILITY OF INSURANCE NOT BEING AVAILABLE FOR SHIPMENTS TO AND FROM GULF POSTS. THE WAR RISK PREMIUM FOR ARAB POSTS STILL AT 0.25 PER CENT OF HULL VALUES. EARLIER IN THE WEEK YAMANI TOLD DAVIGNON IN BRUSSELS THAT THE GULF STATES MIGHT THEMSELVES TAKE RESPONSIBILITY FOR SHIPPING OIL OUT OF THE GULF EITHER BY ARRANGING FOR THEIR TANKERS TO CARRY OIL AND TRANSFER IT TO OTHER TANKERS OUTSIDE THE GULF OR BY TAKING ON THE INSURANCE COSTS FOR TANKERS FROM PURCHASING COMPANIES.

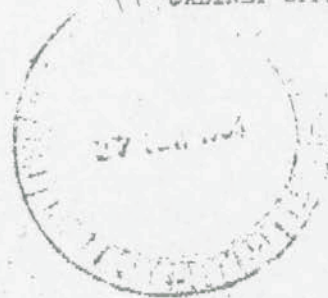
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DD FIRST CONTACT MUSCAT

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DESKBY 270930Z  
FM UKDEL SALON DE PROVENCE 262330Z MAY 84  
TO IMMEDIATE F C O  
TELEGRAM NUMBER 3 OF 26 MAY  
INFO IMMEDIATE GULF POSTS (DESKBY FIRST CONTACT)

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ADVANCE COPY

FOLLOWING FROM UKDEL SALON DE PROVENCE

INFORMAL FOREIGN MINISTERS MEETING, 25-27 MAY: GULF WAR

1. CHEYSSON INTRODUCED DISCUSSION OF THIS SUBJECT, ARGUING THAT ALTHOUGH THE IRAN/IRAQ CONFLICT HAD ENTERED A NEW DIMENSION, RECENT DEVELOPMENTS HAD TO BE KEPT IN PROPORTION. OIL WAS STILL FLOWING THROUGH THE STRAITS OF HORMUZ IN SIGNIFICANT QUANTITIES, AND SO FAR, THERE HAD ONLY BEEN A NEGLIGIBLE IMPACT ON THE OIL MARKET.

2. THE SITUATION WAS NEVERTHELESS WORRYING. HOW SHOULD THE WEST REACT? THE US APPEARED TO BE MOVING INCREASINGLY TOWARDS WHAT HAD CALLED A STRATEGIC CONSENSUS, WHICH CHEYSSON INTERPRETED AS THE ESTABLISHMENT OF US BASES IN THE GULF. THE GCC STATES WERE NOT KEEN, BELIEVING THAT THE REAL THREAT TO THEIR STABILITY CAME NOT FROM THE IRANIAN MILITARY BUT FROM DOMESTIC POLITICAL UPEHAVAL. INTERNATIONALISING THE CONFLICT TO THE EXTENT OF BRINGING IN FOREIGN WARSHIPS AND AIRCRAFT COULD MAKE MATTERS WORSE NOT BETTER.

3. CHEYSSON OBSERVED THAT THE TWO COMMUNITY COUNTRIES CAPABLE OF TAKING A MILITARY STAND - BRITAIN AND FRANCE - HAD SO FAR ACTED WITH EXTREME CAUTION. HE BELIEVED THAT RESOLUTION 540, WHICH HAD THE MERIT OF BEING SUPPORTED BY BOTH THE US AND THE SOVIET UNION, COULD YET SERVE A PURPOSE. IT WAS UNREALISTIC OF THE GULF STATES TO SEEK A NEW RESOLUTION DEALING ONLY WITH THEIR SHIPPING INTERESTS, NOT THE WAR ITSELF.

4. THE SECRETARY OF STATE SAID THAT THE WEST'S OBJECTIVE WAS TO BRING THE WAR TO AN END WITHOUT MAJOR DESTABILISATION - HE TO SEE AN EFFECTIVE DRAW. THE RELATIVE TRANQUILITY OF THE OIL MARKET MEANT THAT THERE WAS NO NEED FOR PANIC MEASURES. THE GULF STATES WERE NOT PRESSING FOR FOREIGN INTERVENTION. WHAT WAS NEEDED, THEREFORE, WAS CALM DIPLOMACY IN WHICH PROVOCATION OF EITHER SIDE OR OF THE SOVIET UNION, WAS AVOIDED. THE MILITARY AND POLITICAL COMMITMENT OF THE TWO BELLIGERENTS LEFT EUROPE WITH LITTLE CHOICE BUT TO LEAVE THE WAR TO RUN ITS COURSE.

5. CHEYSSON WHOLEHEARTEDLY AGREED. THE IRAQIS HAD COMMITTED AN ACT OF STUPIDITY BY INTRODUCING CHEMICAL WEAPONS INTO THE CONFLICT, THEREBY STRENGTHENING THE IRANIS' MORAL POSITION. BUT IT SHOULD BE REMEMBERED THAT THE IRAQIS HAD TAKEN THIS STEP TO DEMONSTRATE THAT THEY WERE PREPARED TO GO TO ANY LENGTHS NOT TO LOSE THE WAR.

6. CHEYSSON WENT ON TO ARGUE THAT IRAQ WAS NOW SEEN AS A SYMBOL OF ARAB RESPONSE TO THE LATEST OF A SERIES OF FUNDAMENTALIST REVOLUTIONS WHICH HAD OVER THE CENTURIES THREATENED THE ARAB REGIMES OF THE REGION. MANY ARAB STATES LOATHED SADDAM HUSSEIN BUT RECOGNISED THE FORCE OF THIS ARGUMENT.

7. GENSCHER URGED THE UTMOST CAUTION. THE IRANIAN WAR EFFORT WAS AN EXTENSION OF IRAN'S INTERNAL REVOLUTION WHICH, CONTRARY TO IRAQI EXPECTATIONS, HAD NOT WEAKENED BUT STRENGTHENED THE NATIONAL RESOLVE. THERE WAS AN ELEMENT OF IRRATIONALITY IN IRANIAN ATTITUDES. ANY SUGGESTION THAT OUTSIDE COUNTRIES WERE INVOLVING THEMSELVES IN THE CONFLICT COULD PROVOKE FURTHER FANATICAL ACTS SIMILAR TO THE BEIRUT LORRY BOMB.

8. HARALAMBOPULOS (GREECE) SUGGESTED THAT STOPPING ARMS SALES AND IMPORTING ECONOMIC SANCTIONS ON IRAN MIGHT BE THE MOST EFFECTIVE

B. HARALAMPOPOULOS (GREECE) SUGGESTED THAT STOPPING ARMS SALES AND IMPOSING ECONOMIC SANCTIONS ON IRAN MIGHT BE THE MOST EFFECTIVE WAY OF SECURING THE DESIRED RESULT WHICH EUROPE WISHED TO SEE. CHEYSSON DISMISSED THESE ARGUMENTS, CLAIMING THAT THE IRAQIANS WOULD ALWAYS FIND THE ARMS THEY NEEDED AND CUSTOMERS FOR THEIR OIL. HE SAW NO ALTERNATIVE TO THE SECRETARY OF STATE'S CONCLUSION THAT THE WAR WOULD HAVE TO RUN ITS COURSE.

HOWE

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MIDDLE EAST: ADVANCE COPIES 422

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CONFIDENTIAL

FM WASHINGTON 252330Z MAY, 1984

TO IMMEDIATE F C O

TELEGRAM NUMBER 1640 OF 25 MAY

INFO IMMEDIATE UKDEL SALON DE PROVENCE, (FOR SECRETARY OF STATE'S PARTY) BAGHDAD, TEHRAN, JEDDA, OTHER GULF POSTS, PRIORITY UKMIS NEW YORK, UKDEL NATO, PARIS, AMMAN, TEL AVIV, CAIRO, DAMASCUS AND BEIRUT.

THE GULF: US POLICY

SUMMARY

1. FURTHER CONFIRMATION THAT THE AMERICANS DO NOT INTEND TO INTERVENE MILITARILY IN THE GULF WITHOUT AN EXPLICIT PUBLIC REQUEST FROM THE GULF STATES AND ALLIED SUPPORT. SALE OF STINGERS TO SAUDI ARABIA, INCLUDING THE EARLY DELIVERY OF 200 MISSILES, IS LIKELY TO PROCEED.

DETAIL

2. MINISTER CALLED ON ASSISTANT SECRETARY MURPHY THIS MORNING TO HEAR HIS LATEST THINKING ON THE GULF IN THE LIGHT OF HIS VISIT TO OMAN AND SAUDI ARABIA EARLIER IN THE WEEK. MURPHY EMPHASISED THAT THE US HAD NO INTENTION OF PLUNGING IN. HE DID NOT EXPECT THE GCC TO SEEK THE INTERVENTION OF ANY OUTSIDE POWER. THE PRESIDENT'S STRONG VIEW WAS THAT AMERICAN INTERVENTION WAS OUT OF THE QUESTION IN THE ABSENCE OF A PUBLIC REQUEST AND ALLIED SUPPORT. SPEAKER O'NEILL (WHO IS QUOTED IN THE PRESS AS SAYING BRITISH AND FRENCH PARTICIPATION WOULD BE ESSENTIAL) TOOK THE WIDELY-HELD (BUT ERRONEOUS) VIEW THAT THE SITUATION IN THE GULF WAS THE CONCERN OF THE WESTERN EUROPEANS AND JAPAN RATHER THAN THE US.

3. THOMAS ASKED ABOUT US DISCUSSIONS WITH THE FRENCH. MURPHY SAID THAT THESE HAD NOT PROGRESSED VERY FAR AND THAT THERE WAS NO QUESTION OF CONTINGENCY PLANNING. CONFIDENTIAL TALKS, KNOWLEDGE OF WHICH WAS VERY CLOSELY HELD, HAD HOWEVER TAKEN PLACE OVER THE PAST 4-5 YEARS BETWEEN THE FRENCH COMMANDER IN DJIBOUTI AND THE US NAVAL COMMANDER IN THE GULF. THE AMERICANS ASSUMED THAT THE FRENCH WOULD NOT ACKNOWLEDGE PUBLICLY THAT THEY WERE PARTICIPATING IN ANY COORDINATED OPERATION, BUT THAT THEY WOULD BE THERE IN THE CRUNCH: THEY DID AFTER ALL HAVE THE SECOND LARGEST WESTERN NAVAL FORCE IN THE INDIAN OCEAN.

4. MURPHY AVOIDED A DIRECT ANSWER WHEN THOMAS ASKED WHETHER THE AMERICANS HAD IT IN MIND TO APPROACH THE FRENCH ABOUT THEIR ARMS SUPPLIES TO IRAQ. HE RECALLED THAT THE US HAD INITIALLY OPPOSED ARMS SUPPLIES TO BOTH SIDES, BUT THAT THE EMPHASIS HAD SHIFTED TO CHOKING OFF SUPPLIES TO IRAN IN THE LAST QUARTER OF 1983 WHEN IT HAD BECOME CLEAR THAT THE IRAQIS WERE INTERESTED IN PEACE AND THAT THE IRANIANS WERE RECALCITRANT. HE REITERATED THAT THE AMERICANS WERE NOT SUPPLYING ARMS TO EITHER SIDE AND WERE CONTINUING TO INVESTIGATE CAREFULLY ALLEGATIONS THAT US WEAPONS WERE STILL FINDING THEIR WAY TO IRAN.

5. THOMAS COMMENTED THAT THE NEED TO KEEP OPEN SOME WESTERN LINES OF COMMUNICATION TO IRAN AND TO AN EVENTUAL SUCCESSOR REGIME WAS AN IMPORTANT CONSIDERATION IN OUR THINKING. MURPHY SAID THAT IRAN'S STRATEGIC IMPORTANCE WAS RECOGNISED IN WASHINGTON: NOBODY WANTED TO LOSE IRAN FOR THE LONG TERM. BUT THERE WAS NO PRESSURE AT PRESENT FOR ANY US OVERTURE TO THE PRESENT IRANIAN LEADERSHIP WHICH WOULD, IN ANY CASE BE UNRECEPTIVE: MEMORIES OF THE HOSTAGE CRISIS WERE STILL TOO STRONG AND THE REGIME'S REPUGNANT EXCESSES. HE ADDED THAT THERE WAS LITTLE AFFECTION IN WASHINGTON FOR THE IRAQI LEADERSHIP EITHER.

6. MURPHY HAD BEEN EXASPERATED BY THE LEAKS IN WASHINGTON CONCERNING PRESIDENT REAGAN'S MESSAGE TO KING FAHD. HE DESPAIRED OF PEOPLE (HE IMPLIED IN THE WHITE HOUSE) WHO GOT THEIR KICKS BY DISCLOSURES TO THE PRESS. ON THE SUBSTANCE, THE SAUDIS MAIN REQUEST HAD BEEN FOR THE EARLY DELIVERY OF STINGER TO FILL AN OBVIOUS GAP IN THEIR AIR DEFENCES. THEY WOULD BE USED TO PROTECT ONSHORE INSTALLATIONS AND POSSIBLY ON SAUDI NAVAL VESSELS IF THESE WERE USED ON ESCORT DUTIES. THE ADMINISTRATION WERE RESUBMITTING TO CONGRESS THE PROPOSAL TO SELL 1200 STINGERS, OF WHICH 200 WERE LIKELY TO BE DELIVERED UNDER THE PRESIDENT'S EMERGENCY AUTHORITY BEFORE THE CONGRESSIONAL NOTIFICATION PERIOD HAD ELAPSED. MURPHY RECOGNISED THAT THIS RISKED BRUISING FEELINGS ON THE HILL BUT THOUGHT THIS DANGER OUTWEIGHED BY THE MANIFEST URGENCY OF THE REQUIREMENT. THE ADMINISTRATION'S SOUNDINGS ON THE HILL SUGGESTED THAT MAJORITY OPINION FAVOURED THE SALE IN PRESENT CIRCUMSTANCES THOUGH THERE WERE STILL THOSE WHO WERE OPPOSED TO ANY ARMS SALES TO THE MIDDLE EAST AND OTHERS WHO WERE CONCERNED AT THE POSSIBLE THREAT TO ISRAEL.

7. MURPHY SAID THAT GENERAL TIXIER WOULD BE GOING TO SAUDI ARABIA THIS WEEKEND TO FOLLOW UP POINDEXTER'S VISIT LAST MONTH. BUT THE IDEA OF CONTINGENCY TALKS WAS ONLY INCHING FORWARD. THE SAUDIS



THREAT TO ISRAEL.

7. ~~MURPHY SAID THAT GENERAL TIXIER WOULD BE GOING TO SAUDI ARABIA THIS WEEKEND TO FOLLOW UP POINDEXTER'S VISIT LAST MONTH. BUT THE IDEA OF CONTINGENCY TALKS WAS ONLY INCHING FORWARD.~~ THE SAUDIS MEANWHILE HAD BEEN TRYING BY ALL POSSIBLE MEANS TO GET THE MESSAGE ACROSS TO THE IRANIANS THAT THEY DID NOT WANT A CONFLICT. WHATEVER THE IRANIANS MIGHT HAVE TOLD THE SYRIANS, MURPHY DID NOT THINK THEY WOULD DISIST FROM RETALIATION IF, AS SEEMED CERTAIN, IRAQI ATTACKS ON SHIPPING CONTINUED.

8. MURPHY COMMENTED THAT THE SAUDI CLAIM TO NON BELLIGERENT STATUS WAS SOMEWHAT SHAKY GIVEN THEIR FINANCIAL AID TO IRAQ AND THE DELIVERY OF IRAQI ARMS SUPPLIES VIA SAUDI PORT. HE SAW NO PROSPECT THAT THE SAUDIS WOULD ATTEMPT TO USE THE LEVERAGE THIS GAVE THEM TO RESTRAIN THE IRAQIS: THEY WERE TOO WORRIED THAT SAUDI ARABIA WOULD BE KHOMEINI'S NEXT TARGET IF THE IRANIANS WERE TO BREAK THROUGH IN SOUTHERN IRAQ. THEY WERE INCLINED TO ATTRIBUTE THE PRESENT CRISIS TO KHOMEINI'S MALEVOLENCE AND TO BELIEVE THAT THE SITUATION WOULD BE MUCH IMPROVED ONCE HE DEPARTED FROM THE SCENE. (MURPHY DOUBTED THIS). THE OMANIS HAD TOLD HIM BLUNTLY THAT THEIR GCC PARTNERS WERE SCARED OF THE IRAQIS AND THAT ALL OUTSIDE POWERS SHOULD KEEP OUT OF THE GULF LEAVING IRAN AND IRAQ TO SLUG IT OUT: OUTSIDE INTERVENTION WOULD BE AN UNNECESSARY COMPLICATION. IN A MATTER OF MONTHS THE IRANIANS WOULD HAVE TO LET UP, IF ONLY BECAUSE OF THEIR NEED FOR FUNDS.

9. THOMAS ASKED ABOUT SADDAM'S PUBLIC REFERENCE TO NEW WEAPONS FOR DESTROYING KHARG ISLAND (BAGHDAD TELNO 261). MURPHY THOUGHT THAT THIS WAS A REFERENCE NOT TO THE FRENCH MIRAGES BUT TO NEW SOVIET SURFACE TO SURFACE MISSILES. IT WAS NOT YET CLEAR WHETHER OR NOT THESE WERE SS21S (AS IS REPORTED IN TODAY'S NEW YORK TIMES) OR SOMETHING ELSE.

10. FOR COMMENT PLEASE SEE MIFT.

WRIGHT

NNNN

CONFIDENTIAL

*W. R. Z.*

SECRETARY OF STATE FOR FOREIGN AND  
COMMONWEALTH AFFAIRS  
THE GREAT COURT  
PARLIAMENTS BUILDING  
LONDON SW1A 2AL

*MS*

*Prime Minister*

*JD*

01 211 6402

*28/5*

The Rt Hon Sir Geoffrey Howe QC MP  
Secretary of State for Foreign &  
Commonwealth Affairs  
Downing Street  
London  
SW1A 2AL

25 May 1984

*G. Howe*

ADVICE TO BRITISH SHIPPING IN THE GULF

Thank you for sending me a copy of your minute to Nicholas Ridley of 22 May, enclosing a copy of your proposed reply to the National Union of Seamen and advice to shipping.

I endorse the approach you propose. It is clearly important that, whilst recognising the seriousness of the situation, we do not contribute to unnecessary alarm. In particular, we should not adopt a posture that would discourage shipping from using the Gulf.

I am copying this letter to recipients of yours.

*P. Walker*

PETER WALKER

CONFIDENTIAL

NAME : Ivan (Ivan)  
PT 4

25 MAR 1964



PRIME MINISTER

The Gulf

I understand that Richard Luce is in charge this weekend, and will be holding regular meetings of officials. There will be a daily situation report which the Duty Clerk will ensure that you receive.

On today's events, you will have seen that the Iraqis are claiming to have set on fire six ships. This claim is being investigated. It seems that the attack was carried out at Bandar Khomeini where shipping has been subject to systematic attack for some considerable time.

At the United Nations, things seem to be going reasonably well. I gather that the Iranians are taking an active part in framing the resolution.

The Foreign Office tell me that the oil market is stable.

25 May, 1984.

CONFIDENTIAL

file ELL



10 DOWNING STREET

*From the Principal Private Secretary*

25 May 1984

Deployment of the MCM Force in  
the Mediterranean

The Prime Minister has seen your Secretary of State's minute of 24 May (MO 3/9/4/2). Subject to the views of the other Ministers to whom your Secretary of State's minute was copied, the Prime Minister is content with his proposals.

I am copying this letter to Len Appleyard (Foreign and Commonwealth Office), Callum McCarthy (Department of Trade and Industry), Dinah Nichols (Department of Transport) and Richard Hatfield (Cabinet Office).

F. E. R. BUTLER

Richard Mottram Esq  
Ministry of Defence

CONFIDENTIAL



Prime Minister

Agree x1 and y1?

FERB

24.5.

MO 3/9/4/2

Yes no

PRIME MINISTERDEPLOYMENT OF THE MCM FORCE IN THE MEDITERRANEAN

When I minuted you about this deployment on 28th March, I suggested that the future movements of the force might be re-considered when the planned NATO exercise was complete. The force is now visiting Cyprus and Taranto and will then move to Cyprus until mid-June.

While the force remains in the Mediterranean it will need base facilities. When the decision to deploy to the Eastern Mediterranean was taken, Cyprus was assumed to be the obvious choice. However, the Royal Navy have since investigated the limited facilities at Akrotiri in the Sovereign Base Areas and it is clear that they would be technically unsuitable. The other options (apart from Gibraltar which is 24 days from the Gulf) therefore depend upon the goodwill of a friendly government. We have assessed the various possibilities in conjunction with the FCO (and where appropriate with posts).

There are political difficulties attaching to all the alternatives in the Eastern Mediterranean - Republic of Cyprus, Greece, Turkey, Israel and Egypt. This leaves Italy as the most forward option for a base. There is no reason to suppose that the Italians will object. Although Italy is 4 days further from the Gulf than Cyprus the main elements of the force will spend much of their time on exercises and visits in the Eastern Mediterranean (for which no



x | difficulty is foreseen) and will then be more rapidly available for the Gulf. I therefore propose, subject to colleagues' agreement, that we should approach the Italian Government with a request for facilities for the force at a suitable base in Southern Italy or Sicily.

y | Looking further ahead a programme for the force has been drawn up until the end of August, when the support ship's charter is due for renewal. Subject to developments in the Gulf, I propose that we review the future of the force at about that time. In deciding whether to renew the contract for the hire of the support ship, we will of course have to consider the option of returning the whole force to the UK.

Copies of this letter go to the Foreign and Commonwealth Secretary, Secretary of State for Trade, Secretary of State for Energy, Secretary of State for Transport and Sir Robert Armstrong.

  
Ministry of Defence  
24th May 1984

IRAN/IRAQ

ADVANCE COPIES 28 19

PS  
PS/MR LUCE  
PS/PUS  
SIR J BULLARD  
SIR J LEAHY  
MR EGERTON  
HD/MED  
HD/NENAD  
HD/UND  
HD/CONS. D  
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HD/NEWS D  
HD/DEFENCE D  
HD/NAD  
RESIDENT CLERK

PS/No. 10 DOWNING ST (2)

CABINET OFFICE D I O



IMMEDIATE

GRS 1700

CONFIDENTIAL

DESKBY 240700Z FCO

DESKBY 240700Z MODUK

FM WASHINGTON 232250Z MAY 84

TO IMMEDIATE FCO

TELEGRAM NUMBER 1619 OF 23 MAY

INFO IMMEDIATE MODUK (DS11, DROW), PRIORITY UKMIS NEW YORK, BAGHDAD, TEHRAN, GULF POSTS, JEDDA, UKDEL NATO, PARIS, MOSCOW, CAIRO AND AMMAN

US/UK TALKS ON THE GULF

SUMMARY

1. US/UK OFFICIAL TALKS REVEALED BROAD IDENTITY OF VIEW. FOCUS ON DIPLOMATIC ACTIVITY. MORE WORK REQUIRED ON PRINCIPLES FOR PROTECTION OF NEUTRAL SHIPPING.

DETAIL

2. THE FCO/MOD TEAM HELD TALKS IN WASHINGTON ON 22/23 MAY. THE U S INTELLIGENCE BRIEFING AND SUBSEQUENT DISCUSSION WAS REPORTED IN MY JIC TELNO 111 (NOT TO ALL). THIS TELEGRAM SUMMARISES THEIR DISCUSSIONS TODAY WITH STATE DEPARTMENT AND PENTAGON OFFICIALS.

3. WELCOMING THE BRITISH TEAM, ADMIRAL HOWE STRESSED THE IMPORTANCE THE U S ADMINISTRATION ATTACHED TO THESE TALKS. THE PRESIDENT HAD BEEN QUOTE LAID BACK UNQUOTE IN HIS PRESS CONFERENCE LAST NIGHT (MY TELNO 1602). IT WAS IMPORTANT PUBLICLY TO OFFER REASSURANCE IN THIS WAY. BUT THE ADMINISTRATION WERE DEEPLY CONCERNED ABOUT THE POSSIBLE IMPLICATIONS OF THE SITUATION IN THE GULF, WHICH WOULD BE DISCUSSED AT A WHITE HOUSE MEETING ON 24 MAY. HOWE RECALLED THE BRITISH EMPHASIS ON POLITICAL RATHER THAN MILITARY SOLUTIONS AND THE



~~BE DISCUSSED AT A WHITE HOUSE MEETING ON 24 MAY.~~ HOWE RECALLED THE BRITISH EMPHASIS ON POLITICAL RATHER THAN MILITARY ACTIVITY AND HOPED THAT WE WOULD WELCOME THE ADMINISTRATION'S EMPHASIS ON DIPLOMACY. HASKELL (FCO) SAID THAT OUR MINISTERS TOO VALUED THESE TALKS: WE SAW THE SITUATION IN VERY MUCH THE SAME TERMS AND WELCOMED THE CALMING LINE THE U S WERE TAKING IN PUBLIC.

4. PLACKE (STATE DEPARTMENT) PREDICTED A PROLONGED PERIOD OF INSTABILITY AND UNCERTAINTY IN THE GULF WITH WHICH WE WOULD HAVE TO LEARN TO LIVE. THE IRAQIS WERE LIKELY TO RESUME THEIR ATTACKS ON TANKERS AND THE IRANIANS TO RETALIATE. THE INCREASES IN INSURANCE AND FREIGHT RATES WERE UNLIKELY TO HAVE MUCH PRACTICAL EFFECT: RELUCTANCE OF SEAMEN TO SERVE IN THE GULF MIGHT BE A MORE IMPORTANT FACTOR. THE IMPLICATIONS FOR KUWAIT NEEDED TO BE WATCHED. IF KUWAITI OIL PRODUCTION FELL MUCH BELOW 500,000 BPD THEY WOULD RUN SHORT OF THE ASSOCIATED GAS ON WHICH THEIR POWER AND DESALINATION PLANTS DEPENDED. LOSS OF KUWAIT AND KHARG OIL EXPORTS WOULD BE MANAGEABLE ON THE WORLD OIL MARKET. SAUDI PRODUCTION COULD PROBABLY BE INCREASED WITHIN A MONTH OR SO TO 8 MILLION BPD TO MAKE UP ANY SHORTFALL.

5. PLACKE NOTED THAT IRANIAN INFORMATION ON GULF SHIPPING WAS MUCH BETTER THAN THE IRAQIS'. THEY MIGHT NOT BE CONTENT SIMPLY TO RESPOND TO AN IRAQI ATTACK ON KHARG TANKER TRAFFIC, BUT TRY TO PUT ADDITIONAL PRESSURE ON THE GULF STATES, IN THE HOPE OF PERSUADING AT LEAST THE KUWAITIS TO CUT OFF FINANCIAL SUPPORT OF IRAQ. HASKELL ARGUED THAT THE GULF WAS A SIDE ISSUE FOR THE IRANIANS WHO WERE CONCENTRATING ON THE LAND WAR AGAINST IRAQ, AND MIGHT NOT WANT TO PROVOKE WESTERN INTERVENTION, OR SQUANDER THEIR RELATIVELY LIMITED RESOURCES OF AIRCRAFT AND MUNITIONS IN ACTION AGAINST THIRD COUNTRIES. EVEN A COMPLETE CESSATION OF OIL EXPORTS FROM KHARG WOULD NOT IMMEDIATELY EFFECT IRAN'S ECONOMIC CAPACITY TO CONTINUE THE WAR.

6. GENERAL TIXIER (DOD) SAID THAT HE WAS ABOUT TO VISIT SAUDI ARABIA. OTHER U S TEAMS WERE IN KUWAIT AND OMAN. THE SAUDIS WERE MAKING CLEAR THAT THEY WANTED TO PROTECT THEIR TERRITORY AND SHIPPING THEMSELVES. THEY WERE PRESSING FOR ARMS DELIVERIES TO BE EXPEDITED AND FOR OTHER REQUESTS, PARTICULARLY STINGER, TO BE MET. THEY HAD ALSO SOUGHT U S ADVICE ON THEIR MILITARY SHORTCOMINGS AND OUTSTANDING EQUIPMENT REQUESTS. TIXIER SAID THAT THE FRENCH HAD MEANWHILE OFFERED THE SAUDIS 4 CROTALE BATTERIES WHICH COULD BE DELIVERED WITHIN 6 DAYS. THERE WAS LITTLE MILITARY ACTION THE U S COULD TAKE IN THE ABSENCE OF A SAUDI REQUEST. THE U S WERE NOT PRESSING FOR ACCESS OR FACILITIES BUT NEEDED CONTINGENCY PLANNING TALKS TO DISCOVER WHAT FACILITIES THE SAUDIS WOULD BE PREPARED TO MAKE AVAILABLE. THIS MESSAGE WAS HARD TO GET ACROSS, BUT THE U S WERE MAKING SLOW PROGRESS. TIXIER ACKNOWLEDGED THAT SAUDI DOUBTS OF U S RELIABILITY AFTER LEBANON WERE A REAL FACTOR. SAUDI WILLINGNESS TO ABSORB PUNISHMENT SHOULD NOT BE UNDER ESTIMATED: THE U S MIGHT SEE A MILITARY CASE FOR INTERVENTION ARISING BEFORE THE SAUDIS REACHED THE STAGE OF ASKING FOR HELP. A FORMAL REQUEST FOR ASSISTANCE WAS OF COURSE ESSENTIAL AND MULTINATIONAL ACTION MUCH PREFERABLE TO UNILATERAL U S MOVES. THE AMERICANS CLEARLY DOUBT THAT THE FRENCH WILL BE WILLING TO BECOME INVOLVED.

7. IT WAS AGREED THAT WEATHER THE U S WOULD BE

7. IT WAS AGREED THAT NEITHER THE U S NOR THE UK HAD ANY EFFECTIVE LEVERAGE OVER THE IRAQIS. THE AMERICANS DISCOUNTED INDICATIONS THAT THE IRAQIS WOULD DESIST FROM THEIR ATTACKS ON GULF SHIPPING IF THE U S OFFERED FULL FINANCIAL SUPPORT FOR THE AQABA PIPELINE. THEY WERE CONSIDERING AN APPROACH TO THE FRENCH ABOUT THE SUPPLY OF MIRAGE AND, MORE IMPORTANT, EXOCETS. THEY DID NOT WANT THE IRAQIS TO LOSE THE WAR, BUT SOME UNCERTAINTY OVER THEIR RESUPPLY OF EXOCETS COULD BE USEFUL. IT SEEMED PROBABLE, HOWEVER, THAT MANUFACTURING CONSTRAINTS WOULD MAKE IT DIFFICULT FOR THE FRENCH TO AGREE TO THE IRAQIS' LATEST REQUEST TO INCREASE THE SUPPLY OF EXOCETS. PLACKE NOTED THAT THE IRAQIS HAD IN THE PAST BEEN WILLING TO FOREGO ESCALATION OF THE WAR TO ALLOW DIPLOMATIC INITIATIVES TIME TO MAKE PROGRESS. BUT IT WAS DIFFICULT TO SEE WHAT THEY COULD BE OFFERED IN PRESENT CIRCUMSTANCES, OR HOW EFFECTIVE INFLUENCE COULD BE BROUGHT TO BEAR ON THE IRANIANS. IT WAS AGREED THAT AN INFORMAL BOYCOTT OF IRANIAN OIL WAS A NON STARTER.

8. PLACKE SAID THAT THE IRAQIS HAD REACTED FIRMLY TO THE LATEST U S DEMARCHE. THE AMERICANS HAD MADE THE POINT THAT FURTHER ATTACKS ON NEUTRAL SHIPPING RISKED BRINGING IN NON REGIONAL POWERS. THE IRAQIS MAINTAINED THAT THEY WERE NOT TRYING TO INTERNATIONALISE THE WAR. THERE WOULD BE FURTHER DISCUSSION WITH TARIQ AZIZ IN NEW YORK AND ON HIS RETURN TO BAGHDAD. THE GULF STATES WERE CLEARLY UNENTHUSIASTIC ABOUT ANY UNILATERAL U S INTERVENTION, BUT WANTED REASSURANCE THAT U S HELP WOULD BE AVAILABLE IN EXTREMIS. HASKELL DESCRIBED THE EC DEMARCHES IN BAGHDAD AND TEHRAN.

9. KANTER, (STATE DEPARTMENT) DREW ATTENTION TO THE PROBLEMS WHICH WOULD ARISE IN THE EVENT OF A REQUIREMENT TO PROTECT NEUTRAL SHIPPING. THE LEGAL POSITION WAS CONFUSED. ANY ACTION RISKED BEING SEEN AS TAKING SIDES IN THE WAR. COULD WE BE SEEN TO ACQUIESCE IN IRAQI ATTACKS ON SHIPPING USING KHARG OR INDEED TO BE OFFERING PROTECTION FOR SUCH SHIPPING? HASKELL NOTED THAT WE HAD PROTESTED TO THE IRAQIS ABOUT THEIR ATTACKS ON A BRITISH SHIP EN ROUTE TO BANDAR KHOMEINI IN MARCH: WE WOULD THEREFORE REGARD ATTACKS ON SHIPPING OF THIRD COUNTRIES USING KHART AS ILLEGAL. PLACKE SAID THAT THE AMERICANS HAD USED THE PHRASE QUOTE NEUTRAL SHIPPING UNQUOTE IN THEIR DEMARCHES BUT HAD NOT DEFINED IT PRECISELY. IRAQI OR IRANIAN SHIPS WERE CLEARLY EXCLUDED: BUT THIRD COUNTRY SHIPS CALLING AT IRAQI OR IRANIAN PORTS PROBABLY CAME WITHIN ITS AMBIT.

10. THE AMERICANS HAD IDENTIFIED A NUMBER OF PROBLEMS WITH THEIR QUOTE GATEHOUSE UNQUOTE CONCEPT, AND WERE NOW THINKING IN TERMS OF A FREE NAVIGATION TRACK, IE A SHIPPING LANE WITHIN WHICH PROTECTION MIGHT BE OFFERED TO NEUTRAL SHIPS. THIS TOO WOULD GIVE RISE TO A NUMBER OF PROBLEMS AND MIGHT BE ABUSED BY TRAFFIC EN ROUTE TO BELLIGERENT PORTS OR CARRYING CONTRABAND. THE U S WOULD WANT TO ACT ONLY IN RESPONSE TO A REQUEST FROM THE GCC: THE APPROVAL OF COUNTRIES OF REGISTRATION WOULD ALSO BE REQUIRED. IT WAS AGREED THAT THE AMERICANS SIDE WOULD PRODUCE A PAPER ON THE PROBLEMS ASSOCIATED WITH PROTECTION OF NEUTRAL SHIPPING.

11. IN A BRIEF DISCUSSION OF DEVELOPMENTS AT THE UN (SEE ALSO NY

11. IN A BRIEF DISCUSSION OF DEVELOPMENTS AT THE UN (SEE ALSO MY TELNO 1600) IT WAS CLEAR THAT THE U S REMAINED RELUCTANT TO TAKE AN ACTIVE ROLE BUT WERE HOPING FOR A BALANCED RESOLUTION AVOIDING CONDEMNATION OF IRAN ALONE. THEY WERE ATTRACTED BY HASKELL'S PERSONAL SUGGESTION THAT EXPLICIT MENTION OF IRAN MIGHT BE CONFINED TO THE PREAMBLE AND THAT THE OPERATIVE PARAGRAPHS MIGHT CONDEMN ALL INTERFERENCE WITH THIRD COUNTRIES' SHIPPING. THE AMERICANS WOULD PREFER TO AVOID ANY LANGUAGE CALLING ON OTHER COUNTRIES TO EXERCISE RESTRAINT, BUT ACCEPT RELUCTANTLY THAT SOME FORMULA WILL BE NECESSARY TO MEET SOVIET INSISTENCE ON THIS POINT. THEY HOPE THAT IT WILL NOT GO BEYOND LANGUAGE PREVIOUSLY USED IN THIS CONTEXT.

12. HASKELL MENTIONED CONCERN IN EUROPE THAT THE SITUATION IN THE GULF SHOULD NOT GIVE RISE TO MISUNDERSTANDINGS BETWEEN THE SUPERPOWERS, WHO, IN OUR VIEW, HAD CERTAIN COMMON INTERESTS IN THE REGION. PLACKE SAID THAT THE STATE DEPARTMENT WAS WORKING ON INSTRUCTIONS FOR THE U S EMBASSY IN MOSCOW TO DISCUSS THIS ISSUE IN SOME DETAIL WITH THE SOVIET MFA. HASKELL WELCOMED THIS.

13. LEGGE (MOD) SAID THAT, IN THE UK VIEW, THE MOD/CENTCOM DISCUSSIONS DID NOT AMOUNT TO JOINT CONTINGENCY PLANNING WHICH COULD BE TAKEN TO IMPLY MINISTERIAL APPROVAL FOR CERTAIN ACTION. WE HAD BEEN CAREFUL TO SAY PUBLICLY ONLY THAT WE CONTINUED TO BE IN CLOSE TOUCH WITH THE AMERICANS ABOUT THE SITUATION. PLACKE SAID THAT THE ADMINISTRATION'S CONCERN WAS DIFFERENT: THEY WANTED TO BE ABLE TO ASSURE CONGRESS AND U S PUBLIC OPINION THAT THE ALLIES WERE PLAYING THEIR PART. IT WAS AGREED THAT THEY COULD REFER FOR THIS PURPOSE TO THE PRIME MINISTER'S PUBLIC STATEMENTS, TO THE DEPLOYMENT OF THE ARMILLA PATROL AND OUR MCM FORCE, AND TO CLOSE CONTACTS AND EXCHANGE OF INFORMATION WITH US ON THE MILITARY AND POL/MIL NETS, BUT THAT MENTION OF JOINT CONTINGENCY PLANNING SHOULD BE AVOIDED.

14. BOTH SIDES AGREED TO HOLD FURTHER TALKS AT SHORT NOTICE IF THIS WERE REQUIRED BEFORE THE POL/MIL TALKS SCHEDULED FOR LATE JUNE.

WRIGHT

NNNN

CCN PARA 11 PENULTIMATE LINE GO BEYOND LANGUAGE

NNNN

**CONFIDENTIAL**

CONFIDENTIAL

FM WASHINGTON 232244Z MAY, 1984

TO IMMEDIATE F C O

TELEGRAM NUMBER 1618 OF 23 MAY

INFO IMMEDIATE MODUK, BAGHDAD, TEHRAN, PRIORITY, GULF POSTS  
AMMAN, PARIS, UKMIS NEW YORK AND UKDEL NATO.

YOUR TELNO 964: DEFENCE SALES TO IRAN

## SUMMARY

1. IN RESPONSE TO A US REQUEST, HASKELL WENT OVER THE GROUND AGAIN DURING THE BILATERAL TALKS ON THE GULF, STRESSING OUR HOPE THAT FURTHER LEAKS COULD BE AVOIDED. THE AMERICANS NOW UNDERSTAND THE POSITION ON THE THREE SHIPS AND HOPE THAT WE WILL LET THEM KNOW OUR FINAL DECISION ON THE ARMoured VEHICLES SPARES. THEY ARE REVIEWING THEIR LEGISLATIVE CONTROLS ON TRADE WITH IRAN BUT NO EARLY ACTION IS LIKELY. WE DO NOT RECOMMEND FURTHER ACTION WITH THE AMERICANS AT THIS STAGE.

## DETAIL

2. AT TODAY'S POL/MIL TALKS ON THE GULF, THE AMERICANS ASKED AGAIN ABOUT OUR POLICY ON ARMS SALES TO IRAN AND THE NEXT STEPS CONCERNING THE DELIVERY OF THE KHARG AND THE TWO YARROW SUPPORT SHIPS. HASKELL REPEATED THAT WE WERE NOT SUPPLYING LETHAL ITEMS TO EITHER SIDE. OVER THE LAST FOUR YEARS, SALES OF LICENSABLE DEFENCE RELATED EQUIPMENT TO IRAN AMOUNTED TO ONLY POUNDS 10 MILLION, AND INCLUDED CIVIL AIRCRAFT ENGINES, CIVIL RADAR SPARES, DISTRESS FLARES AND SIMILAR EQUIPMENT. THERE WAS ADMITTEDLY A GREY AREA OVER THE DEFINITION OF A LETHAL ITEM: OUR ATTITUDE ON THIS HAD PROGRESSIVELY HARDENED. WE HAD JUST REFUSED TO APPROVE THE SALE OF CHAFF DISPENSING EQUIPMENT WORTH POUNDS 7 MILLION.

3. HASKELL RECALLED THAT DELIVERY OF THE KHARG, HAD BEEN SUSPENDED BECAUSE OF THE HOSTAGE CRISIS BUT THAT THE IRANIANS HAD BEEN TOLD THEREAFTER THAT THEY COULD TAKE IT AWAY. SOME CREW HAD NOW ARRIVED IN THE UK TO PREPARE THE VESSEL FOR SEA. IT WAS UNLIKELY TO BE READY TO LEAVE FOR SEVERAL MONTHS YET. HASKELL STRESSED THAT THE KHARG WAS A DEEP WATER FLEET SUPPORT VESSEL WHICH HAD NO ROLE TO PLAY IN THE PRESENT CONFLICT WITH IRAQ, AND THAT THE IRANIANS HAD GIVEN US AN ASSURANCE THAT IT WOULD NOT BE USED IN THIS WAY.

4. ON THE YARROW SHIPS, HASKELL SAID THAT CANCELLATION OF THE CONTRACT WOULD HAVE INVOLVED HMG IN HEAVY PENALTIES. MINISTERS HAD DECIDED ONLY AFTER THE MOST CAREFUL CONSIDERATION THAT DELIVERY SHOULD PROCEED. THE IRANIANS HAD GIVEN AN ASSURANCE THAT THEY WOULD NOT BE USED IN THE CURRENT CONFLICT. IT WAS LIKELY THAT THEY WOULD BE READY TO LEAVE AT ABOUT THE SAME TIME AS THE KHARG.

5. HASKELL SAID THAT RELEASE OF THE ARMoured VEHICLES SPARES, WHICH HAD ALREADY BEEN PAID FOR, WAS STILL UNDER CONSIDERATION. EACH CATEGORY OF ITEM WAS BEING CAREFULLY SCRUTINISED TO ENSURE THAT NOTHING LETHAL WOULD BE RELEASED. THE IRANIANS WANTED TO SECURE THEIR RELEASE THROUGH NEGOTIATION RATHER THAN TAKE THE MATTER TO ARBITRATION, AND ACCEPTED THAT LETHAL ITEMS WOULD BE EXCLUDED. HE UNDERTOOK TO LET THE AMERICANS KNOW IN DUE COURSE WHAT WE DECIDED TO DO ABOUT THE SPARES.

6. HASKELL STRESSED THAT NO SIGNIFICANT NEW SUPPLY CONTRACTS WITH IRAN WOULD BE NEGOTIATED UNTIL THE WAR WAS OVER. WE WERE MEANWHILE TRYING TO SLOW DOWN OUR DECISIONS AS MUCH AS POSSIBLE. WE WOULD BE GLAD TO ANSWER ANY FURTHER QUESTIONS THE US MIGHT HAVE ABOUT OUR POLICY, BUT VERY MUCH HOPED THAT THIS COULD BE DONE PRIVATELY AND WITHOUT PUBLICITY.

7. PLACKE TOOK THE POINT. OUR POSITION ON THE RELEASE OF THE THREE SHIPS WAS WELL UNDERSTOOD AND HE WAS GRATEFUL FOR THE ADDITIONAL INFORMATION ON THE ARMoured VEHICLE SPARES. US OFFICIALS WERE CURRENTLY REVIEWING THE LEGISLATIVE CONTROLS ON TRADE WITH IRAN WITH A VIEW TO MAKING ALL ITEMS WITH A POTENTIAL MILITARY APPLICATION SUBJECT TO EXPORT CONTROLS. THE EXPORT ADMINISTRATION ACT HAD HOWEVER EXPIRED AND THERE WAS SOME PRESSURE IN CONGRESS TO REDUCE THE ADMINISTRATION'S ABILITY TO IMPOSE CONTROLS ON TRADE. THE ADMINISTRATION WOULD THEREFORE BE RELUCTANT TO TAKE ANY EARLY ACTION ON TRADE WITH IRAN IN ORDER NOT TO DRAW PUBLIC ATTENTION TO THIS WIDER ISSUE. PLACKE ADDED THAT HE COULD SHED NO LIGHT ON THE ALLEGED SALE OF 200 SIDEWINDERS TO IRAN (YOUR TELNO 905).

COMMENT

8. HASKELL DID NOT MENTION THAT A REVISED CONTRACT FOR THE TWO YARROW SHIPS HAD JUST BEEN SIGNED OR THE IMMINENT ARRIVAL IN BRITAIN OF THEIR IRANIAN CREWS. IN THE LIGHT OF PLACKE'S REACTION THERE IS PERHAPS NO NEED TO SAY ANYTHING FURTHER TO THE AMERICANS ON THIS SUBJECT. WE HAVE DISCUSSED THIS FULLY WITH HASKELL AND ACCEPT THAT THE YARROW CONTRACT MAY HAVE GONE TOO FAR TO BE STOPPED. THE DELAY IN ISSUING VISAS TO THE IRANIAN NAVAL PERSONNEL IS WELCOME. BUT THE COINCIDENCE OF THE SIGNING OF THE CONTRACT AND THE IRANIAN ATTACKS ON TANKERS IS UNFORTUNATE AND WILL REQUIRE VERY CAREFUL EXPLANATION WHEN THE NEWS LEAKS. WE SHALL BE GRATEFUL FOR GUIDANCE ON THIS ASPECT.

WRIGHT

IRAN/IRAQ

STANDARD(PALACE)

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MR EGERTON  
CABINET OFFICE

ADDITIONAL DISTRIBUTION  
IRAN/IRAQ

**CONFIDENTIAL**

CO P.C.

②



FCS/84/151

Prime Minister.

to be aware.

A.J.C. 22/5.

THE SECRETARY OF STATE FOR TRANSPORT

1. We spoke yesterday evening about the request from the President of the National Union of Seamen, that the FCO should issue instructions to British vessels not to go into the Gulf.

/ / I enclose a copy of his telex and of the interim reply sent to him on 20 May by agreement with your Department. The Government does not of course have the legal power to issue directions to British ships as to where they may or may not trade. Given that responsibility for the shipping industry rests with you, I think / it would be right for you to reply to Mr Slater. I enclose a draft.

2. We also need to consider the question of further advice to the General Council of British Shipping. Your Department issued the last bulletin on 16 May. Since then, the Panamanian registered ship, the Felicity, has been sunk. There is no sign of an end to the cycle of incidents in the Gulf. In the light of this, and the interest expressed by the NUS, and others, we agreed that we should now urgently consider laying more emphasis on the risk involved than on the caution which masters should exercise. I / enclose a form of words which I believe reflects the points we discussed. If you are content with it, may I leave it to you to arrange for copies to be given to the General Council of British shipping and the two Seamens Unions as soon as possible? I think it would also be helpful for the text to be included in Notices to Mariners. For our part we shall ensure that the text is passed to Dependent Territories and the Channel Islands and the Isle of Man to enable ships on those registers to be similarly advised.

CONFIDENTIAL



3. I am sending copies of this letter and its enclosure to the Prime Minister, the Secretaries of State for Defence, Energy, and Employment and Sir R Armstrong.

A handwritten signature in dark ink, appearing to be 'G. Howe', written in a cursive style.

GEOFFREY HOWE

Foreign and Commonwealth Office

22 May, 1984

CONFIDENTIAL

DRAFT: minute/letter/teleletter/despatch/note

TYPE: Draft/Final I+

FROM: Secretary of State for Transport Reference

DEPARTMENT:

TEL. NO:

## SECURITY CLASSIFICATION

Top Secret  
Secret  
Confidential  
Restricted  
Unclassified

TO: J Slater Esq  
President  
National Union of Seamen

Your Reference

Copies to:

## PRIVACY MARKING

.....In Confidence

CAVEAT.....

## SUBJECT:

As I have responsibility within Government for shipping matters, the Foreign Secretary has passed to me your telex of 20 May in which you urge that British Masters be instructed not to proceed to the Gulf.

I fully appreciate the concern you express for the safety of your members. We have looked at the points you made very carefully. But the Government does not possess the legal powers to issue an instruction to British shipping of the kind you sought. I understand, however, that you have an agreement with the Ship Owners' Association which ensures that crew members are given the opportunity of leaving vessels before they enter a war risk area. In other words, British seamen are free agents to accept or decline to work on ships going to the zones of potential risk and there is consequently no possibility of your members having to enter such zones against their will.

Let me assure you that the Government continues to watch very carefully developments in the Iran/Iraq conflict, and we shall continue to issue advice to the shipping industry as appropriate. I shall make sure that you are sent a copy of any further advice as soon as it

/is

Enclosures—flag(s).....



is issued.

Given public interest in the subject, I intend  
to make the contents of this letter public.



## ADVICE TO SHIPPING

1. The Iran/Iraq conflict continues to present a threat to shipping. A Panamanian vessel was sunk on 19 May, following an attack which took place near Kharg Island. This obviously underlines the heightened risks involved in operating in the Gulf. These risks are likely to persist. The Government therefore advise Masters and Owners to pay particular attention to this development before deciding to send their vessels into this area.

OO TELEX 4191462

GR175

UNCLASSIFIED

FM FCO 201356Z MAY 84

TO IMMEDIATE JIM SLATER, GEN. SEC. ~~N.U.C. GUERNSEY 4191462~~

TELEGRAM NUMBER U/N OF 20 MAY

4191462DOR G

FOLLOWING FOR JIM SLATER, GENERAL SECRETARY, NATIONAL UNION OF SEAMEN.

AS YOU MAY KNOW THE FOLLOWING ADVICE WAS GIVEN TO THE GENERAL COUNCIL OF BRITISH SHIPPING THROUGH THE DEPT. OF TRANSPORT ON 16 MAY:

QUOTE:

ATTACKS ON SHIPPING IN THE UPPER GULF HAVE BECOME MORE INDISCRIMINATE, RE-EMPHASISING THE NEED FOR EXTREME CAUTION TO BE EXERCISED IN THE AREA. RECENT ATTACKS HAVE NOT BEEN CONFINED TO THE IRAQI MEZ PROMULGATED IN AUGUST 1982. THERE IS EVIDENCE THAT SOME OF THE ATTACKS HAVE BEEN MOUNTED BY THE IRANIANS. FOR THEIR PART, THE IRAQIS HAVE CONFIRMED THEIR INTENTION TO CONTINUE SUCH ATTACKS AS LONG AS IRAQ IS DENIED USE OF HER GULF PORTS. BRITISH VESSELS INVOLVED IN TRADING TO THE GULF AREA SHOULD TAKE THESE NEW DEVELOPMENTS INTO ACCOUNT WHEN PLANNING THEIR OPERATIONS.

UNQUOTE

SITUATION IS BEING EPT UNDER CONSTANT REVIEW AND FURTHER ADVICE WILL BE ISSUED AS APPROPRIATE.

FOREIGN AND COMMONWEALTH OFFICE.

UNCLASSIFIED  
FROM NATIONAL UNION OF SEAMEN  
TO ROUTINE PCO  
TELNO U/N OF 20 MAY

4191452DOR G

EXTREMELY DISTURBED BY SITUATION IN PERSIAN GULF. SIX MERCHANT  
SHIPS ATTACKED IN SIX DAYS - TWO SUNK THIS WEEKEND.

SEAMENS LIVES CANNOT BE PLACED AT RISK. REQUEST THAT FOREIGN  
AND COMMONWEALTH OFFICE AND GENERAL COUNCIL OF BRITISH SHIPPING  
INSTRUCT MASTERS NOT TO PROCEED TO PERSIAN GULF UNTIL FREE AND  
SAFE PASSAGE IS ASSURED.

CONFERENCE DELEGATES HERE MOST CONCERNED. IMPLEMENTATION OF THIS  
PROPOSAL IS NOW URGENTLY REQUESTED. REPLY SOONEST.

JIM SLATER,  
GENERAL SECRETARY,  
NATIONAL UNION OF SEAMEN,  
BEAU SEJOUR CENTRE,  
GUERNESEY,  
CHANNEL ISLANDS.

22 MAY 1984





Prime Minister.

Foreign and Commonwealth Office

This — and the telegram which I have attached will bring you up-to-date.

No further immediate action is necessary.

London SW1A 2AH  
21 May 1984

Dear John, A.F.C.  $\frac{21}{5}$

Iran/Iraq: Attacks on Shipping in the Gulf

The Foreign Secretary thought you might find it useful to be brought up to date on developments in the Gulf conflict since the OD(EM) meeting on 18 May. Since then there has been one more attack on a merchant ship in the Gulf: the Panamanian bulk carrier, 'Fidelity', which was sunk south of Kharg Island by the Iraqis early on Saturday morning. The Iraqi claims to have sunk two ships on 18 May, which Sir Geoffrey Howe mentioned at the beginning of OD(EM), have not been substantiated.

We have been engaged in intensive diplomatic activity over the weekend with the general objective of bringing as much international pressure as possible to bear on Iran and Iraq to de-escalate the situation in the Gulf. The results so far are as follows:

The Ten

The Ten, acting on our suggestion, have agreed to make demarches in both Tehran and Baghdad about the requirement to preserve freedom of navigation in the Gulf. The demarche in Baghdad was made today, 21 May, by the troika of past, current and future Presidencies (Greece, France and Italy, representing Ireland). The Iraqis, who appeared to have advance knowledge of the text, said they could not accept the EC statement. Their pretext was that Iraq had taken a responsible attitude to peace-seeking throughout, and should not be placed on the same footing as Iran.

Washington

Although they are not optimistic that further attacks on shipping will not occur, the Americans clearly share our objective of acting by diplomatic means. They have received no requests for assistance from the Gulf States

/and

A J Coles Esq  
10 Downing Street



and they made no such offers. It is significant that the Americans have now announced that a public request from the Gulf States would be necessary before assistance could be considered. This is exactly the point we have been making to the Americans for some time. The US Ambassador has reported, after speaking to Macfarlane of the NSC, that the Americans intend to concentrate on calming the situation, especially the oil market.

A team of UK FCO and MOD officials flew to Washington today where they will discuss, among other things, action at the UN and contacts with the Russians. They will report by the evening of 23 May, in time for Cabinet on Thursday.

#### Arab League Meeting in Tunis

An emergency meeting of the Arab League adopted a resolution on 19 May expressing deep concern at Iranian attacks on shipping; calling on Iran to stop such attacks; and calling on the UN Security Council and the international community to act to prevent such aggression.

#### United Nations

Representatives of the Gulf Cooperation Council (GCC) are going to New York later this week to urge the Security Council to take a firm line to prevent further Iranian attacks. The GCC seem intent on a Security Council resolution which would condemn Iran and, if Iran continued its attacks, call for action under Chapter 7 of the UN Charter. The Americans have already told the Kuwaitis that they could not support an unbalanced resolution or language which might lead to sanctions. We are taking the same line with the Omanis, who have asked for our views.

#### Attitude of Iranians

Statements by Iranian leaders indicate their determination to continue the conflict and to threaten action against countries which intervene in the Gulf. But they have not yet responded to the attack on the 'Fidelity' (para 1 above).

#### Attitude of Iraqis

The Iraqi press says that Iraq will continue attacking shipping in an effort to 'force' Iran to peace talks.

/Attitude



Attitude of Gulf States

In general there is a widespread reluctance to press Iraq to stop its attacks on shipping. Saudi Arabia has confirmed it will defend itself against any further attacks on its shipping by Iran in Saudi territorial waters. Oman has urged the Americans not to intervene militarily. Bahrain is concerned at developments but they have given no sign so far of making a request for assistance from the Americans or ourselves. The Bahrainis are unlikely to urge caution on Iraq, but hope that Saudi Arabia or Kuwait might do so instead. Similarly the UAE are worried but look to other Gulf States to take the lead. Kuwait is very worried and fears it is now in the front line.

We have urged Turkey, Pakistan, Algeria, India and Japan, who are well placed to talk to Iran, to use their influence to restrain the Iranians. Algeria and Japan have already responded that they are urging restraint, but neither holds out much hope for success.

The National Union of Seamen have been pressing for HMG to instruct British shipping not to enter the Gulf until freedom of navigation can be guaranteed. While we have no legal power to instruct owners in this way, we are in touch with the Department of Transport to agree a strengthening of our general warning on the heightened risk to shipping in the Gulf.

I am sending a copy of this letter to the Private Secretaries of the other members of OD(EM).

*Yours ever,*

*Len Appleyard*

(L V Appleyard)

Private Secretary



*per all'ordine*

*Spese*

21 MAY 1974



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**ADVANCE COPY**

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PS/MR LUCE

PS/PUS

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SIR J LEAHY

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FM TEHRAN

TO IMMEDIATE FCO

TELNO 276 OF 21 MAY 1984

INFO IMMEDIATE BAGHDAD, UKMIS NEW YORK, WASHINGTON, PARIS, GULF POSTS  
INFO ROUTINE MOSCOW, UKREP BRUSSELS, UKDEL NATO.  
SAVING TO UKDEL OECD.

M I P T : ATTACKS ON GULF SHIPPING.

1. THE IRANIAN FOREIGN MINISTER SUMMONED HEADS OF MISSION ON 20 MAY. HE RECALLED THE LAST SUCH OCCASION ON 29 MARCH WHEN AT THE END OF HIS ADDRESS ON IRAQ'S USE OF CW HE HAD DRAWN ATTENTION TO ITS LATEST ATTACKS ON SHIPPING IN THE GULF. THESE HAD NOW REACHED A MENACINGLY DANGEROUS LEVEL AND IRAN WAS DETERMINED TO PUT AN END TO THE AGGRESSIVE IRAQI REGIME'S ADVENTURISM.

2. VELAYATI MADE THE FOLLOWING POINTS:-

- (I) IRAN HAD FIRST HER OWN DIRECT INTERESTS TO THINK OF AND SECONDLY THE NECESSITY TO MAINTAIN THE SECURITY OF THE GULF FOR THE STABILISATION AND GROWTH OF THE WORLD ECONOMY,
- (II) IRAQ'S REPEATED ATTACKS ON MERCANTILE SHIPPING, ESPECIALLY TANKERS, WERE AIMED AT INTERNATIONALISING THE WAR. COUNTRIES EXTENDING POLITICAL AND MILITARY SUPPORT TO IRAQ BORE RESPONSIBILITY FOR THIS ADVENTURISM. FOREIGN FORCES, ESPECIALLY THOSE OF THE SUPERPOWERS, MUST STAY OUT OF THE ESCALATING CONFLICT. IF THEY RESPONDED TO THE IRAQI INVITATION, THEY WOULD BOTH LOSE THEIR INTERESTS IN THE GULF BUT ALSO HAVE TO PAY DEARLY "IN THEIR OWN COUNTRIES, OR ELSEWHERE", FOR THE HAVOC CAUSED BY THEIR ENCROACHMENT,
- (III) THE IRAQI ATTACKS VIOLATED NATIONAL LAWS, JUST AS HAD IRAQ'S USE OF CW AND ATTACKS ON CIVILIAN LAND TARGETS. THERE SHOULD BE NO ATTEMPT TO ENCOURAGE IRAQ BY LINKING THESE VIOLATIONS TO

GRS 303  
UNCLASSIFIED  
FM MOSCOW 211200Z MAY 84  
TO PRIORITY FCO  
TELEGRAM NUMBER 626 OF 21 MAY  
INFO PRIORITY WASHINGTON, UKDEL NATO, PARIS, UKMIS NEW YORK,  
BIS TEHRAN, BAGHDAD, KUWAIT

MY TELNO 619 : SOVIET VIEWS ON THE GULF WAR

1. THE SOVIET PRESS HAS REPORTED THE LATEST ATTACKS ON GULF SHIPPING (WITHOUT ASCRIBING RESPONSIBILITY TO EITHER SIDE) AND HAS DRAWN ATTENTION TO THE PRESENCE IN THE GULF OF SHIPS FROM THE AMERICAN SEVENTH FLEET AND OF TWO BRITISH WAR SHIPS.
2. PRAVDA'S WEEKLY INTERNATIONAL COLUMN OF 20 MAY DESCRIBED THE US AS FEEDING THE FIRE OF THE GULF CONFLICT:  
AND A COMMENTARY THE PREVIOUS DAY BY A SENIOR PRAVDA CORRESPONDENT, DEMCHENKO, MADE THE FOLLOWING POINTS:
  - (I) : THE US WAS READY TO PLUNGE THE NAVIES OF TWO NATO POWERS INTO MILITARY ADVENTURISM IN THE GULF.
  - (II) THE OFFICIAL US PRETEXT FOR INTERFERENCE - ENSURING FREEDOM OF NAVIGATION IN THE GULF - BROUGHT TO MIND WASHINGTON'S ACTIONS IN THE WATERS AROUND NICARAGUA. THERE AMERICAN MINE-LAYING HAD VIOLATED FREEDOM OF NAVIGATION IN INTERNATIONAL SHIPPING LANES.
  - (III) WASHINGTON HAD LONG NURSED THE IDEA OF ACTIVE ARMED INTERFERENCE IN THE GULF REGION AND WAS USING THE IRAN/IRAQ CONFLICT AND THE RECENT ATTACKS ON TANKERS AS A PRETEXT.

/(IV)

(IV) THE AMERICANS WERE HOPING THAT ONE OR OTHER OF THE ARAB COUNTRIES IN THE REGION WOULD ASK THE US FOR MILITARY ASSISTANCE, THUS GIVING THE US A FREE HAND FOR INTERVENTION AND ALLOWING THEM TO SET UP BASES IN THE REGION. SUCH A REQUEST WAS UNLIKELY: FOLLOWING THE AMERICAN FAILURE IN THE LEBANON, ARAB GOVERNMENTS HAD TO TAKE INTO ACCOUNT A STRONG ANTI-AMERICAN MOOD IN THEIR COUNTRIES.

(V) "AMERICAN INTERFERENCE, WHATEVER THE SMOKE-SCREEN ONLY COMPLICATES THE SITUATION IN THIS EXPLOSIVE PART OF THE PLANET AND MAKES MORE DIFFICULT AN ALREADY COMPLICATED SEARCH FOR A SETTLEMENT OF THE IRAN/IRAQ CONFLICT. THE ACTIONS OF WASHINGTON, AS THE FACTS DEMONSTRATE, FURTHER SELFISH IMPERIAL INTERESTS AND HAVE NOTHING TO DO WITH CONCERN FOR FREEDOM OF INTERNATIONAL NAVIGATION".

SUTHERLAND

**IRAN/IRAQ**

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MR EGERTON  
CABINET OFFICE**

**ADDITIONAL DISTRIBUTION**

**IRAN/IRAQ**

SECRET

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*File*

*cc: OD(EM)*



*LPO*

*+ CO*

*FCO*

*bc: Sir P. Craddock*

*HM*

*(MOD)*

10 DOWNING STREET

*From the Private Secretary*

21 May 1984

IRAN/IRAQ CONFLICT: GUIDELINES FOR LOAN SERVICE PERSONNEL

The Prime Minister has seen Nick Evans' letter of 17 May, commenting on an observation which the Prime Minister had made in relation to your Secretary of State's minute of 25 April, and the minute of 14 May by the Foreign and Commonwealth Secretary on the above subject.

The Prime Minister is content that the guidelines attached to Mr. Heseltine's minute of 25 April should be issued to HM Ambassadors in Bahrain, Kuwait, Qatar and the UAE.

I am sending copies of this letter to the Private Secretaries of the other members of OD(EM) and to Sir Robert Armstrong.

*AJ COLES*

Richard Mottram, Esq.,  
Ministry of Defence.

*CST*

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 MR EGERTON  
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FM BAGHDAD 211030Z MAY 84  
 TO IMMEDIATE F C O  
 TELNO 274 OF 21 MAY 84

INFO IMMEDIATE GULF POSTS, TEHRAN, AMMAN, WASHINGTON, UKMIS NEW YORK  
 INFO PRIORITY EC POSTS, MOSCOW, UKDEL NATO, TOKYO, ANKARA.  
 INFO SAVING UKDEL STRASBOURG, OSLO, LISBON, MADRID, WELLINGTON,  
 OTTAWA, MEXICO CITY, BERNE.

S

YOUR TELEGRAM NO 611 TO PARIS: IRAN/IRAQ: EC DEMARCHE.

## SUMMARY.

1. THE TROIKA AMBASSADORS DELIVERED THE EC DEMARCHE AND ACCOMPANYING ORAL MESSAGE TO THE MFA IN BAGHDAD TODAY. THE ACTING HEAD OF THE FIRST INTERNATIONAL DEPARTMENT, WHO APPEARED TO HAVE ADVANCE KNOWLEDGE OF THE TEXT, RESPONDED FIRMLY, SAYING THAT THE IRAQ GOVERNMENT DID NOT ACCEPT THE STATEMENT. HE SAID THAT IRAN ALONE WAS RESPONSIBLE FOR THE CONTINUATION AND AGGRAVATION OF THE WAR AND THAT THE TEN SHOULD THEREFORE EXERT ALL POSSIBLE PRESSURES ON IRAN. IRAQ HAD TAKEN A RESPONSIBLE ATTITUDE THROUGHOUT AND SHOULD NOT (NOT) BE PLACED ON THE SAME FOOTING AS IRAN.

## DETAIL.

2. THE TROIKA AMBASSADORS (THE FRENCH, FLANKED BY THE ITALIAN AMBASSADOR IN THE ABSENCE OF A RESIDENT IRISH AMBASSADOR, AND THE GREEK CHARGE D'AFFAIRES) THIS MORNING DELIVERED TO THE MINISTRY OF FOREIGN AFFAIRS THE TEXT OF THE AGREED DEMARCHE. THEY THEN COVEYED THE ADDITIONAL ORAL MESSAGE. THE TROIKA WERE RECEIVED BY ABDUR RAZZAQ AL-HASHIMI, FORMER MINISTER OF HIGHER EDUCATION AND NOW AMBASSADOR-DESIGNATE IN BONN, WHO IS TEMPORARILY STANDING IN AS THE HEAD OF THE FIRST INTERNATIONAL DEPARTMENT.

3. WITHOUT LOOKING AT THE TEXT, WHICH HAD BEEN GIVEN TO HIM IN FRENCH AND IN ARABIC, AL-HASHIMI RESPONDED IMMEDIATELY. HE SAID THE IRAQ GOVERNMENT WERE SORRY ABOUT THIS STATEMENT AND DID NOT ACCEPT IT. IT WAS NOT WHAT THEY HAD EXPECTED FROM THE TEN. REFERRING TO SENATOR GARY HART'S INSISTENCE THAT THE GULF WAS NOT A US PROBLEM, HE SAID IT WAS TIME THAT THE TEN UNDERSTOOD THAT THE GULF WAS THEIR PROBLEM. THE TEN AND JAPAN WERE DIRECTLY INVOLVED BECAUSE IT WAS THEY WHO DEPENDED ON GULF OIL SUPPLIES. IRAQ HAD THROUGHOUT ADOPTED A VERY RESPONSIBLE ATTITUDE AND HAD DONE NOTHING NEW. AL-HASHIMI QUESTIONED, THEREFORE, WHY IRAQ SHOULD BE ASKED TO BE RESPONSIBLE NOW. HE ARGUED THAT IRAN WAS ENTIRELY RESPONSIBLE FOR THE PRESENT TENSION AND THAT ALL ACTION TO DEAL WITH IT SHOULD BE TAKEN IN TEHRAN. AL-HASHIMI ADDED THAT IT WAS THE RIGHT MOMENT FOR EUROPE TO STOP CONSIDERING IRAQ AND

ENTIRELY RESPONSIBLE FOR THE PRESENT TENSION AND THAT ALL EFFORTS TO DEAL WITH IT SHOULD BE TAKEN IN TEHRAN. AL-HASHIMI ADDED THAT IT WAS THE RIGHT MOMENT FOR EUROPE TO STOP CONSIDERING IRAQ AND IRAN ON THE SAME FOOTING. IRAQI HAD DONE EVERYTHING POSSIBLE TO ACHIEVE PEACE AND IN CONTRAST IRAN HAD DONE NOTHING. IRAQ WOULD TAKE EVERY POSSIBLE MEASURE THAT WOULD SHORTEN THE WAR EVEN BY ONE DAY AND WOULD DEFEND HERSELF TO HER UTMOST CAPACITY, EVEN TO THE EXTENT OF ACTION AGAINST KHARG ISLAND. AL-HASHIMI SAID THAT THE IRAQIS HAD BEEN "GOOD GUYS" LONG ENOUGH AND THAT THEY COULD NOT CONTINUE TO SEND THEIR MEN TO A SLAUGHTER. HE SAID THAT IN ORDER TO END THE WAR IT WAS NECESSARY TO BREAK "THIS DIABOLIC SPIRAL" AND URGED THAT IRAQ'S FRIENDS SHOULD ADOPT THE SAME ATTITUDE.

4. AL-HASHIMI RECAPITULATED HIS ARGUMENT AS FOLLOWS:-

A) IRAQ HAD DONE NOTHING NEW: SO THE REQUEST TO IRAQ WAS NOT UNDERSTOOD.

B) IRAN ALONE WAS RESPONSIBLE FOR THE CONTINUATION AND AGGRAVATION OF THE WAR.

C) IRAN ALONE HAD DONE WRONG, IE IN ATTACKING THIRD COUNTRY SHIPS OUTSIDE A MILITARY ZONE.

D) THEREFORE THE TEN SHOULD EXERT ALL POSSIBLE PRESSURES ON IRAN.

E) THE TIME WAS RIGHT TO ABANDON DEALING WITH IRAQ AND IRAN ON AN EQUAL FOOTING.

F) EUROPE WAS THE PARTY CHIEFLY INTERESTED IN THE OIL AND THEREFORE IRAQ EXPECTED A MORE DECISIVE EC STAND TOWARDS IRAN, INVOLVING ACTION TO STOP THE FLOW OF OIL FROM IRAN AND THE SUPPLY OF ARMS, AMMUNITION AND OTHER GOODS TO IRAN.

5. THE TROIKA REPRESENTATIVES FORMED THE STRONG IMPRESSION THAT AL-HASHIMI WAS ALREADY AWARE OF THE TEXT OF THE DEMARCHE AND OF THE CONTENT OF THE ACCOMPANYING ORAL MESSAGE AND THAT HE HAD PREPARED HIS RESPONSE IN ADVANCE, WHICH WAS DELIVERED EFFECTIVELY AND WITH AUTHORITY.

6. AT ONE POINT AL-HASHIMI PICKED UP THE ARABIC TEXT AND POINTED TO THE REFERENCE TO RECOMMENDATIONS IN PARAGRAPH 3 AND SAID IT WOULD BE HELPFUL IF THE IRAQ GOVERNMENT COULD BE GIVEN THE TEXT OF THE TEN'S RECOMMENDATIONS. THE TROIKA AVOIDED GIVING A PRECISE ANSWER TO THIS.

7. AL-HASHIMI ASKED WHETHER THE DEMARCHE IN TEHRAN HAD ALSO BEEN ACCOMPANIED BY AN ORAL MESSAGE AND HE ENQUIRED WHETHER HE COULD BE GIVEN THE TEXT OF THIS. THE FRENCH AMBASSADOR SAID THAT HE COULD REFER THIS TO THE PRESIDENCY.

8. AL-HASHIMI UNDERTOOK TO CONVEY THE TEXT OF THE EC DEMARCHE AND ACCOMPANYING MESSAGE TO HIS AUTHORITIES.

9. AT THE END AL-HASHIMI SAID HE REALISED THAT THE FRENCH AND ITALIAN AMBASSADORS AND THE GREEK CHARGE WERE NOT CONVEYING THE VIEWS OF THEIR OWN GOVERNMENTS, WITH WHICH IRAQ HAD EXCELLENT RELATIONS. THE FRENCH AMBASSADOR SAID THAT THE DEMARCHE WAS MADE ON BEHALF OF THE COMMUNITY AND REPRESENTED THE VIEWS OF THE COMMUNITY.

FCO PLEASE PASS INFO SAVING ADDRESSEES.

MOBERLY

PS

MR LUCE

PS/PUS

SIR J BULLARD

SIR J LEAHY

MR EGERTON

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FROM KUWAIT 210930Z MAY 84

*M u/s  
f.a.*

TO IMMEDIATE FCO

TELNO 199 OF 21 MAY

FOR INFORMATION IMMEDIATE BAGHDAD AND TEHRAN  
FOR INFORMATION PRIORITY ISLAMABAD, ANKARA, TOKYO, GULF POSTS,  
WASHINGTON, UKMIS NEW YORK, PARIS, STOCKHOLM, CAIRO, MOSCOW,  
ALGIERS AND NEW DELHI.

ALGIERS TELNO 98 : ATTACKS ON GULF SHIPPING.

1. SEEN FROM HERE, ATAF'S GLOOMY ANALYSIS LOOKS RIGHT. IF THE  
SITUATION DOES DETERIORATE, KUWAIT WILL PROBABLY BEAR THE BRUNT.  
KUWAIT IS NOW TOO LOCKED INTO THE IRAQI CAUSE TO HAVE MUCH FREEDOM  
OF MANOEUVRE TOWARDS IRAN. I SHALL COMMENT SEPARATELY ON THE WAYS  
IN WHICH KUWAIT COULD RESPOND TO FURTHER ATTACKS BY IRAN AND ON  
THE TYPE OF HELP WHICH KUWAIT MIGHT SEEK FROM US.

MELHUISH



IMMEDIATE

PS

PS/MR LUCE

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SIR J BULLARD

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TO IMMEDIATE FCO

TELEGRAM NUMBER 97 OF 21 MAY 84

INFO IMMEDIATE TO GULF POSTS, TEHRAN, BAGDAD, WASHINGTON, UKMIS NEW YORK,  
PARIS, TOKYO, TUNIS, AMMAN, CAIRO, UKDEL NATO

MY TELEGRAM NUMBER 95 TO FCO (NOT TO ALL):

ATTACKS ON GULF SHIPPING

1. MY APPOINTMENT AT 0700Z TODAY WAS CANCELLED AND I WAS ASKED TO CALL ON THE MINISTER OF STATE FOR FOREIGN AFFAIRS AT 0930Z. SHAIKH AHMED BIN SAIF HAD PREVIOUSLY SEEN THE US AND FRENCH AMBASSADORS.

2. SHAIKH AHMED OPENED BY SAYING THAT HE WANTED TO APPRAISE THE UNSC PERMANENT MEMBERS OF THE OUTCOME OF THE MEETINGS IN RIYADH AND TUNIS. HE SAID THAT THE IRANIAN ATTACKS ON SHIPPING IN SAUDI AND KUWAIT WATERS HAD BEEN A TEST OF GCC AND WORLD REACTION. THE SAUDIS HAD SENT UP FIGHTER INTERCEPTORS BUT HAD NOT ENGAGED THE IRANIAN PLANES. SHOULD THE IRANIANS AGAIN ATTACK SHIPPING IN SAUDI WATERS THE SAUDIS WOULD ENGAGE THEM.

~~GCC AND WORLD REACTION. THE SAUDIS HAD SENT UP FIGHTER INTERCEPTORS BUT HAD NOT ENGAGED THE IRANTAN PLANES. SHOULD THE IRANIANS AGAIN ATTACK SHIPPING IN SAUDI WATERS THE SAUDIS WOULD ENGAGE THEM.~~

3. THE MEETING HAD DECIDED THAT THE GCC STATES SHOULD SEEK A THREE POINT UNSC RESOLUTION:

(1) CONDEMNING IRAN FOR ATTACKING SHIPS IN GCC WATERS,  
(11) CALLING ON IRAN TO REFRAIN FROM ATTACKING SHIPPING USING GCC PORTS, AND

(111) THE REAFFIRMATION OF SCR 540.

SHOULD IRAN NOT RESPOND THEN THE GCC WOULD PRESS (AT A LATER DATE) FOR SANCTIONS AGAINST IRAN. WHEN QUESTIONED (JEDDA TEL 252) HE REPEATED THAT SANCTIONS WERE ONLY TO BE CONSIDERED IF IRAN DID NOT RESPOND. I MADE THE POINT THAT THE RESOLUTION WOULD BE MORE LIKELY TO SUCCEED IF IT WAS A BALANCED ONE, AND THAT SANCTIONS HAD NOT BEEN SUCCESSFUL IN THE PAST. IN REPLY TO MY QUESTION HE SAID THAT QATAR HAD NOT ASKED IRAQ TO STOP ATTACKS ON SHIPPING.

4. SHAIKH AHMED THEN SAID THE MEETING IN RIYADH HAD INSTRUCTED HIM (QATAR CURRENTLY HEADS THE GCC) TO PRESENT THE GCC'S CASE TO THE UNSC. FOR THIS HE WOULD BE ACCOMPANIED BY ABDULLA BISHARA AND SHAIKH SABAH. HE SAID BISHARA WAS ALREADY ON HIS WAY TO NEW YORK AND THAT SHAIKH SABAH WOULD FLY THERE DIRECT FROM TOKYO.

(KUWAIT TELEGRAM NUMBER 125 TO FCO.) HE HAD FURTHER BEEN INSTRUCTED TO PRESENT THE GCC CASE IN PARIS AND LONDON EN ROUTE TO NEW YORK. HE WAS LEAVING FOR PARIS ON WEDNESDAY AFTERNOON AND WOULD ARRIVE IN LONDON ON THURSDAY EVENING. HE VERY MUCH HOPED IT WOULD BE POSSIBLE TO MEET YOU ON FRIDAY 25 MAY. FAILING THAT HE HOPED HE COULD SEE MR LUCE. HE ASKED FOR EARLY CONFIRMATION THAT A MEETING WAS POSSIBLE.

5. I HAVE BEEN UNABLE TO CONTACT THE FRENCH AMBASSADOR SINCE OUR CALL ON THE MINISTRY BUT NO DOUBT IN VIEW OF THE EFFORT THEY ARE PUTTING IN TO STRENGTHENING FRANCO/QATARI RELATIONS THEY WILL TRY TO RESPOND POSITIVELY. I HOPE WE CAN ALSO RESPOND POSITIVELY. SHOULD A DECISION NOT BE POSSIBLE BEFORE 230900Z SHAIKH AHMED CAN BE CONTACTED VIA THE QATAR EMBASSY IN PARIS.

LOCKHART

NNNN

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FM JEDDA 201630Z MAY 1984

IMMEDIATE

TO IMMEDIATE F.C.O.  
 TELEGRAM NUMBER 252 OF 20TH MAY 1984.  
 INFO IMMEDIATE UKMIS NEW YORK, GULF POSTS, WASHINGTON, PARIS  
 AND TEHRAN.  
 INFO PRIORITY TUNIS, AMMAN, CAIRO AND UKDEL NATO.

MY TELNO 247 : ATTACKS ON GULF SHIPPING

SUMMARY

1. THE SAUDI FOREIGN MINISTER SPOKE TO THE REPRESENTATIVES OF THREE PERMANENT MEMBERS OF THE SECURITY COUNCIL IN JEDDA TODAY. HE SAID THE GCC WANTED OUR SUPPORT FOR A RESOLUTION WHICH WOULD CONTAIN CHAPTER 7 LANGUAGE. THIS WOULD BE LESS COSTLY AND DANGEROUS THAN A WIDENING OF THE CONFLICT BY E.G. A DECLARATION OF WAR BY THE GCC ON IRAN. IF THERE WERE FURTHER IRANIAN ATTACKS WITHIN SAUDI TERRITORIAL WATERS, SAUDI ARABIA WOULD DEFEND ITSELF MILITARILY. IF THE ATTACKS WERE ON THE HIGH SEAS, THE PROBLEM SHOULD BE DEALT WITH INTERNATIONALLY.

DETAIL

2. PRINCE SAUD RECEIVED MY FRENCH AND U.S COLLEAGUES AND ME THIS AFTERNOON. HE SAID WE WERE FACING A NOVEL SITUATION : ATTACKS ON GCC SHIPS INSIDE THEIR OWN TERRITORIAL WATERS. THERE WAS NO DOUBT THAT THE ATTACKERS WERE IRANIAN; SAUDI INTERCEPTOR AIRCRAFT HAD GOT WITHIN 10 KILOMETRES OF THEM AND IN ANY CASE RAFSANJANI HAD ADMITTED THE FACT.

3. THE GCC COULD NOT ACCEPT THE ARGUMENT THAT BECAUSE IRAQ HAD ACTED AGAINST IRAN, IRAN COULD ACT AGAINST THIRD PARTIES. IRAQI PORTS HAD BEEN ATTACKED AND BLOCKADED BY IRAN, BUT THEY WERE NOT TO BE EQUATED WITH GCC PORTS. THE PRESENT IRANIAN ATTACKS THREATENED BOTH THE VITAL INTERESTS AND THE TERRITORIAL INTEGRITY OF THE GCC STATES. THEY ALSO THREATENED THE FREEDOM OF THE SEAS AND WERE A BREACH OF THE U.N. CHARTER.

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 f-a.

~~THE GULF PORTS HAD BEEN ATTACKED AND BLOCKADED BY IRAN, BUT THEY WERE NOT TO BE EQUATED WITH GCC PORTS. THE PRESENT IRANIAN ATTACKS THREATENED BOTH THE VITAL INTERESTS AND THE TERRITORIAL INTEGRITY OF THE GCC STATES. THEY ALSO THREATENED THE FREEDOM OF THE SEAS AND WERE A BREACH OF THE U.N. CHARTER.~~

4. ALL GCC STATES WOULD BE IN TOUCH WITH THE PERMAENT MEMBERS OF THE SECURITY COUNCIL. THE SECRETARY GENERAL OF THE GCC AND THE FOREIGN MINISTERS OF QATAR (AS PRESIDENT) AND KUWAIT WERE GOING TO NEW YORK. A LETTER HAD BEEN SENT V THE PRESIDENT OF THE SC. HE HOPED OUR REPRESENTIATIVES IN NEW YORK WOULD COOPERATE IN OBTAINING A RESOLUTION WHICH WOULD PREVENT FURTHER INCIDENTS AND HELP TO PROTECT THE INTERESTS AND THE TERRITORIAL WATERS OF THE GCC STATES.

5. I ASKED WHAT KIND OF RESOLUTION WAS ENVISAGED. SAUD SAID THE SUBJECT HAD BEEN THOROUGHLY DISCUSSED BY THE GCC. THEY WANTED TO AVOID ESCALATION BUT FEARED THAT IRANIAN ACTIONS WOULD ESCALATE IF THEY WERE NOT STOPPED. MERE CONDEMNATION WOULD NOT BE ENOUGH. IRAN HAD TO BE SHOWN THAT ITS INTERESTS COULD BE AFFECTED. A RESOLUTION WOULD BE USEFUL ONLY IF IT CONTAINED "SOME ASPECT OF IMPLEMENTATION". HE WAS THINKING, HE SAID, OF CHAPTER 7. THE AMERICAN REMARKED THAT COLLECTIVE MEASURES UNDER CHAPTER 7 DID NOT HAVE A HISTORY OF EFFECTIVENESS. SAUD REPLIED THAT THEY COULD BE EFFECTIVE IF STRICTLY APPLIED. THIS WAS A SPECIAL SITUATION; OUTSIDERS TO A CONFLICT WERE BEING ATTACKED. THE GCC WAS TRYING TO MAKE A LEGAL RESPONSE RATHER THAN ENTERING UPON A WAR. CHAPTER 7 MEASURES WOULD BE LESS COSTLY THAN WIDENING THE CONFLICT. FOR THAT REASON THE GCC HAD NOT/NOT ASKED THE ARAB LEAGUE AT TUNIS FOR A DECLARATION OF WAR.

6. THE FRENCHMAN SAID THAT THE COMMUNITY WERE MAKING A DEMARCHE AT BAGHDAD AND TEHRAN AND ADDED THAT IT WOULD REFER TO RESOLUTION 540. SAUD SAID THE GCC WANTED TO AVOID LINKING THIS OPERATION WITH PREVIOUS AND GENERAL APPEALS FOR AN END TO THE WAR. THOSE APPEALS HAD BEEN INEFFECTIVE. THIS WAS A SPECIAL AND SEPARATE SITUATION.

7. I POINTED OUT THAT SOME OBSERVERS MIGHT ARGUE THAT THE FIRST ATTACKS ON GCC SHIPS HAD BEEN MADE BY IRAQ. SAUD SAID THEY HAD BEEN MADE WITHIN AN EXCLUSION ZONE WHICH SHIPS ENTERED IN FULL KNOWLEDGE OF THE RISK. THERE WAS NO COMPARISON BETWEEN THE TWO TYPES OF ATTACK. THE AMERICAN SUGGESTED THAT SOME OF THE IRAQI ATTACKS HAD BEEN OUTSIDE THE EXCLUSION ZONE. SAUD REPLIED THAT THE IRAQI ATTACKS ON SAUDI SHIPS HAD BEEN INSIDE.

8. I ASKED WHETHER SAUDI ARABIA WAS URGING IRAQ TO AVOID PROVACATIVE ACTIONS AND THE AMERICAN SUGGESTED THAT IRAQI ATTACKS AFTER THE GCC MEETING (WHEN WE WERE ALL HOPING FOR A COOLING-OFF PERIOD) WERE NEITHER TIMELY NOR HELPFUL IN THE CONTEXT OF AN SC MEETING. SAUD SAID THE SAUDIS WERE NOT RESPONSIBLE FOR IRAQI ACTIONS. IT WAS HARD TO URGE THE IRAQIS TO SWEETEN THE ATHOSPHERE FOR THE SC DEBATE WHEN THEY WERE FACING CONSTANT PROVOCATION BY IRAN (MASSING OF TROOPS, THREATS OF A RENEWED OFFENSIVE ETC). NEVERTHELESS "WE HAVE TALKED TO THE IRAQIS OF COURSE. WE TALKS TO THEM CONSTANLY AND WE HOPE THEY LISTEN".

9. THE FRENCHMAN ASKED IF THE SAUDIS HAD ASKED IRAN FOR AN EXPLANATION. SAUD SAID THEY HAD PROTESTED BUT HAD NOT HAD A REPLY.

10. I ASKED WHETHER SAUKA ARABIA INTENDED TO TAKE MILITARY ACTION

10. ~~I ASKED WHETHER SAUDI ARABIA INTENDED TO TAKE MILITARY ACTION~~  
IF THERE WERE FURTHER ATTACKS. SAUDI SAID IT WAS DIFFICULTY TO  
COPE WITH HIT-AND-RUN ATTACKS BUT THE SAUDIS HAD TO DEFEND  
THEMSELVES AND, IF THERE WERE ATTACKS SIMILAR TO THAT ON THE  
YANBU PRIDE, THEY WOULD TRY TO INTERCEPT THE ATTACKERS. IF  
THE ATTACKS WERE ON THE HIGH SEAS, THAT WOULD BE AN INTERNATIONAL  
PROBLEM, TO BE DEALT WITH INTERNATIONALLY. HE PRESUMED THAT  
COUNTRIES LIKE OUR THREE WOULD BE DEEPLY CONCERNED SINCE THEIR  
VITAL INTERESTS WOULD BE AFFECTED. ASKED IF SAUDI ARABIA WOULD  
IN SUCH CIRCUMSTANCES ASK FOR HELP, HE SAID (SOMEWHAT VAGUELY)  
THAT SAUDI ARABIA WOULD BE IN TOUCH WITH US. AFTER THE GCC  
SUMMIT AT Doha WE HAD ALL BEEN INFORMED OF THE GCC DECISION TO  
SEEK INTERNATIONAL COOPERATION TO DEAL WITH SUCH A SITUATION.

1. ANSWERING THE AMERICAN, SAUDI SAID ARAB SUPPORT AT TUNIS  
HAD BEEN GRATIFYING. THERE HAD BEEN NO OBJECTION TO THE  
RESOLUTION EVEN FROM COUNTRIES WHICH HAD NOT ATTENDED THE  
BAGHDAD MEETING (SYRIA, PDRY AND ALGERIA). THE SYRIAN  
REPRESENTATIVE HAD BEEN QUITE CLEAR IN HIS "DENUNCIATION OF  
THE IRANIAN ACTION". ONLY THE LIBYAN HAD EXPRESSED RESERVATIONS.

12. INCIDENTALLY, THE FRENCHMAN AT ONE POINT ASKED WHAT WAS THE  
SAUDIS UNDERSTANDING OF TERRITORIAL WATERS. SAUDI SAID 12 MILES.

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ECLIPSE

FROM KUWAIT 201330Z MAY 84

TO IMMEDIATE FCO  
TELNO 196 OF 20 MAY  
FOR INFORMATION IMMEDIATE WASHINGTON AND UKMIS NEW YORK

MY TELNO 195 : ATTACKS ON GULF SHIPPING.

1. GRIFFIN, US CHARGE, TOLD ME IN CONFIDENCE (PLEASE PROTECT) THIS MORNING THAT, ON INSTRUCTIONS FROM WASHINGTON, HE WAS ABOUT TO CALL ON THE POLITICAL DIRECTOR AT THE MFA TO MAKE A DEMARCH URGING THE KUWAITIS TO THINK THROUGH VERY CAREFULLY THE CONSEQUENCES OF WHAT LOOKED LIKE BEING AN UNTARGETTED APPROACH TO THE SECURITY COUNCIL OVER THE LATEST ATTACKS ON GULF SHIPPING. THE US WOULD HAVE GREAT DIFFICULTY IN SUPPORTING ANY SC RESOLUTION WHICH DID NOT DEAL EQUALLY BETWEEN IRAN AND IRAQ. THEY DID NOT WANT TO HAVE THEIR HANDS TIED BY A SECURITY COUNCIL INSISTENCE THAT ANY ACT OF INTERVENTION IN THE GULF HAD TO BE COLLECTIVE OR UNDER A UN LABEL. THEY COULD NOT AGREE TO ANY ATTEMPT TO IMPOSE CHAPTER VII SANCTIONS ON IRAN. RATHER THEY HOPED KUWAIT AND THE OTHER GCC STATES, INVOKING THE OPTION OF REGIONAL SELF-HELP ENVISAGED IN ARTICLE 51 OF THE CHARTER WOULD SET LIMITS TO THE KIND OF OUTCOME THEY WOULD EXPECT FROM THE SECURITY COUNCIL. GRIFFIN DID NOT THINK THE KUWAITIS WOULD BE HAPPY WITH HIS MESSAGE.

2. GRIFFIN ALSO CONFIRMED THAT SO FAR THE AMERICANS HAD NOT BEEN

*MU/S.*

*f.a.*

~~NNNN THE KUWAITIS WOULD BE HAPPY WITH HIS MESSAGE~~

~~2. GRIFFIN ALSO CONFIRMED THAT SO FAR THE AMERICANS HAD NOT BEEN~~  
ASKED FOR HELP (PARA 1 (C) OF FCO TELNO 220 TO JEDDA). HE THOUGHT  
THE KUWAITIS WOULD HAVE GREAT DIFFICULTY IN MAKING SUCH A REQUEST  
GIVEN THEIR WELL PUBLICISED DISTASTE FOR SUPERPOWER INTERVENTION  
IN THE GULF. AS YOU KNOW, HOWEVER (MY TELNO 189), THERE IS A HIGH  
LEVEL US MILITARY TEAM IN KUWAIT AT PRESENT AND ANOTHER DUE ON  
23 MAY AND THEIR PRESENCE MIGHT SPARK OFF SOME KUWAIT REQUEST FOR  
US HELP, PARTICULARLY IF THE SITUATION IN THE GULF DETERIORATES.  
I WILL TRY TO KEEP IN TOUCH WITH GRIFFIN WHOSE OUTSPOKENNESS WITH  
WITH US WILL, I HOPE, NOT GET HIM INTO TROUBLE IN WASHINGTON.

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CORRECTION PARA 2 WA OFF SOME --- KUWAITI

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TO IMMEDIATE FCO

TELEGRAM NUMBER 157 OF 20 MAY 84

INFO IMMEDIATE GULF POSTS, TEHRAN, BAGHDAD, WASHINGTON, UKMIS  
NEW YORK

INFO PRIORITY PARIS, TOKYO, TUNIS, AMMAN, CAIRO, UKDEL NATO

M I P T: ATTACKS ON GULF SHIPPING: US/OMAN DISCUSSIONS

SUMMARY

1. DURING VICE-PRESIDENT BUSH'S VISIT THE OMAN MINISTER OF FOREIGN AFFAIRS URGED THE US NOT TO INTERVENE MILITARILY IN THE GULF.

DETAIL

2. I SPOKE THIS MORNING TO UNDER-SECRETARY MURPHY, WHO ACCOMPANIED VICE-PRESIDENT BUSH ON HIS VISIT HERE BUT STAYED ON AFTER BUSH'S PARTY HAD LEFT. (I SHALL BE REPORTING SEPARATELY ON BUSH'S VISIT).

3. MURPHY SAID THAT IN THEIR CONVERSATIONS WITH THE VICE-PRESIDENT ABOUT THE ATTACKS ON SHIPPING, THE SULTAN AND YOUSUF AL ALAWI (MINISTER OF STATE FOR FOREIGN AFFAIRS) HAD TAKEN A SIMILAR LINE TO BATTASHI IN THE CONVERSATION REPORTED IN MIPT. BUT ALAWI HAD THEN GONE ON STRONGLY TO URGE THE AMERICANS NOT TO BECOME INVOLVED MILITARILY IN THE GULF. ALAWI SAID THAT THERE WOULD PROBABLY BE MORE ATTACKS BY BOTH THE IRAQIS AND THE IRANIANS AND MORE SHIPS WOULD BE SUNK. BUT THIS SHOULD BE ACCEPTED: A FEW SUNKEN SHIPS WERE BETTER THAN MILITARY INTERVENTION BY OUTSIDE POWERS. IN ANY CASE, SAID ALAWI, THE PRACTICE OF ATTACKING SHIPS MIGHT WELL CEASE FAIRLY SOON (HE GAVE NO REASON FOR THIS BELIEF). MURPHY SAID THAT HE REPLIED THAT WHILST THE US HAD NO PRESENT INTENTION OF INTERVENING MILITARILY, IF INDISCRIMINATE ATTACKS ON SHIPPING CONTINUED THE US MIGHT HAVE TO DO SOMETHING TO HONOUR ITS COMMITMENT TO FREE NAVIGATION. ALAWI MERELY REPEATED THAT A FEW SHIPS LOST WERE BETTER THAN MILITARY INTERVENTION.

SLATER



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PS/PUS  
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TELEGRAM NUMBER 156 OF 20 MAY 84  
INFO IMMEDIATE GULF POSTS, TEHRAN, BAGHDAD, WASHINGTON, UKMIS  
NEW YORK  
INFO PRIORITY PARIS, TOKYO, TUNIS, AMMAN, CAIRO, UKDEL NATO  
YOUR TELEGRAM NUMBER 220 TO JEDDA: ATTACKS ON GULF SHIPPING

SUMMARY

1. THE OMAN GOVERNMENT SHARE THE GCC'S CONCERN AT THE ESCALATING ATTACKS ON SHIPPING. BUT PRIVATELY THEIR CONCERN IS MODIFIED BY THE FACT THAT THE CRISIS CONTAINS SOME ADVANTAGES FOR OMAN. THE UNDER-SECRETARY IN THE MINISTRY OF FOREIGN AFFAIRS HAS GIVEN ME THE OUTLINE OF A RESOLUTION WHICH THE GCC WISH THE SECURITY COUNCIL TO PASS. HE INDICATED THAT THE OMAN GOVERNMENT WOULD BE PREPARED TO CONSIDER MODIFICATIONS TO THE RESOLUTION. HE DID NOT THINK THAT THE GCC HAD URGED THE IRAQIS TO STOP THEIR ATTACKS ON SHIPPING.

DETAIL

2. FOR THE LAST TWO DAYS, THE OMAN GOVERNMENT HAVE BEEN BUSY WITH THE VISIT OF VICE-PRESIDENT BUSH, BUT I HAVE BEEN ABLE TO TALK PRIVATELY TO A NUMBER OF OMANI MINISTERS. THE OMANIS ARE CONCERNED ABOUT THE IRANIAN ATTACKS ON SHIPPING AND ANXIOUS TO SHOW THEIR SOLIDARITY WITH THE OTHER GCC STATES. BUT THE OMANIS FEEL SOMEWHAT DETACHED FROM THE PROBLEM AND THE OMANI CONCERN IS A LONG WAY SHORT OF PANIC. IN PARTICULAR I DETECT A CERTAIN QUIET SATISFACTION ON THE OMANI SIDE ON TWO POINTS:

(A) THE FACT THAT THE IRANIANS HAVE CHOSEN TO ESCALATE THE CONFLICT BY ATTACKING SHIPPING IN THE UPPER GULF TENDS TO CONFIRM THE THEORY THAT THE IRANIANS REGARD ACTION IN THE STRAITS, WHICH WOULD AFFECT THE OMANIS DIRECTLY, AS A LAST RESORT SEMI COLON

(B) IF SHIPOWNERS BECOME RELUCTANT TO SEND TANKERS INTO THE GULF, THEN THIS WILL MAKE OMANI OIL MORE SOUGHT AFTER.

3. I WAS SUMMONED THIS MORNING TO CALL ON SAIF AL BATTASHI, THE UNDER-SECRETARY IN THE MINISTRY OF FOREIGN AFFAIRS. BATTASHI SAID THAT THE RECENT GCC FOREIGN MINISTERS MEETING HAD DECIDED TO REFER THE PROBLEM CAUSED BY THE IRANIAN ATTACK : ON SHIPPING

~~ASID THAT THE RECENT GCC FOREIGN MINISTERS MEETING HAD DECIDED TO REFER THE PROBLEM CAUSED BY THE IRANIAN ATTACK ON SHIPPING TO THE SECURITY COUNCIL. ABDULLAH BISHARA WOULD BE ARRIVING IN NEW YORK ON THE 21ST AND THE FOREIGN MINISTERS OF KUWAIT AND QATAR WOULD FOLLOW SHORTLY THEREAFTER. THE GCC WISHED THE SECURITY COUNCIL TO PASS A RESOLUTION CONTAINING THREE POINTS:-~~

(A) CONDEMNING IRAN FOR ATTACKING SHIPS BELONGING TO GCC COUNTRIES IN GCC WATERS OR WHILST ON PASSAGE FROM ONE GCC PORT TO ANOTHER SEMI COLON

(B) CALLING UPON IRAN TO DESIST FROM THIS PRACTICE SEMI COLON

(C) REAFFIRMING SECURITY COUNCIL RESOLUTION 540.

BATTASHI ADDED THAT THE GCC COUNTRIES HOPED THAT, IF IRAN TOOK NO NOTICE OF THE RESOLUTION AND CONTINUED TO ATTACK SHIPPING, THEN THE SECURITY COUNCIL WOULD ADOPT SANCTIONS AGAINST HER UNDER CHAPTER 7 OF THE UN CHARTER.

4. I SAID THAT MY GOVERNMENT WAS CONCERNED AT THE MOUNTING SPIRAL OF VIOLENCE IN THE GULF AND WISHED TO SEE THIS REVERSED. IT MIGHT WELL BE APPROPRIATE FOR THE GCC TO REFER THE PROBLEM TO THE SECURITY COUNCIL. BUT SPEAKING PERSONALLY, IT SEEMED TO ME THAT A RESOLUTION ON THE LINES WHICH BATTASHI HAD OUTLINED WAS HEAVILY WEIGHTED TOWARDS THE IRAQI POINT OF VIEW. A MORE BALANCED RESOLUTION MIGHT HAVE MORE CHANCE OF SUCCESS. BATTASHI REPLIED THAT THE OMAN GOVERNMENT WISHED TO HEAR THE ADVICE OF THEIR FRIENDS AND WOULD THEREFORE WELCOME ANY COMMENTS WHICH HMG MIGHT HAVE ON THE GCC PROPOSAL. HE ALSO HOPED THAT THE BRITISH AND OMANI DELEGATIONS IN NEW YORK WOULD WORK CLOSELY TOGETHER.

5. I THEN ASKED BATTASHI WHETHER THE GCC STATES, EITHER COLLECTIVELY OR INDIVIDUALLY, HAD URGED IRAQ TO CEASE ATTACKING SHIPPING GOING TO AND FROM KHARG ISLAND, SINCE THIS SEEMED TO BE WHAT HAD PROVOKED THE IRANIAN ATTACKS. BATTASHI REPLIED THAT, FRANKLY, ALL THE GCC STATES (EXCEPT, OF COURSE, OMAN) WERE AFRAID OF IRAQ. THEREFORE, SO FAR AS HE WAS AWARE, THEY HAD NOT SAID ANYTHING TO THE IRAQIS; OR, IF THEY HAD, IT WOULD HAVE BEEN IN VERY MILD TERMS. BATTASHI ADDED THAT, IN ANY CASE, THE IRAQIS WERE NOT LIKELY TO TAKE ANY NOTICE OF WHAT THE GCC COUNTRIES SAID TO THEM SINCE THE IRAQIS BELIEVED THAT THEY WERE FIGHTING WITH THEIR BACKS TO THE WALL.

6. I SHOULD BE GRATEFUL TO KNOW WHETHER THERE IS ANYTHING YOU WISH ME TO SAY TO THE OMANIS ABOUT THE PROPOSED DRAFT RESOLUTION.

7. PLEASE SEE M I F T.

SLATER

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FROM: A S COLLINS, MED  
20 May 1984

Private Secretary

cc: PS/Lady Young  
PS/Mr Rifkind  
PS/Mr Luce  
PS/Mr Whitney  
PS/PUS  
Sir J Bullard  
Mr Wright  
Sir J Leahy  
Mr Egerton  
Mr Adams  
MED : MAED : ESSD  
Defence Dept : News Dept

2a v. ~  
ATTACKS ON SHIPPING IN THE GULF:  
SITREP AT 1800 ON 20 MAY

1. Panamanian bulk carrier FIDELITY was sunk south of Kharg Island at 0140 on 19 May. FIDELITY was carrying steel from Spain to Bandar Khomeini. FIDELITY has no known UK connections. Neither side has admitted responsibility, but Iraq is obvious candidate. No confirmation of Iraq claim to have attacked two ships on 18 May.

#### Washington

2. Although they are not optimistic of preventing further attacks, the Americans share UK objective of acting by diplomatic means and clearly intend a cautious approach. They have received no requests for assistance from the Gulf States and have made no such offers. They have had no contacts with Russians but will discuss this and action at the UN at US/UK talks in Washington on Tuesday.

3. US Ambassador in London has reported his conversation with the White House. This confirms American intention to focus on diplomatic activity and need to calm situation, especially oil market.

#### New York

4. UN Secretary-General increasingly anxious about the Gulf and considering taking action himself to bring the matter to the attention of the Security Council. However, he is content to wait for action by the GCC at the UN.

#### The Ten

5. Political Directors of the Ten have agreed on a démarche in Tehran and Baghdad. The fact of the démarche is to be made public but not details. The Embassy in Paris have been asked to press French to take early action.

#### Arab League Meeting in Tunis on 19 May

6. An emergency meeting of the Arab League adopted a resolution expressing deep concern at Iranian attacks on shipping, called

Non

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on Iran to stop such attacks, and called on the Security Council and the international community to take firm action to prevent such aggression. Algeria, Syria and Libya prevented stronger condemnation of Iran. An Arab League delegation of GCC members will go to New York to seek Security Council action this week.

#### Saudi Arabia

7. Saudi Foreign Minister said in Tunis that Arabs could not stand by in face of Iranian action. They have confirmed that the GCC will act at the UN. The Saudis will give more details of their position at a meeting they have called of Security Council Ambassadors on 20 May.

#### Kuwait

8. Kuwaitis extremely concerned and are pursuing GCC action at UN. Foreign Minister may go to New York after cutting short a visit to Tokyo on 21 May. The Kuwaitis will not be pressing Iraq to stop its attacks on Iranian shipping.

#### Oman

9. Omani Government share GCC concern at Iranian attacks but do not expect the GCC to put pressure on Iraq to stop its own attacks. They have urged the Americans not to intervene. GCC states have offered outline of possible Security Council resolution condemning Iran.

#### Bahrain

10. Bahrainis concerned at developments but no sign of requests for assistance from US or UK. They will probably not themselves urge caution on Iraq but hope Saudi Arabia and Kuwait will do so.

#### UAE

11. UAE worried but look to other Gulf States to take lead.

#### Tehran

12. Statements by Iranian leaders show determination to continue war and threaten action against countries which intervene in the Gulf.

#### Baghdad

13. Iraqi press has said that Iraqi attacks on shipping will continue to force Iran to peace talks.

#### Diplomatic Pressure on Iran

14. We have urged Turkey, Pakistan, Algeria, India and Japan to use their influence to restrain Iran.

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15. While the Japanese will continue to urge restraint on both Iran and Iraq, they do not feel they have much leverage with Iran.

Soviet Union

16. Moscow reports a short exchange on the Gulf at the UK/Soviet round-table. The Russians said that they supported freedom of navigation but drew a distinction between action in the Gulf with which they were associated, and that involving only the US and its allies. The latter would cause Soviet 'displeasure'.

Approach by Union of British Seamen

17. National Union of Seamen have asked FCO and General Council of British Shipping to instruct British shipping not to enter the Gulf until freedom of navigation can be guaranteed. As an interim reply, the Union have been told of the warning on dangers in the Gulf issued to British shipping last week.

*A S Collins*  
A S Collins  
Middle East Department

20 May 1984

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FM BAGHDAD 201120Z MAY 84

TO PRIORITY F C O

TELNO 268 OF 20 MAY 84,

INFO PRIORITY WASHINGTON, GULF POSTS, TEHRAN, UKMIS NEW YORK,  
PARIS, TOKYO, UKDEL NATO, MOSCOW, TUNIS, STOCKHOLM, CAIRO, AMMAN,  
ISLAMABAD, ANKARA, ALGIERS, NEW DELHI, UKREP BRUSSELS,  
INFO SAVING UKDEL OECD.

ATTACKS ON GULF SHIPPING : IRAQI POLICY STATEMENTS

1. A FURTHER AUTHORITATIVE STATEMENT OF IRAQI POLICY ON ATTACKS ON SHIPPING IN THE GULF WAS GIVEN BY IRAQI FIRST DEPUTY MINISTER, TAHA YASIN RAMADHAN IN A SPEECH YESTERDAY. THE FOLLOWING WERE THE MAIN POINTS:

- (A) IRAQ HAD STARTED AN INDEFINITE SIEGE OF KHARG ISLAND ON 27 FEBRUARY WITH A RENEWED WARNING TO ALL SHIPS AND OIL TANKERS TO STAY AWAY FROM THE ISLAND AND OTHER IRANIAN PORTS.
- (B) IRAQ HOPED THAT THE PARTIES CONCERNED SHOULD TAKE THESE WARNINGS INTO ACCOUNT WHEN SENDING THEIR SHIPS TO THE AREA.
- (C) IRAQ WOULD NOT ASSUME ANY RESPONSIBILITY FOR DAMAGES AFFECTING ANY PARTY THAT IGNORED THE WARNINGS.
- (D) THE FORTHCOMING 3 MONTHS WOULD WITNESS A DEVELOPMENT IN THE BLOCKADE OPERATION AGAINST IRAN. (THIS MAY HAVE BEEN A REFERENCE TO INDICATIONS REFERRED TO IN PARA 4 BELOW THAT IRAQ HAS NOT ABANDONED THE POSSIBILITY OF AN ATTACK ON KHARG ISLAND ITSELF).
- (E) IRAQ'S DECISION WAS NOT AIMED AT HARMING ANYONE BUT WAS A RETALIATION WHICH IRAN'S RULERS UNDERSTOOD.
- (F) IRAQ'S ACCEPTANCE OF SECURITY COUNCIL RESOLUTION 540 AND PRESIDENT SADDAM HUSSAIN'S SPEECH ON THE SAME NIGHT ABOUT A CEASE-FIRE AFFIRMED THAT IRAQ WAS NOT RESPONSIBLE FOR THE CONTINUATION OF THE WAR.
- (G) IT WAS THE RESPONSIBILITY OF THE INTERNATIONAL COMMUNITY TO TAKE A POSITIVE MOVE TO END THE WAR, BUT IT REMAINED EITHER AN ONLOOKER OR SOUGHT TO BENEFIT FROM ITS CONTINUATION.

2. RAMADHAN CLAIMED THAT IRAQ'S ATTACKS ON SHIPPING HAD BEEN AN ECONOMIC SUCCESS, CUTTING IRAN'S OIL EXPORTS TO 55%.

3. ARTICLES IN IRAQ'S OFFICIAL PRESS HAVE REPORTED WITH SATISFACTION INCREASES IN SHIPPING INSURANCE RATES AND LIKE RAMADHAN CLAIMED ECONOMIC DAMAGE TO IRAN. A MAIN THEME HAS BEEN TO UNDERLINE THE FACT THAT IRAQI ATTACKS ARE IN RETALIATION FOR IRAN'S CLOSURE OF IRAQ'S SHIPPING OUTLETS.

4. A MILITARY SPOKESMAN LAST WEEK WENT OVER THE SAME GROUND WITH THE ADDITION THAT IRAQ HAD EXPRESSED A DESIRE NOT TO HIT AND DESTROY THE OIL LOADING TERMINALS ON KHARG ISLAND ITSELF IN THE HOPE THAT IRANIAN RULERS WOULD COME TO THEIR SENSES AND PUT AN END TO THEIR AGGRESSION. HOWEVER, SHOULD THE IRANIAN REGIME CONTINUE TO DEPRIVE IRAQ OF ITS LEGAL RIGHTS FREELY TO USE ITS PORT FACILITIES IN THE GULF, IRAQ WOULD BE FORCED TO RETHINK AND TO HIT AND DESTROY THE ISLAND ITSELF.

5. LAST FRIDAY, 18 MAY, AL-JUMHURIYA COMMENTED CRITICALLY ON THE  
FCO STATEMENT, ATTRIBUTED BRITISH POLICY TO THE OVERWHELMING DESIRE  
TO SPARE IRAN ANY POSSIBLE DEGREE OF CONDEMNATION AND WENT ON  
TO SAY: 'THE BRITISH FOREIGN OFFICE KNOWS FULL WELL A NUMBER  
OF FACTS, SUCH AS THE LIMITS OF THE EXCLUSION ZONE DECLARED  
BY IRAQ IN THE NORTH-EASTERN PART OF THE GULF. IRAQI PLANES  
RAIDED SHIPS WHICH IGNORED THE MILITARY EXCLUSION ZONE, AS WELL  
AS OIL TANKERS TRYING TO HELP IRAN TO PROTRACT ITS WAR OF AGRESSION  
AGAINST IRAQ. IRAQI PILOTS ARE EXTREMELY ACCURATE WHEN HITTING  
DEFINED TARGETS, TRYING TO FORCE THE IRANIAN SIDE  
TO ACCEPT ANY FORMULA THAT WOULD GUARANTEE ESTABLISHING PEACE,  
SECURITY AND STABILITY AND ENSURE THE RIGHTS OF EACH SIDE TO  
FREEDOM OF NAVIGATION IN THE GULF.'

PARIS PLEASE PASS SAVING UKDEL OECD.

MOBERLY

(REPEATED AS REQUESTED)

**IRAN/IRAQ**

**STANDARD (PALACE)**

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TO IMMEDIATE FCO

TELNO 274 OF 20 MAY 1984

INFO IMMEDIATE MODUK (D14), BAGHDAD, GULF POSTS, WASHINGTON  
INFO PRIORITY UKMIS NEW YORK, UKDEL NATO, PARIS, UKREP BRUSSELS  
SAVING TO UKDEL OECD.

MY TELNO 266 : ATTACKS ON GULF SHIPPING.

SUMMARY.

1. STATEMENTS BY IRANIAN LEADERS OVER THE WEEKEND SHOWED DETERMINATION TO CONTINUE THE WAR AND THREATENED ACTION AGAINST REGIONAL AND WESTERN COUNTRIES IF THEY INTERVENED. THE IRANIAN FOREIGN MINISTER APPEALED TO THE UN SECRETARY-GENERAL LAST WEEK TO TAKE ACTION AGAINST IRAQ'S ATTACKS ON SHIPPING.

DETAIL.

2. IRAN AT FIRST DENIED IRAQ'S CLAIM TO HAVE ATTACKED TWO NAVAL TARGETS IN THE GULF ON THE MORNING OF 18 MAY, BUT HAS SINCE REPORTED THE SINKING OF THE PANAMANIAN-REGISTERED BULK CARRIER FIDELITY.

3. AT FRIDAY PRAYERS ON 18 MAY, RAFSANJANI TALKED AT LENGTH ABOUT DEVELOPMENTS IN THE GULF, AMID SHOUTS OF "WAR, WAR UNTIL VICTORY" FROM THE CONGREGATION. HE SAID THAT SADDAM'S NEW POLICY TO SAVE HIS TOTTERING REGIME WAS TO EMBARK ON ADVENTURISM AND ESCALATE THE WAR INTO A REGIONAL AND INTERNATIONAL CONFLICT. THE US, SAUDI ARABIA, KUWAIT AND FRANCE WERE ACCOMPLICES IN THIS POLICY. THERE WAS A PLOT TO PUT PRESSURE ON IRAN AND CUT ITS OIL EXPORTS. SHOULD THE ISLAMIC REPUBLIC DISPLAY THE SLIGHTEST DEGREE OF WEAKNESS, WITHIN A FORTNIGHT, NO SHIP WOULD COME TO KHARG, BUT IRAN WAS PREPARED TO PAY ANY PRICE AND WOULD NEVER SURRENDER TO INTERNATIONAL BULLYING. HE WARNED THE GULF COUNTRIES NOT TO GET DIRECTLY INVOLVED IN THE WAR, AS SAUDI ARABIA AND KUWAIT ALREADY HAD THROUGH THEIR RECENT COLLABORATION WITH THE IRAQI REGIME. HE ALSO WARNED THE SUPERPOWERS NOT TO THINK IN



KHARG, BUT IRAN WAS PREPARED TO PAY ANY PRICE AND WOULD NEVER SURRENDER TO INTERNATIONAL BULLYING. HE WARNED THE GULF COUNTRIES NOT TO GET DIRECTLY INVOLVED IN THE WAR, AS SAUDI ARABIA AND KUWAIT ALREADY HAD THROUGH THEIR RECENT COLLABORATION WITH THE IRAQI REGIME. HE ALSO WARNED THE SUPERPOWERS NOT TO THINK IN TERMS OF INTERVENING IN GULF AFFAIRS. IF THEY AND SECOND-RATE WESTERN POWERS INTERVENED, IRAN WOULD HAVE TO PREPARE FOR A WORLDWIDE WAR AGAINST ANY COUNTRY WHICH DID SO.

4. IN A COMMUNIQUE ISSUED LATE ON 18 MAY, THE REVOLUTIONARY GUARDS WARNED THAT THEY WOULD TURN THE WHOLE MIDDLE EAST INTO A BATTLEFRONT IF THE SUPERPOWERS AND THEIR REGIONAL AGENTS SOUGHT TO INVOLVE THEMSELVES DIRECTLY IN THE WAR. THEY ALSO CALLED ON ALL MUSLIM ACTIVISTS TO PREPARE THEMSELVES FOR ACTION AGAINST AMERICAN INTERESTS THROUGHOUT THE GLOBE IF THE US CONTINUED ITS ADVENTURISM IN ISLAMIC COUNTRIES.

5. IN A SPEECH AT QOM ON 18 MAY, PRESIDENT KHAMENE'I SAID THAT IRAN'S ENEMIES HAD STARTED THE WAR AND WERE NOW TRYING TO IMPLEMENT DIABOLICAL PLANS IN THE GULF, BUT THEY WOULD BE DEFEATED.

6. ON 19 MAY THE IRANIAN RADIO REPORTED THAT LAST WEEK THE IRANIAN FOREIGN MINISTER SENT A NOTE TO THE UN SECRETARY GENERAL CALLING FOR ACTION TO STOP IRAQ ATTACKING SHIPPING IN THE GULF IN VIOLATION OF INTERNATIONAL LAW.

FCO PASS SAVING TO UKDEL OECD.

SIMPSON-ORLEBAR  
BT

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OO DOHA

OO DUBAI

OO KUWAIT

OO JEDDA

OO MUSCAT

OO WASHINGTON

PP UKNIS NEW YORK

BB UKDEL NATO

PS  
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 TO IMMEDIATE FCO  
 TELNO 96 OF 20 MAY

**ADVANCE COPY**

**IMMEDIATE**

INFO IMMEDIATE BAGHDAD, BIS TEHRAN  
 INFO PRIORITY ISLAMABAD, ANKARA, TOKYO, GULF POSTS, WASHINGTON,  
 UKMIS NEW YORK, PARIS, STOCKHOLM, CAIRO, MOSCOW, NEW DELHI.

YOUR TELNO 301 TO TOKYO: ATTACKS ON GULF SHIPPING

1. I SPOKE TODAY TO ATTAFF, DIRECTOR GENERAL FOR POLITICAL AFFAIRS AT MFA. I PRESENTED THE APPROACH AS A FOLLOW-UP TO THE DISCUSSIONS ON IRAN/IRAQ AND THE IMPORTANCE OF FREEDOM OF GULF NAVIGATION WHICH MR LUCE HAD WITH DR IBRAHIMI LAST WEEK.
  
2. ATTAFF SPOKE VERY OPENLY. FOLLOWING THE ESCALATION OF ATTACKS ON SHIPPING THE ALGERIANS HAD MADE A FRESH ANALYSIS OF THE ATTITUDE OF BOTH PARTIES. THEY HAD CONCLUDED THAT BOTH SIDES' POSITION HAD NOW STIFFENED AND THERE WAS EVEN LESS HOPE OF RATIONAL REFLECTION ON THE CONSEQUENCES OF THIS LATEST DANGEROUS DEVELOPMENT THAN MIGHT HAVE BEEN THE CASE A FEW WEEKS AGO. FOR THEIR PART THE IRANIANS WERE NOW SO COMMITTED TO THE STRUGGLE THAT THEY WERE PREPARED TO RISK BRINGING ALL SHIPPING IN THE GULF TO A STANDSTILL NOT BY PHYSICALLY BLOCKING HORMUZ WHICH WAS IMPRACTICABLE BUT BY COUNTER STIKES AGAINST THIRD COUNTRY SHIPPING WHICH WOULD DETER ALL BUT THE BOLDEST FROM ENTERING THE GULF. THE FACT THAT IT WAS IRAN WHICH PROBABLY STOOD TO LOSE MOST IN ECONOMIC TERMS BY SUCH ACTION DID NOT COUNT WITH THEM. ONLY THE REMOVAL OF SADDAM HUSSAIN WOULD PLACATE KHOMEINI. THE ALGERIANS HAD THOUGHT THAT, WITH THEIR POSITION REINFORCED BY THE RECENT ELECTIONS, THE IRANIAN REGIME MIGHT HAVE CONSIDERED DROPPING THIS CONDITION. BUT THE REVERSE HAD HAPPENED IN THE FACE OF IRAQ'S ATTACKS ON KHARG SHIPPING. THE RISK OF THE SITUATION SLIDING INTO A BROADER CONFLICT INVOLVING GULF STATES AND THE MAJOR POWERS WAS NOW VERY REAL. RASFANJANI'S THREAT BEFORE THE HIGHER DEFENCE COUNCIL TO STRIKE AT ALL THOSE WHO HELPED IRAQ HAD TO BE TAKEN SERIOUSLY.

11

3. THE IRAQIS TOO WERE NOW MORE COMMITTED TO AN ALL OUT FIGHT THAN EVER. TAHA RAMADAN'S RECENT STATEMENT THAT IRAQ HAD ACHIEVED A 50% REDUCTION IN IRANIAN OIL EXPORTS ILLUSTRATED IRAQ'S INTENTION TO

~~3. THE IRAQIS TOO WERE NOW MORE COMMITTED TO AN ALL OUT FIGHT THAN EVER. TARIK RAHMANI'S RECENT STATEMENT THAT IRAQ HAD ACHIEVED A 50% REDUCTION IN IRANIAN OIL EXPORTS ILLUSTRATED IRAQ'S INTENTION TO CONTINUE THE CAMPAIGN OF SHIPPING STRIKES.~~

4. ATTAFF SAID ALGERIA THUS SAW VERY LITTLE PROSPECT OF ACHIEVING AN EARLY STABILISATION OF THE SITUATION THROUGH DIPLOMATIC INTERVENTION. HE COULD ASSURE US THEY WERE ACTIVELY URGING MODERATION ON BOTH PARTIES THROUGH ALGERIAN EMBASSIES IN BOTH CAPITALS BUT COULD DETECT NO INDICATION THAT A HIGHER LEVEL APPROACH WOULD GET ANY WHERE. I ASKED WHETHER A BROADER BASED FORUM OFFERED ANY PROSPECT OF MEDIATION AT THIS CRITICAL STAGE. ATTAFF DISMISSED THE UN AND PALME'S EFFORTS AS A NON-STARTER SO FAR AS IRAN WENT. NOR WOULD THE GOOD OFFICES COMMISSION OF THE ISLAMIC CONFERENCE FARE ANY BETTER, NOT ONLY BECAUSE SEKOU TOURE WAS NO LONGER AROUND BUT ALSO BECAUSE OF THE HOSTILE IRANIAN REACTION TO THE COMMISSIONS EARLIER REPORT, SEEN AS FAVOURING IRAQ. NOR WAS HE HOPEFUL OF THE NAM. WE AGREED THIS LEFT ALGERIA IN A POTENTIALLY KEY ROLE. BUT HE INSISTED THAT HIS GOVERNMENT COULD NOT ACT WHILE BOTH PARTIES REFUSED TO LISTEN. —

5. I ASKED HOW ALGERIA SAW THE POSITION OF SAUDI ARABIA AND THE GULF STATES. HE SAID THESE WERE ALL PRESSING ALGERIA HARD TO DO SOMETHING. IT WAS ALL VERY WELL FOR THE ARAB LEAGUE TO PASS STERN RESOLUTIONS CONDEMNING IRAN, BUT IRAQ MUST CARRY HER SHARE OF BLAME TOO. HE SAID THAT, SPEAKING VERY FRANKLY, ALGERIA RECOGNISED THAT IF IRANIAN RETALIATION INVOLVING GULF STATES CONTINUED, THE US, PERHAPS WITH OTHER WESTERN STATES, WAS LIKELY TO BECOME MILITARILY INVOLVED IN THE PROTECTION OF SHIPPING. THIS WAS A VERY DISTURBING PROSPECT, AS IT COULD DRAW BOTH SUPER POWERS INTO SOME DEGREE OF CONFRONTATION IN THE GULF. BUT SAUDI ARABIA AND OTHER GULF STATES WERE OBVIOUSLY INCAPABLE OF ENSURING THEIR OWN PROTECTION AND IN PRACTICE MIGHT HAVE NO OPTION BUT TO ASK FOR WESTERN HELP. FOR THEIR PART THE RUSSIANS, EVEN IF THEY WISHED TO DO SO, CARRIED NO SIGNIFICANT INFLUENCE WITH IRAQ, AND CERTAINLY NOT WITH IRAN.

6. COMMENT. A VERY REALISTIC IF SOMBRE APPRAISAL. ATTAFF WAS BEING VERY CANDID WITH US. THE ALGERIANS REALISE THEY PROBABLY CARRY AS MUCH WEIGHT AS ANYONE, AND ARE EVIDENTLY DOING THEIR BEST TO CALM THINGS BUT WITH LITTLE HOPE OF SUCCESS. I HAVE THE IMPRESSION THEY ARE FACING UP TO EVENTUALITY OF WESTERN INTERVENTION TO PROTECT SHIPPING, BUT ARE CLEARLY UNEASY ABOUT WHAT ACTION THE US MAY TAKE AND POSSIBLE RUSSIAN RESPONSES. BEYOND SAYING THAT HE ASSUMED WE WERE IN DISCUSSION WITH THE AMERICANS ABOUT CONTINGENCY ACTION, ATTAFF DID NOT SEEK TO BRACKET US WITH THE AMERICANS IN HIS EXPRESSION OF CONCERN ABOUT SUPER POWER INVOLVEMENT. HE RECOGNISED THAT OUR OWN LINKS WITH THE GULF STATES WERE CLOSE. IF WE WERE TO BECOME DRAWN INTO MILITARY INVOLVEMENT, I HOPE THAT WE CAN GIVE ALGERIANS SOME EXPLANATION OF WHAT WE INTEND.

CCN..... PRA 2 LINE 3 ...OF BOTH PARTIES. THEY ETC ETC

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PP TOKYO

PP ABU DHABI

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CONFIDENTIAL

FM WASHINGTON 191450Z MAY 84

TO IMMEDIATE FCO

TELEGRAM NUMBER 1574 OF 19 MAY

INFO IMMEDIATE GULF POSTS, BAGHDAD, TEHRAN, UKMIS NEW YORK, PARIS, TOKYO, UKDEL NATO, MOSCOW, ROUTINE TUNIS, STOCKHOLM, CAIRO, AMMAN, ISLAMABAD, ANKARA, ALGIERS AND NEW DELHI

YOUR TEL 944: ATTACKS ON GULF SHIPPING  
SUMMARY

1. STATE DEPARTMENT SHARE OUR OBJECTIVE OF STOPPING ATTACKS ON GULF SHIPPING. THEY AGREE THAT ALL POSSIBLE AVENUES SHOULD BE PURSUED, BUT ARE NOT OPTIMISTIC. THEY HAVE RECEIVED NO (NO) REQUESTS FROM GCC STATES FOR MILITARY DEPLOYMENTS AND HAVE MADE NO SUCH OFFERS. THEY WOULD NOT NOW EXPECT SUCH A REQUEST UNLESS THE COUNTRY CONCERNED WAS UNDER IMMEDIATE THREAT. NO FURTHER CONTACTS WITH THE RUSSIANS. POL/MIL TALKS WITH OURSELVES ARRANGED FOR 22-23 MAY.

DETAIL

2. ACTION TAKEN TODAY WITH THE STATE DEPARTMENT DEPUTY ASSISTANT SECRETARY RESPONSIBLE FOR THE GULF. WE STRESSED THE NEED FOR DIPLOMATIC ACTION AND THE REQUIREMENT TO ESTABLISH THE ATTITUDE AND INTENTIONS OF GCC COUNTRIES, EXPLAINING THAT MINISTERS BELIEVED THAT OUR COMMON OBJECTIVE SHOULD BE TO REDUCE THE CURRENT WAVE OF ATTACKS ON SHIPPING BY BOTH SIDES.

3. PLACKE ENTIRELY ENDORSED THIS OBJECTIVE. THE AMERICANS HAD TAKEN ACTION IN BAGHDAD WITH THE RESULT REPORTED IN BAGHDAD TEL NO 266. EAGLETON HAD SUBSEQUENTLY BEEN SUMMONED BY SAHAAF WHO HAD MADE A POINT BY POINT REFUTATION OF THE AMERICAN CASE. THE AMERICANS DREW THE CONCLUSION THAT THEIR PRESSURE ON IRAQ WAS UNLIKELY TO BE EFFECTIVE UNLESS THEY COULD FIND SOMETHING NEW TO OFFER. THEY BELIEVED THAT THEIR ACTIONS LAST AUTUMN IN RAISING THE PROFILE OF THEIR POLITICAL RELATIONS WITH IRAQ, OFFERING HELP IN THE CONSTRUCTION OF PIPELINES, ENCOURAGING JAPANESE MEDIATION, AND HOLDING OUT THE POSSIBILITY OF IRAQI OIL EXPORTS THROUGH THE GULF HAD DEFERRED AN IRAQI DECISION TO EXPAND THE WAR. FOR THE MOMENT THEY HAD NOW NEW IDEAS OF THIS KIND. INDEED, THEY HAD HESITATED TO MAKE THEIR RECENT DEMARCHE LEST IT ACTUALLY ENCOURAGE THE IRAQIS TO BELIEVE THAT THEIR ATTACKS ON SHIPPING WERE ACHIEVE THEIR AIM OF

~~MAKE THEIR RECENT DEMARCHES LESS IT ACTUALLY ENCOURAGE THE IRAQIS TO BELIEVE THAT THEIR ATTACKS ON SHIPPING WERE ACHIEVE THEIR AIM OF~~

DRAWING IN THE WESTERN POWERS. THEY HAD EVENTUALLY DECIDED TO GO AHEAD SO AS TO LEAVE NO ONE IN ANY DOUBT THAT THEY FAVOURED A DIPLOMATIC SOLUTION TO THE PRESENT CONFLICT.

4. PLACKE DOUBTED WHETHER SAUDI OR KUWAITI PRESSURE WOULD HAVE MUCH EFFECT UNLESS THESE COUNTRIES WERE PREPARED TO CUT BACK ON FINANCIAL AID TO IRAQ. HE HAD NO INFORMATION ON THIS POINT. MEANWHILE, THE IRAQIS SEEMED TO WELCOME IRANIAN ATTACKS ON KUWAITI AND SAUDI SHIPPING AS BEING LIKELY TO REDUCE THE PROSPECTS OF THESE COUNTRIES REACHING AN ACCOMMODATION WITH IRAN (ALTHOUGH THE OPPOSITE CASE COULD JUST AS WELL BE ARGUED.)

5. IN REPLY TO A DIRECT QUESTION, PLACKE SAID THAT THE US HAD RECEIVED NO REQUESTS FOR ANY MAJOR MILITARY ASSISTANCE FROM GCC COUNTRIES AND HAD MADE NO SUCH OFFERS. THIS DID NOT EXCLUDE ACCELERATED DELIVERY OF EQUIPMENT OF INCREASED AIR SURVEILLANCE. PLACKE DID NOT, HOWEVER, ANTICIPATE REQUESTS FOR MILITARY DEPLOYMENTS TO THESE COUNTRIES IN ANY SITUATION SHORT OF HOSTILITIES BETWEEN A GCC COUNTRY AND IRAN. EVEN THEN, THE COUNTRIES CONCERNED MIGHT WAIT UNTIL THEY WERE SUFFERING ACTUAL DAMAGE BEFORE SEEKING HELP. THE AMERICANS HAD MADE IT CLEAR THAT THEY WOULD NOT MAKE ANY SUCH DEPLOYMENTS WITHOUT A PUBLIC REQUEST FROM THE STATES CONCERNED. THIS REQUIREMENT HAD BEEN MADE PUBLIC BY THE WHITE HOUSE SPOKESMAN THE PREVIOUS DAY.

6. IN RESPONSE TO YOUR QUESTION WHETHER THE US HAD CONSIDERED SENDING A REASSURING MESSAGE TO THE SOVIET UNION, PLACKE SAID THAT THIS MATTER HAD NOT BEEN EXAMINED. THE GENERAL PRESUMPTION WAS THAT FOR SO LONG AS THE US WAS TAKING NO ACTION, THERE WAS LITTLE ADVANTAGE, AND SOME DISADVANTAGE, IN DISCUSSING MATTERS WITH THE SOVIET UNION. IN THE EVENT OF A MILITARY DEPLOYMENT HE EXPECTED THAT THE POSITION WOULD BE EXPLAINED TO THE RUSSIANS. HE CONFIRMED THAT THE US HAD MADE NO NEW MILITARY DEPLOYMENTS IN RELATION TO THE SITUATION IN THE GULF. WE SUGGESTED THAT THERE MIGHT BE ADVANTAGE IN SOME MESSAGE TO THE SOVIET UNION IF ONLY TO REMOVE POSSIBLE MISUNDERSTANDINGS. PLACKE REPLIED THAT THIS COULD USEFULLY BE DISCUSSED FURTHER AT THE POL/MIL TALKS NOW ARRANGED FOR 22/23 MAY (IN WASHINGTON).

7. MORE GENERALLY, PLACKE SAID THAT THE US APPROACH WAS VERY CLOSE INDEED TO OUR OWN. IF THERE WAS ANY DIFFERENCE, IT LAY IN THE ROLE OF THE UN. THE US DID NOT DENY THAT THERE COULD BE A UN ROLE, BUT WISHED TO AVOID IMPOSING CONSTRAINTS ON US FREEDOM OF ACTION. PLACKE ACCEPTED THAT THE MATTER MIGHT WELL BE RAISED BY OTHERS AND THAT THERE MIGHT BE ADVANTAGE IN OUR PRE-EMPTING LESS DESIRABLE INITIATIVES. THIS TOO COULD BE DISCUSSED FURTHER AT THE POL/MIL TALKS.

#### COMMENT

8. IT IS CLEAR THAT THE AMERICANS INTEND AT LEAST FOR THE PRESENT TO PROCEED WITH CAUTION, USING DIPLOMATIC NOT DIRECT ACTION, AND REGARDING A PUBLIC REQUEST FROM THE STATE CONCERNED AS A SINE QUA NON FOR ANY EVENTUAL MILITARY DEPLOYMENT. THEY HAVE EMPHASISED THESE POINTS ON THE PUBLIC RECORD, FROM OUR POINT OF VIEW THIS IS A SATISFACTORY POSTURE AT THE OPENING OF WHAT COULD PROVE TO BE A DIFFICULT CHAPTER. IN MY VIEW, IT OWES A GOOD DEAL TO THE DISCUSSIONS HELD HERE BY MR LUCE AND TO SUBSEQUENT CONSULTATIONS WITH THE AMERICANS. IN ADDITION, THE LEBANON EPISODE HAS HAD AN EXTREMELY CHASTENING EFFECT ON THOSE HERE WHO MIGHT OTHERWISE HAVE SHOWN MORE ENTHUSIASM FOR MILITARY ACTION. RUMSFELD'S RESIGNATION, ANNOUNCED TODAY, MUST ALSO BE GOOD NEWS IN THIS CONTEXT. FINALLY, WE CAN

~~ENTHUSIASM FOR MILITARY ACTION. RUMSELD'S RESIGNATION, ANNOUNCED~~  
TODAY, MUST ALSO BE GOOD NEWS IN THIS CONTEXT. FINALLY, WE CAN  
EXPECT CONGRESS TO BE CAUTIOUS ABOUT ANY US MILITARY INVOLVEMENT IN  
THE GULF.

WRIGHT

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UNRECORDED COPY OF THIS MESSAGE IS BEING FORWARDED TO THE  
DEFENSE DEPARTMENT FOR THEIR INFORMATION AND RECORDS.  
THE MESSAGE IS BEING FORWARDED TO THE DEFENSE DEPARTMENT  
FOR THEIR INFORMATION AND RECORDS.

IRAN/IRAQ

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PS/MR LUCE  
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SIR J LEAHY  
MR EGEERTON  
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FROM MOSCOW 190725Z MAY 84

TO IMMEDIATE F C O

TELEGRAM NUMBER 618 OF 19 MAY

INFO PRIORITY WASHINGTON, UKDEL NATO, PARIS, BONN, UKMIS NEWYORK,  
BIS TEHRAN, BAGHDAD AND KUWAIT.

GULF WAR : SOVIET VIEWS.

1. DURING THE MEETING OF THE UK-SOVIET ROUND TABLE IN MOSCOW (16-17 MAY), ON WHICH I AM REPORTING SEPARATELY, THERE WAS A SHORT EXCHANGE ON THE GULF WAR. LORD HARLECH AND OTHERS ON THE BRITISH TEAM PRESSED THE RUSSIANS TO AGREE THAT THE PRESERVATION OF FREEDOM OF NAVIGATION IN THE GULF SHOULD BE A MAJOR OBJECTIVE TO WHICH ALL MEMBERS OF THE INTERNATIONAL COMMUNITY SHOULD SUBSCRIBE. WOULD THE SOVIET UNION SUPPORT EFFORTS TO KEEP THE GULF OPEN, IF NECESSARY BY FORCE ?
2. IN REPLY, THE RUSSIANS ( MENSHIKOV OF THE CENTRAL COMMITTEE AND TROFIMENKO OF THE USA/CANADA INSTITUTE) STRESSED THEIR SUPPORT FOR FREEDOM OF NAVIGATION IN INTERNATIONAL WATERS AS A UNIVERSAL PRINCIPLE. THEY CLAIMED THAT U S SUPPORT FOR THE PRINCIPLE WAS PARTIAL AND MENTIONED IN THIS CONTEXT THE AMERICAN MINING OF HAIPHONG AND NICARAGUAN WATERS. TROFIMENKO DREW A DISTINCTION BETWEEN ACTION TAKEN IN THE GULF WITH WHICH THE SOVIET UNION WAS ASSOCIATED AND THAT INVOLVING THE U S AND ITS ALLIES ONLY - IMPLYING THAT THE LATTER WOULD NOT BE ACCEPTABLE TO MOSCOW. " WE CANNOT GIVE THE AMERICANS CARTE BLANCHE FOR UNILATERAL BOMBING ". MENSHIKOV REFERRED TO A REACTION OF SOVIET "DISPLEASURE" IN THE EVENT OF UNILATERAL ARMED U S ACTION TO KEEP THE GULF OPEN . " WHETHER WE WOULD INTERFERE MILITARILY IS ANOTHER MATTER " .

SUTHERLAND

NNNN

AJC

The Resident Clerk sent over the attached on Saturday evening for information.

He said that he had discussed it with Peter Picketts who had thought it best to leave any action (initiated by the fco) until Monday morning.

As a consequence I did not show it to the PM.

A. J. C. 2/5

f-a.

Mad

19/5.



CONFIDENTIAL



EMBASSY OF THE UNITED STATES OF AMERICA  
LONDON, ENGLAND

CHARLES H. PRICE II  
AMBASSADOR

May 19, 1984

Dear Geoffrey:

Pursuant to our conversation I will summarize the various points covered during my conversation with Bud McFarlane that I felt would be of interest.

1. Bud stressed with me the need to avoid talk of Western military action in the Gulf and instead focus on diplomatic activity with the Gulf Cooperation Council and the belligerents and statements to help calm a jittery oil market.

2. He asked whether the UK Department of Energy could issue statements that would help keep the market calm. Individual efforts by Western and Japanese Energy ministers collectively might emphasize continuing consultations, projecting a sense of assurance that we had the situation in hand. U.S. Energy Secretary Hodel will be doing this. The U.S. also plans to try to restrain Iraq by moving ahead on efforts to halt arms deliveries to Iran.

3. Bud hopes you will urge Iraq to behave. I told him you had already tried.

4. The USG is maintaining our force posture in the Arabian Sea at current levels (one carrier battle group).

5. Any Western military help must only be at the invitation of the Gulf Cooperation Council.

6. Anything Britain can do at the May 23 meeting of the International Development Association would be helpful.

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7. At the June Summit, it might be helpful to issue a moderate statement stressing consultations among the participants to handle the Gulf situation, acknowledging our capability to act strongly if necessary, but underlining that adequate oil supplies exist and disruption of the market is not inevitable.

8. Washington is looking forward to further consultations with FCO Middle East Department Head Keith Haskell and MOD official Michael Legge next Tuesday to review our contingency planning for an emergency.

I would be pleased to meet with you, Richard Luce, or others you felt appropriate in order to convey your reaction to the foregoing.

Sincerely,



Charles H. Price, II  
Ambassador

The Rt. Hon. Sir Geoffrey Howe, Q.C., M.P.,  
Secretary of State for Foreign and  
Commonwealth Affairs,  
Foreign and Commonwealth Office,  
London, SW1.

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PRIME MINISTER

You may have heard that a merchant ship (not British) was sunk in the Gulf at dawn today.

It was allegedly hit by a missile in the northern part of the Gulf, near Kharg Island Oil Terminal.

There was no immediate confirmation of who hit the ship.

Of the crew, 24 members were picked up by a passing vessel and 12 are reported to be in life rafts.

The FCO will keep us informed of any further details and/or developments.

Thank you  
MS

STEPHANIE

19.5.84

PRIME MINISTER'

Iran/Iraq War: Guidelines for Loan Service Personnel

You were invited to approve earlier some guidelines for the involvement of UK Loan Service Personnel in the event of an external attack on the Gulf State in which they are serving.

You queried the description of the legal position in the Defence Secretary's minute of 25 April (Flag A).

The MOD Have now commented on your observations (Flag B). You were quite right. You wrote to the Sultan in July 1982 accepting that our LSP should play their full part in Oman's defence in the event of a direct threat which did not allow time for consultation, emphasising our wish to be consulted before any commitment outside Oman's territorial limits.

Oman is an exceptional case. It is not envisaged that the guidelines now under discussion would be issued to our Ambassador in Oman - only to those in Bahrain, Kuwait, Qatar and the UAE.

The Foreign Secretary and the Defence Secretary are now content that these guidelines (Flag C) should be issued. Agree?

l agree not

N.B. The Oman point that I was referring to was not in 1982, which I don't remember, but the weekend [1972 or 1980?] the Iran Iraq war started.

18 May 1984

It was then that I was given the advice that I referred to - whether it related only to Oman LSP. or to LSP. generally I cannot remember. not.

IRAN/IRAQ

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PS

PS/MR LUCE

PS/PUS

SIR J BULLARD

SIR J LEAHY

MR EGERTON

HD/MED

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FM UKMIS NEW YORK 182310Z MAY 84

TO IMMEDIATE FCO

TEL NO 511 OF 18 MAY 1984

INFO IMMEDIATE WASHINGTON PARIS BAGHDAD BIS TEHRAN

GULF POSTS MOSCOW CAIRO NEW DELHI AMMAN STOCKHOLM

UKDEL NATO TOKYO ISLAMABAD

YOUR TELNO 267: (NOT TO ALL): ATTACKS ON GULF SHIPPING

SUMMARY

1. THE SECRETARY GENERAL IS GETTING INCREASINGLY ANXIOUS ABOUT THE SITUATION IN THE GULF AND IS CONSIDERING TAKING ACTION HIMSELF UNDER ARTICLE 99 OF THE CHARTER. BUT HE SEEMS RECONCILED TO WAITING UNTIL THE GCC DECIDE WHETHER TO TAKE THE MATTER THEMSELVES TO THE SECURITY COUNCIL.

DETAIL

2. THE SECRETARY GENERAL ASKED TO SEE ME THIS MORNING, 18 MAY, AFTER THE INFORMAL CONSULTATION OF THE SECURITY COUNCIL ON PALESTINIAN REFUGEES (REPORTED SEPARATELY). HE SAID THAT HE HAD ALREADY EXPRESSED HIS CONCERN ABOUT THE GULF SITUATION TO THE (RUSSIAN) PRESIDENT OF THE SECURITY COUNCIL. IF IT DETERIORATED FURTHER HE WAS THINKING OF USING HIS PREROGATIVE UNDER ARTICLE 99 OF THE CHARTER (TO "BRING TO THE ATTENTION OF THE SECURITY COUNCIL ANY MATTER WHICH IN HIS OPINION MAY THREATEN THE MAINTENANCE OF INTERNATIONAL PEACE AND SECURITY"). HE DID NOT FEEL THAT THE SITUATION COULD BE ALLOWED TO GET WORSE WITHOUT SOMEBODY DOING SOMETHING.

3. I SAID THAT THIS WAS POTENTIALLY THE MOST SERIOUS INTERNATIONAL SITUATION THAT EXISTED. I HAD BEEN DISAPPOINTED TO HEAR OF MORE IRAQI ATTACKS THIS MORNING SINCE THIS COULD ONLY INVITE IRANIAN RETALIATION. I HAD BEEN TOLD BY THE KUWAITI PERMANENT REPRESENTATIVE THAT THE GCC MEETING IN RIYADH HAD AGREED:

A) TO REFER THE WHOLE MATTER TO FOREIGN MINISTERS OF ARAB LEAGUE IN TUNIS ON 19 MAY

B) TO CONSIDER THE POSSIBILITY OF A SECURITY COUNCIL MEETING. TO THIS END ABDULLA BISHARA WOULD BE ARRIVING IN NEW YORK ON 20 OR 21 MAY TO EVALUATE THE SITUATION WITH MEMBERS OF THE SECURITY COUNCIL. DEPENDING ON THE RESULTS OF THIS EVALUATION HE MIGHT THEN CALL OFFICIALLY FOR A MEETING OF THE SECURITY COUNCIL. IF ONE TOOK PLACE THE FOREIGN MINISTERS OF KUWAIT, QATAR AND BAHRAIN WOULD COME. HE ADDED THAT THE ARABS WERE THINKING OF A RESOLUTION THAT WOULD NOT BE BASED ON SCR 540 BUT WOULD FOCUS ON THE GULF AND CONCENTRATE ON FREEDOM OF NAVIGATION.

4. I STRESSED TO THE SECRETARY GENERAL THAT HMG DID NOT WANT TO GET INTO A MILITARY SITUATION AND WISHED TO TAKE ALL SENSIBLE NON-MILITARY STEPS FIRST. WE BELIEVED THAT OUR ALLIES VIEWED THE SITUATION IN THE SAME LIGHT. WE WERE INCLINED TO LET THE GCC TAKE THE LEAD. THAT SAID THE SITUATION WAS VERY DANGEROUS AND THINGS COULD GO WRONG OVER THE WEEKEND.

5. THE SECRETARY GENERAL SAID THAT WHAT WAS BADLY NEEDED WAS A CO-ORDINATED APPROACH BY THE FIVE PERMANENT MEMBERS BUT THE FATE OF HIS SIMILAR SUGGESTION OVER CYPRUS DID NOT GIVE HIM MUCH ENCOURAGEMENT. NEVERTHELESS HE HAD SPOKEN TO THE RUSSIANS (WHO HAD MENTIONED THE IMPENDING ARRIVAL OF BISHARA) AND WOULD BE SEEING THE AMERICANS AND FRENCH AFTER ME. I SAID THAT I HAD PUT IT TO MY RUSSIAN COLLEAGUE THAT SOVIET AND WESTERN INTERESTS OVER LAPPED IN THE GULF. I WENT ON TO SUGGEST TO THE SECRETARY GENERAL, ON A PERSONAL

THE GULF. I WENT ON TO SUGGEST TO THE SECRETARY GENERAL, ON A PERSONAL BASIS, THAT IF A NEW RESOLUTION COULD BE DE-LINKED FROM SCR 540 THIS MIGHT ALLOW FOR ACQUIESCENCE BY THE SUPERPOWERS IN A TEXT ON WHICH THE GULF ARABS COULD THEN BASE THEMSELVES IF THEY NEEDED PRACTICAL ASSISTANCE. HE WELCOMED MY IDEA AND AGREED THAT IT WOULD BE AS WELL TO TRY TO MOBILISE THE SECURITY COUNCIL ON A NEW AND VERY SERIOUS SITUATION GETTING AWAY AS FAR AS POSSIBLE FROM ENTRENCHED PRO-IRAQI OR PRO-IRANIAN POSITIONS.

6. THE SECRETARY GENERAL CONCLUDED THAT HE REMAINED SERIOUS ABOUT INVOKING ARTICLE 99 BUT DID NOT WISH TO INTERFERE WITH WHATEVER THE ARABS DECIDED TO DO.

7. THE SECRETARY GENERAL TOOK THE SAME LINE WITH THE AMERICANS (MRS KIRKPATRICK IS AWAY). HE SHOWED SIGNS OF IMPATIENCE WITH THE ARABS AND ASKED FOR AMERICAN THINKING. AFTER CONSULTING WASHINGTON AT OFFICIAL LEVEL THE AMERICANS HAVE GONE BACK TO THE SECRETARY GENERAL (THROUGH CORDOVEZ) TO SAY THAT THE SITUATION IS OF COURSE SERIOUS BUT NOT OVERLY SO AND THEY DO NOT EXPECT ANY MAJOR DEVELOPMENTS OVER THE WEEKEND. THE IMPRESSION THEY SOUGHT TO LEAVE WITH THE SECRETARIAT WAS THAT THEY WERE "WORKING HARD BUT NOT FLAPPING". THEY HAVE TOLD US THAT THEY DO NOT WANT TO DISCOURAGE THE SECRETARY GENERAL BUT THAT THERE IS CONCERN IN WASHINGTON THAT IF ACTION IN THE SECURITY COUNCIL IS STARTED IT MAY HAVE THE EFFECT OF TYING AMERICAN HANDS AND BE HARD TO TURN OFF.

8. I HAVE ALSO SPOKEN TO THE SAUDI AMBASSADOR WHO SAID THAT HE HAD BEEN TALKING TO PRINCE SAUD LAST NIGHT. HIS VERSION OF GCC INTENTIONS WAS SIMILAR TO THAT OF MY KUWAITI COLLEAGUE (PARA 3 ABOVE) EXCEPT THAT HE SAID THAT THERE WAS A DEFINITE DECISION TO GO TO THE SECURITY COUNCIL AND THAT ONLY THE FOREIGN MINISTERS OF KUWAIT AND QATAR WERE EXPECTED. QUITE HOW THIS SQUARES WITH THE PLAN FOR THE KUWAITI FOREIGN MINISTER TO BE ON AN ARAB LEAGUE MISSION IN TOKYO ON 21 MAY (WHICH WAS CONFIRMED TO US AGAIN THIS AFTERNOON BY THE JAPANESE MISSION) IS NOT CLEAR.

THOMSON

6 vs 7  
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PRIME MINISTER'

Iran/Iraq War: Guidelines for Loan Service Personnel

You were invited to approve earlier some guidelines for the involvement of UK Loan Service Personnel in the event of an external attack on the Gulf State in which they are serving.

You queried the description of the legal position in the Defence Secretary's minute of 25 April (Flag A).

The MOD Have now commented on your observations (Flag B). You were quite right. You wrote to the Sultan in July 1982 accepting that our LSP should play their full part in Oman's defence in the event of a direct threat which did not allow time for consultation, emphasising our wish to be consulted before any commitment outside Oman's territorial limits.

Oman is an exceptional case. It is not envisaged that the guidelines now under discussion would be issued to our Ambassador in Oman - only to those in Bahrain, Kuwait, Qatar and the UAE.

The Foreign Secretary and the Defence Secretary are now content that these guidelines (Flag C) should be issued.  
Agree?

AFC

18 May 1984



B

36A  
CCPCMINISTRY OF DEFENCE  
MAIN BUILDING WHITEHALL LONDON SW1Telephone 01-~~330-7622~~ 218 2111/3

MO 3/9/4/2

17th May 1984

*Dear Tom,*

Tim Flesher's letter of 30th April sought further advice on the guidelines for the use of our Loan Service Personnel (LSP) in the Gulf in the light of the Prime Minister's recollection that she had been informed at the start of the Iran/Iraq war that our LSP in Oman could be used for defence but not for attack. You asked us to check that this was consistent with the Defence Secretary's minute of 25th April.

The Prime Minister is quite correct in her recollection of the position of our LSP in Oman. This is not, however, inconsistent with the proposal in my Secretary of State's minute of 25th April. As paragraph 2 of that minute pointed out, Oman is an exception among the Gulf States. It was clearly envisaged under the 1977 Memorandum of Understanding governing the provision of British LSP that they would take part in military operations under the Sultan's direction; the British Loan Service Commanders of the Sultan's Armed Forces are expressly responsible for the planning, direction and control of such operations, subject to a requirement under a 1978 exchange of side letters that there should be consultation between the two Governments before the commitment of LSP in circumstances which could prove embarrassing to either. These arrangements governed the situation in 1980 when, as the Prime Minister recalls, the Sultan of Oman had briefly agreed to Iraqi use of Omani airfields for operations against Iran. Since then the Prime Minister's letter to the Sultan of July 1982 (to which Mr Heseltine's minute of 25th April referred) has provided further clarification of the role of our LSP, accepting that they should play their full part in Oman's defence in the event of a direct threat which did not allow time for consultation under the 1978 exchange of side letters, but emphasising our wish still to be consulted before any commitment of British LSP outside Oman's territorial limits. Against this background, as the final paragraph of my Secretary of State's minute indicated, there is no need for the proposed guidelines to apply to Oman.

A J Coles Esq



Our LSP in the other Gulf States are, however, in a very different position, and it is to these States that the guidelines are addressed. British LSP have been provided on the clear understanding that they will not take part in military operations (beyond the minimum requirements of immediate self-defence) except with the prior permission of HMG, for which a host State request would be needed. Extracts from the Memorandum of Understanding are attached. The guidelines will allow our Ambassadors to respond to a host Government request on behalf of HMG when there is no time to consult London first.

I am sending copies of this letter to the recipients of Tim's.

*Yours ever*

*Mike Evans*

(N H R EVANS)  
Private Secretary

IRAQ Pt 4 IntSut



COMPTON

**CONFIDENTIAL**

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FM PARIS 171900Z MAY 84

TO PRIORITY F C O

TELEGRAM NUMBER 599 OF 17 MAY

INFO PRIORITY BAGHDAD, BIS TEHRAN, WASHINGTON, UKMIS NEW YORK,  
UKDEL NATO, GULF POSTS, MODUK. mfYOUR TELNO 123 TO KUWAIT: **ATTACKS ON SHIPPING IN THE GULF****SUMMARY**

1. **CONSIDERABLE CONCERN IN PARIS ABOUT THE SITUATION BUT THE FRENCH SEE LITTLE THAT THEY CAN DO. RELUCTANCE TO APPEAR TO BE CONCERTING CLOSELY WITH THE US AND BRITAIN.**

**DETAIL**

2. THE QUAI ISSUED A STATEMENT YESTERDAY WHICH CONFINED ITSELF TO EXPRESSING THE FRENCH GOVERNMENT'S DEEP CONCERN AND APPEALING TO ALL PARTIES CONCERNED TO DO EVERYTHING POSSIBLE TO IMPLEMENT SCR 540 AND RE-ESTABLISH PEACE IN THE GULF. NO REFERENCE WAS MADE TO CONTACTS WITH ALLIES. WHEN WE SOUGHT THE QUAI'S ANALYSIS OF THE PRESENT SITUATION, PIETTON (DESK OFFICER FOR IRAQ) TOLD US THAT **THE FCO SPOKESMAN'S REFERENCE TO "CONSULTATIONS" WITH EC PARTNERS HAD CAUSED RAISED EYEBROWS AT THE QUAI.** ON THE BASIS OF RETRACT NUMBER 023 WE SAID THAT ACCORDING TO OUR INFORMATION THE SPOKESMAN HAD SPOKEN ONLY OF HMG BEING IN CLOSE TOUCH.

3. PIETTON SAID THAT THE FRENCH WERE GENUINELY WORRIED. THEY FEARED THAT THE IRANIAN AIR FORCE, WHILE LESS THAN FULLY EFFECTIVE, WAS STILL POTENT AND CAPABLE OF HITTING MANY MORE TANKERS. THE FRENCH HAD HAD REPORTS OF IRANIAN OVERFLIGHTS OF THE UAE, AS WELL AS OF IRANIAN NAVAL VESSELS ENTERING THE TERRITORIAL WATERS OF DUBAI AND MILITARY REINFORCEMENT OF THE GULF ISLANDS. HOWEVER THE QUAI DID NOT CONSIDER IT LIKELY THAT THE IRANIANS WOULD TRY TO BLOCK THE STRAITS OF HORMUZ. AS TO IRAQI INTENTIONS, PIETTON THOUGHT THAT THE IRAQIS WERE ESCALATING THE SITUATION AS A MEANS OF PUTTING PRESSURE ON THE GULF ARABS TO PUT PRESSURE IN TURN ON THE US TO OBTAIN THE NECESSARY ASSURANCES FROM ISRAEL FOR THE SECURITY OF THE PIPELINE ACROSS JORDAN. (CF. PARA 2 OF BAGHDAD TELNO 317). PIETTON INTERPRETED SADDAM'S RECENT INTERVIEW IN THE US PRESS IN THIS CONTEXT. AS TO ACTION BY FRANCE, PIETTON SAID THAT THE FRENCH WERE WAITING TO SEE THE OUTCOME OF TODAY'S GULF COOPERATION COUNCIL MEETING. WHAT, HE WONDERED, WOULD THE GULF ARABS ASK OF THE AMERICANS, THE FRENCH AND OTHERS? HE THOUGHT IT WOULD BE VERY DIFFICULT FOR FRANCE TO INTERVENE WITH IRAQ, WHICH AFTER ALL UNLIKE IRAN COULD NOT SHIP ANY OF ITS OIL THROUGH THE GULF AND WAS ONLY TOO READY FOR A COMPLETE CEASE-FIRE: AND IT WAS POINTLESS FOR THE FRENCH TO TRY TO INTERVENE IN TEHRAN.

**CONFIDENTIAL**

# CONFIDENTIAL

4. MEANWHILE THE FRENCH MEDIA HAVE REPORTED COPIOUSLY AND DRAMATICALLY THE LATEST EVENTS. THE TENDENCY IS TO REGARD POSSIBLE WESTERN INTERVENTION WITH ALARM.

COMMENT

5. THE RAISED EYEBROWS (PARA 2 ABOVE) ARE AN INDICATION OF THE CONTINUING SENSITIVITY OF THE FRENCH TO THE REMOTEST SUGGESTION OF FORMAL CONCERTATION WITH THE US OR BRITAIN IN THE GULF. AS ALWAYS, THEY DO NOT WANT TO SEEM TO HAVE THEIR HANDS TIED IN ANY WAY, EVEN IF, AS GUTMANN AGREED WITH THE PUS, THEY ARE PREPARED FOR MORE AD HOC CONTACTS WITHOUT PUBLICITY.

FRETWELL

IRAN/IRAQ

STANDARD (PALACE)

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IRAN/IRAQ

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PRIME MINISTER

c Sir Robert Armstrong

OD(EM) - IRAN/IRAQ GULF WAR

## BACKGROUND

1. OD(EM) has been convened to consider the latest developments in the Gulf War with particular reference to the latest spate of attacks on shipping and possible Western responses to such attacks. A JIC Assessment assessing the implications of these attacks on tankers in the Gulf has been circulated. In addition, the Foreign and Commonwealth Office is circulating a Private Secretary's letter\* describing the diplomatic action already in hand.
2. Attacks on shipping in the Gulf have intensified during the past week with seven tankers involved. There is evidence that three of the tankers (2 Kuwaiti and 1 Saudi) were attacked by Iranian F-4 aircraft. Television reports last night suggested that Saudi aircraft had engaged an Iranian aircraft attacking one of these tankers but it is understood that although 2 Saudi F-15s were scrambled, they did not get to the area in time.
3. The Foreign and Commonwealth News Department yesterday issued a statement expressing serious concern at the recent attacks which appeared to have been mounted by both Iraq and Iran; pointing out that such indiscriminate attacks on shipping of neutral countries represent a serious escalation of the conflict; calling on both belligerents to end the fighting as soon as possible; and emphasising the need to respect freedom of navigation through the Gulf and the Straits of Hormuz. The Americans are reported to have said that the attack on the Saudi tanker YANBU PRIDE represented a dangerous escalation and to have expressed concern that the conflict might spread to Saudi Arabia and Kuwait.
4. As regards diplomatic action, HM Ambassadors in Kuwait and Jeddah have been instructed to inform the Saudi and Kuwaiti Governments that we would fully support any diplomatic action they wished to take in protest

\* Now to be raised orally.

at the attacks (for example at the UN), and at a meeting of Political Directors we are seeking to persuade our Community partners that there should be a joint Community démarche in Baghdad and Tehran to urge restraint on both sides. HM Embassy in Washington is in close touch with the Americans, but we have no clear indication as yet of their reactions.

5. Given the escalation of action against tankers in the Gulf, it is possible that requests may be made by one or more members of the Gulf States for assistance. Also the United States may seek to implement contingency plans and press for British participation in the institution of a convoy system. The critical factor will be whether a substantial number of tanker owners will have been sufficiently alarmed by the Iranian attacks to refuse to operate in the North part of the Gulf, which would clearly have a major impact on Western oil supplies. However there is no sign of it happening so far; although insurance rates have risen sharply, oil prices have dropped back after yesterday's rise. The JIC hope to produce an Assessment next week of the effect of the present escalation on the oil market.

6. As regards the availability of forces in the vicinity of the Gulf, the position is as follows. The US have three warships and an auxiliary in the Gulf and a carrier battle group in the Arabian Sea. The two Armilla patrol ships HMS GLASGOW and HMS CHARYBDIS are in the northern Arabian Sea 48 hours from the Straits. Our mine counter measures force is in the eastern Mediterranean, but clearly would not be of use in response to Iranian action so far. Any action we might wish to take to protect shipping would have to be in support of the Americans; we have already conducted detailed discussion with them on possible operational concepts (without commitment) and further military talks with them are in progress in Florida at the moment. Fixed wing air cover would be essential. This could be provided from the USS Kitty Hawk, by indigenous forces from the Gulf States, or by Western aircraft deployed to the Gulf with the agreement of the local States.

7. The Lord President and the Chancellor of the Exchequer are unable to attend. The Secretary of State for Energy, the Secretary of State for Transport, the Economic Secretary, Treasury, the Parliamentary Under-Secretary

Of State, Department of Trade and Industry (Mr Fletcher), the Chief of the Defence Staff and Sir Antony Acland have been invited to attend.

## HANDLING

8. You should invite the Foreign and Commonwealth Secretary to give an oral report on the latest position on the ground and of the diplomatic action in hand. The Defence Secretary and the Chief of Defence Staff might be invited to comment on the military situation (including the state of play in the military talks with the Americans) and the Secretary of State for Energy on the implications for oil supplies. Points to establish are -

a. What judgement can be made of Iranian and Iraqi intentions in the light of the latest assessment? Are the Iranians likely to take further action against tankers or is a continued escalation of military action in the Gulf unlikely?

b. What further action can be put in hand to try to prevent such escalation by diplomatic means through international organisations (eg the European Community, The International Energy Agency, the United Nations, the Islamic Conference, the Non-Aligned Movement); or individual countries like Algeria who may have a special role to play in mediation?

c. Are tankers owners likely in the present situation to operate in the Gulf and what if anything can be done to allay their fears?

d. What action if any is being taken by the member states of the Gulf Co-operation Council? What should the UK's response be to any requests for assistance from the Gulf States? What planning is in hand with the Americans and are any further steps necessary with them and the French?

e. Does the Sub-Committee consider that Western military intervention at this stage would be premature and that the situation should be allowed to develop over the next few days before any judgement is taken?





f. Should we be encouraging any further consultation between  
the United States and the Soviet Union?

CONCLUSION

9. Subject to the points made in discussion, you could guide the Sub-Committee to note and approve the action already in hand and to approve any additional measures which may be judged necessary.

  
for A D S GOODALL

17 May 1984

PS

PS/MR LUCE

PS/PUS

SIR J BULLARD

SIR J LEAHY

MR EGERTON

HD/MED

HD/NENAD

HD/UND

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FM UKDEL OECD 171600Z MAY 84

TO IMMEDIATE FCO

TELEGRAM NUMBER 85 OF 17 MAY

INFO IMMEDIATE WASHINGTON, BONN, PARIS, UKDEL NATO, UKMIS NEW YORK, OTHER EC POSTS, GULF POSTS, BAGHDAD, TEHRAN.

IMMEDIATE

FOLLOWING FROM PRIVATE SECRETARY  
GULF: BILATERAL MEETING WITH MR DAM

SUMMARY

1. THE SECRETARY OF STATE HAD A BILATERAL MEETING WITH DAM IN THE MARGINS OF THE OECD MINISTERIAL COUNCIL MEETING. DAM EXPRESSED CONCERN ABOUT THE DETERIORATING SITUATION IN THE GULF AND STRESSED THE US ADMINISTRATION'S DESIRE TO KEEP CLOSELY IN TOUCH WITH US. IMPORTANT MEETINGS WERE TAKING PLACE TODAY IN WASHINGTON ON WHICH WE WOULD BE INFORMED. THE SAUDIS HAD CONTACTED THE STATE DEPARTMENT ABOUT THE ATTITUDE OF THE GULF CO-OPERATION COUNTRIES.

GULF

2. THE SECRETARY OF STATE SAID THAT THE MOST PRESSING IMMEDIATE ISSUE WAS THE DETERIORATING SITUATION IN THE GULF. DAM AGREED AND SAID THAT MEETINGS WERE TAKING PLACE IN WASHINGTON TO ASSESS THE SITUATION. THERE WERE SOME DIFFERENCES IN THE ASSESSMENTS OF THE SITUATION IN WASHINGTON. SOME SAID A FUNDAMENTAL CHANGE IN THE SITUATION HAD OCCURRED. OTHERS DISAGREED. THE SAUDI AMBASSADOR HAD CALLED ON THE STATE DEPARTMENT IN WASHINGTON IN THE PAST FEW HOURS. HE HAD REPORTED THAT THE GULF CO-OPERATION COUNCIL WAS MEETING TO ASSESS THE SITUATION. IT WAS POSSIBLE THAT THE GCC MIGHT TURN TO THE USA AND THE UK FOR ASSISTANCE. THE GCC POSITION WAS THAT THEY WOULD LIKE THE USA TO BE JUST OVER THE HORIZON, BUT NOT TOO CLOSE.

~~OVER THE HORIZON, BUT NOT TOO CLOSE.~~

3. DAM WENT ON TO SAY THAT THE UNITED STATES MIGHT BE PREPARED TO ASSIST BUT THIS WAS MILITARILY DIFFICULT WITHOUT ACCESS, ESPECIALLY WITHOUT A PRESENCE IN THE UPPER PART OF THE GULF. FROM THE PURELY OPERATIONAL STANDPOINT AIRCRAFT TAKING OFF FROM AIRCRAFT CARRIERS NEEDED TO REFUEL TO REACH THE UPPER PART OF THE GULF.

THE GCC'S ASSESSMENT OF THE SITUATION WOULD HAVE AN IMPORTANT BEARING ON WASHINGTON'S OWN EVALUATION. DURING MR LUCE'S DISCUSSIONS IN WASHINGTON THERE HAD BEEN AGREEMENT THAT WE WOULD KEEP IN CLOSE TOUCH. IT MIGHT BE USEFUL TO LOOK AT THE DISPOSITION OF OUR FORCES. WE COULD BE CALLED ON TO TAKE ACTION AT SHORT NOTICE. BUT HE WANTED TO EMPHASISE THAT THE UNITED STATES WAS NOT CONSIDERING ANY UNPREMEDITATED ACTION.

4. THE SECRETARY OF STATE AGREED THAT WE SHOULD KEEP IN TOUCH. HE THOUGHT THAT DAM'S ASSESSMENT OF THE GCC ATTITUDE WAS ACCURATE. TICKELL SAID THAT HE HAD JUST HAD SOME USEFUL TALKS AT OFFICIAL LEVEL WITH ALAN WALLIS ON THE ENERGY SIDE. DAM EXPLAINED THAT ALTHOUGH THERE WAS NO LEGAL REQUIREMENT TO CONSULT CONGRESS ON STOCK WITHDRAWAL, POLITICALLY IT WOULD BE NECESSARY TO SECURE CONGRESSIONAL APPROVAL. IN THAT CASE IT WOULD BE IMPORTANT TO MAKE SURE THAT THE UNITED STATES AND OTHER COUNTRIES WERE SEEN TO BE WORKING TOGETHER.

UFFEN

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TO IMMEDIATE FCO

TELEGRAM NUMBER 1561 OF 17 MAY

INFO IMMEDIATE UKMIS NEW YORK, BAGHDAD, TEHRAN, JEDDA, AND OTHER GULF POSTS, PRIORITY AMMAN, PARIS, UKDEL NATO.

YOUR TELNO 264 TO UKMIS NEW YORK, AND UKDEL OECD TELEGRAM NO 85:

ATTACKS ON GULF SHIPPING

SUMMARY

1. SAUDI PATIENCE IS RUNNING OUT, BUT NO SPECIFIC REQUEST FOR US MILITARY ASSISTANCE. THE AMERICANS ARE ENCOURAGING OTHERS TO MAKE DEMARCHES IN TEHRAN AND BAGHDAD TO URGE RESTRAINT. THEY DO NOT WANT ACTION AT THE UN TO BLOCK DIRECT ACTION OF SOME KIND SHOULD IT PROVE NECESSARY. THEY MAY PROPOSE ANOTHER ROUND OF US/UK CONTINGENCY TALKS NEXT WEEK.

DETAIL

2. MINISTER CALLED ON RAPHEL AND KANTER THIS EVENING TO REVIEW THE SITUATION IN THE LIGHT OF THE MEETING AT THE WHITE HOUSE EARLIER TODAY, UNDER THE PRESIDENT'S CHAIRMANSHIP. THIS MEETING HAD CONCENTRATED ON ASSESSING THE POSITION IN THE GULF. CONSIDERATION HAD BEEN GIVEN TO ISSUING ANOTHER STATEMENT, BUT SHULTZ HAD BEEN AGAINST THIS. THE MAIN DECISIONS THAT HAD EMERGED HAD BEEN TO ENCOURAGE FRIENDLY NATIONS TO URGE RESTRAINT, (WESTERN EUROPEANS TO THE IRAQIS, AND ISLAMIC NATIONS E.G. ALGERIA TURKEY AND PAKISTAN TO THE IRANIANS) AND IN THE MEANTIME TO CONTINUE INTERNAL CONTINGENCY PLANNING. A PUBLIC STATEMENT BY THE TEN, WHICH THEY HAD HEARD WAS UNDER CONSIDERATION, WOULD BE HELD.

~~NOT PLANNING A PUBLIC STATEMENT BY THE TEN, WHICH THEY HAD~~ WAS  
WAS UNDER CONSIDERATION, WOULD BE HELPFUL.

3. THE SAUDI AMBASSADOR'S CALL ON SHULTZ THIS MORNING HAD TAKEN PLACE BEFORE THE GCC MEETING HAD ENDED. BANDAR'S MAIN PURPOSE APPEARED TO BE TO INDICATE THAT SAUDI PATIENCE HAD RUN OUT AND THAT THEY WERE THINKING IN TERMS OF ACTION. RAPHEL THOUGHT THIS WOULD BE IN THE FORM OF ADDITIONAL MEASURES TO PROTECT SHIPPING. THERE HAD BEEN NO SUGGESTION THAT THE SAUDIS WERE CONSIDERING ATTACKS ON IRAN. SHULTZ HAD SUGGESTED THAT THE TIME HAD COME FOR THE GCC TO TAKE PRACTICAL STEPS TO DEFEND THEMSELVES.

4. BANDAR ASKED FOR US ARMS SUPPLIES ALREADY IN THE PIPELINE TO BE ACCELERATED BUT HAD MADE NO SPECIFIC REQUEST FOR US MILITARY SUPPORT OR SHOWN ANY INTEREST IN CONTINGENCY PLANNING. GENERAL TIXIER (PENTAGON) WOULD BE GOING TO SAUDI ARABIA LATER THIS MONTH TO DISCUSS ARMS SUPPLIES AND EXPLORE THE POSSIBILITY OF MORE EXCHANGES ON CONTINGENCY PLANNING. ON FAHAD'S INSTRUCTIONS, BANDAR HAD EXPRESSED CONCERN ABOUT RECENT REPORTS OF ISRAELI ARMS SHIPMENTS TO IRAN; THE AMERICANS HAD SOUGHT AND RECEIVED ~~SOME~~

~~HAD EXPRESSED CONCERN ABOUT RECENT REPORTS OF ISRAELI ARMS SHIPMENTS TO IRAN; THE AMERICANS HAD SOUGHT AND RECEIVED ANOTHER ISRAELI ASSURANCE YESTERDAY THAT THERE WERE NO SUCH SUPPLIES.~~

5. RAPHEL SAID ON INSTRUCTIONS THAT ALTHOUGH IT WOULD BE IMPORTANT TO DEMONSTRATE THAT ALL DIPLOMATIC AVENUES HAD BEEN TRIED, SHULTZ DID NOT WANT UN ACTION TO PRECLUDE OTHER MEASURES BEING TAKEN IF THESE WERE JUDGED NECESSARY. THE STATES DIRECTLY CONCERNED HAD TO PRESERVE THEIR FREEDOM TO TAKE ESSENTIAL STEPS IN SELF-DEFENCE. SOME OF THE GCC STATES HAD SUGGESTED THAT A SECURITY COUNCIL RESOLUTION COULD PROVIDE AN ADEQUATE UMBRELLA FOR SUBSEQUENT MILITARY ACTION BY THE US. THE AMERICANS WOULD BE MAKING CLEAR TO THEM THAT THIS WAS NOT THE CASE AND THAT SPECIFIC REQUESTS FROM THE GULF STATES WOULD BE REQUIRED.

6. RAPHEL SAID THAT THE AMERICANS WERE NOW CONSIDERING INTERDEPARTMENTALLY WHETHER TO PROPOSE A FURTHER ROUND OF US/US CONTINGENCY TALKS ON THE GULF NEXT WEEK. THE STATE DEPARTMENT'S VIEW WAS THAT SUCH TALKS WOULD BE USEFUL. THEY MIGHT COVER OUR RESPONSE TO THE SCENARIO WE WERE NOW FACING, CONCENTRATING ON DIPLOMATIC STRATEGY AND HOW TO HANDLE THE PROPOSED RECOURSE BY THE GULF STATES TO THE SECURITY COUNCIL, WHAT WE COULD DO TO HELP THE SAUDIS EG BY PROVIDING MORE SURVEILLANCE AND AIR TO AIR REFUELING CAPABILITY AND WHAT ROLE THE FRENCH MIGHT PLAY. KANTER CONFIRMED THAT HIS BILATERAL TALKS WITH THE FRENCH IN PARIS IN APRIL HAD BEEN UNPRODUCTIVE.

#### COMMENT

7. THERE WAS NO SUGGESTION IN THIS EXCHANGE THAT THE AMERICANS WERE CONTEMPLATING ANY EARLY MILITARY MOVES. IN THE ABSENCE OF ANY SPECIFIC REQUESTS FROM THE GULF STATES THEY ARE CONCENTRATING FOR THE MOMENT ON DIPLOMATIC ACTIVITY AND INTERNAL PREPARATIONS. A ROUND OF BILATERAL TALKS HERE NEXT WEEK WOULD THEREFORE BE TIMELY PROVIDED WE HAVE OURSELVES TAKEN THE NECESSARY POLITICAL DECISIONS TO ENABLE OUR PARTICIPANTS TO PLAY A CONSTRUCTIVE PART IN DISCUSSION OF WHAT IS BECOMING LESS AND LESS A HYPOTHETICAL SITUATION.

WRIGHT

S E C R E T



35-  
ccpc

Treasury Chambers, Parliament Street, SW1P 3AG  
01-233 3000

16 May 1984

Richard Mottram Esq  
Private Secretary to the  
Secretary of State for Defence

A. J. C. 16/5  
h.v.

Dear Richard

IRAN/IRAQ

The Chancellor has no objections to the proposals described in paragraph 3 of your Secretary of State's minute of 8 May to the Prime Minister.

I am copying this letter to John Coles (No 10), to the Private Secretaries of other members of OD(EM) and to Richard Hatfield (Cabinet Office).

Yours ever,

David

D L C PERETZ  
Principal Private Secretary

Iraq: Iran | Iraq P+8 .

17 JAN 1984

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17 JAN 1984

SECRET



File *SSK*

34

10 DOWNING STREET

*From the Private Secretary*

15 May 1984

Iran/Iraq Conflict:

Guidelines for Loan Service Personnel

You will have seen the Foreign Secretary's minute of 14 May to your Secretary of State on this subject.

I do not think the Prime Minister will be able to deal with these papers until an answer is available to the questions posed in Mr Flesher's letter to you of 30 April. I should be grateful if you could let me have a reply to that letter by the weekend.

JC

Richard Mottram Esq  
Ministry of Defence

SECRET

CST



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SIR J LEAHY

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FROM KUWAIT 151420Z MAY 84

TO IMMEDIATE FCO

TELNO 191 OF 15 MAY

AND TO IMMEDIATE MOD UK (FOR D14C AND D117)

FOR INFORMATION IMMEDIATE GULF POSTS, TEHRAN, BAGHDAD,  
WASHINGTON, PARIS, STOCKHOLM, UKMIS NEW YORK, UKDEL NATO, UKDEL  
OECD AND UKREP BRUSSELS.

FCO TELNO 317 TO BAGHDAD: ATTACKS ON SHIPPING IN THE GULF.

1. THERE IS STILL NO OFFICIAL KUWAITI RESPONSE TO THE ATTACKS ON UMM CASBAH AND THE BAHRA, THOUGH SOMETHING MAY COME SOON, WITH AN UNSCHEDULED CABINET MEETING TODAY AND THE NATIONAL ASSEMBLY HAVING GONE INTO CLOSED SESSION. GENERAL OPINION HERE IS FAIRLY EVENLY DIVIDED ABOUT RESPONSIBILITY, THOUGH THE PRESS ARE STILL LINKING THE ATTACKS TO PRESIDENT KHAME'NI'S WARNING TO SHIPPING IN THE GULF OF 11 MAY. KOTC FIRMLY BELIEVE IRAN IS TO BLAME AND REPORT THE BULGARIAN CREW ON THE BAHRA TO HAVE SPOTTED IRANIAN MARKINGS ON THE PLANES.

2. I THINK KOTC IS RIGHT. THE METHOD OF ATTACK IS MARKEDLY DIFFERENT FROM PREVIOUS IRAQI ATTACKS AND THE IRANIANS HAVE A MUCH STRONGER MOTIVE TO THREATEN THE NORMAL UPLIFTING OF OIL FROM KUWAITI PORTS THAN THE IRAQIS.

DIFFERENT FROM PREVIOUS IRAQI ATTACKS AND THE IRANIANS HAVE A MUCH STRONGER MOTIVE TO THREATEN THE NORMAL UPLIFTING OF OIL FROM KUWAITI PORTS THAN THE IRACIS.

3. IF THIS REPRESENTS THE START OF REGULAR ATTACKS ON SHIPPING INTO KUWAIT, THE KUWAITIS HAVE A MAJOR PROBLEM ON THEIR BACKS. IT IS ESSENTIAL FOR KUWAIT THAT THE FREE MOVEMENT OF SHIPS SHOULD CONTINUE, BUT THERE IS LITTLE THEY CAN DO ABOUT THEIR OWN PROTECTION. KUWAIT HAS NO WARSHIPS TO PROTECT TANKERS AND ITS SMALL AIR SPACE PRECLUDES PROTECTION BY THE KUWAIT AIR FORCE. THE CHAIRMAN OF KOTC HAS SAID PRIVATELY THAT HE WOULD LIKE TO ARM HIS SHIPS, POSSIBLY WITH STINGER MISSILES, BUT WE DO NOT TAKE THIS TOO SERIOUSLY. MEASURES ALREADY TAKEN BY KOTC HAVE BEEN TO ORDER MASTERS TO SAIL FULL STEAM AHEAD (22 KNOTS) FROM AHMADI TO RASTANDURA AND TO SAIL AT NIGHT. IN THE SHORT TERM THIS MAY PREVENT ATTACKS, BOTH OF WHICH SO FAR HAVE TAKEN THE FORM OF A SPOTTER AIRCRAFT FINDING THE SHIP AND THEN BEING FOLLOWED IN BY TWO FIGHTERS, BUT SUCH MEASURES WOULD NOT PREVENT A DETERMINED CAMPAIGN.
4. GIVEN THEIR INABILITY TO DEFEND THEIR SHIPPING, THE KUWAITIS WILL BE LOOKING FOR OTHER WAYS TO ENSURE PROTECTION, PERHAPS INCLUDING AN APPEAL FOR ASSISTANCE EITHER FROM WITHIN THE GCC OR FROM OTHER FRIENDLY COUNTRIES. EFFECTIVE GCC ACTION WOULD REQUIRE A GREATER DEGREE OF INTELLIGENCE COOPERATION BETWEEN, IN PARTICULAR, KUWAIT, SAUDI ARABIA AND OMAN THAN TAKES PLACE AT PRESENT. IT MIGHT BE ENVISAGE SHIPS MOVING IN CONVOY (WITH THE IRACIS GIVEN DETAILS TO REDUCE THE RISK OF ATTACK FROM THAT QUARTER). A MORE LIKELY VARIATION COULD BE BILATERAL COOPERATION WITH SAUDI ARABIA, IN PARTICULAR THE USE OF INTELLIGENCE FROM THEIR AWACS, IF THE SAUDIS ARE PREPARED TO ALLOW THIS. THE MATTER WILL PRESUMABLY BE HIGH ON THE ACENDA OF DISCUSSIONS BETWEEN THE KUWAITIS AND THE SAUDI DEFENCE MINISTER, PRINCE SULTAN, WHO ARRIVED IN KUWAIT TODAY ON A PREVIOUSLY ARRANGED OFFICIAL VISIT. ALTERNATIVELY, THE KUWAITIS MIGHT APPEAL TO OTHER FRIENDLY COUNTRIES TO PROVIDE NAVAL SUPPORT FOR CONVOYS. I ASSUME THEY WOULD TURN TO THE US FIRST, FOR PRACTICAL REASONS (MY TELNO 189, NOT TO ALL).
5. THE PICTURE MAY BECOME CLEARER AFTER TODAY'S CABINET MEETING. ON PAST FORM THE KUWAITIS ARE UNLIKELY TO NAME NAMES. NOR DO I THINK THAT, EVEN IF THEY ARE SURE IN PRIVATE THAT THE IRANIANS ARE RESPONSIBLE, THEY WILL ENVISAGE PRE-EMPTIVE MILITARY ACTION. THE MOST LIKELY OUTCOME IS THAT, IF THERE ARE MORE ATTACKS ON THEIR SHIPS, THE KUWAITIS WILL CONTINUE TO FILL AND DESPATCH THEIR TANKERS BUT WILL REACT DEFENSIVELY AND MORE VIGOROUSLY.
6. ON A POINT OF DETAIL WE HAVE BEEN TOLD THAT THE PAS AL ZOUR (PARA 2 (D) OF TUR) HAS NOT BEEN ATTACKED AND IS PROCEEDING ON COURSE.

MELHUSH

BT

CONFIDENTIAL

19239 - 2

CONFIDENTIAL

FM F C O 141930Z MAY 84

TO IMMEDIATE BAGHDAD

TELEGRAM NUMBER 317 OF 14 MAY

TO IMMEDIATE ALL GULF POSTS, BIS TEHRAN, PRIORITY WASHINGTON,  
PARIS, STOCKHOLM, UKMIS NEW YORK, UKDEL NATO, UDEL OECD, UKREP,  
BRUSSELS

YOUR TELNO259 (NOT TO ALL)

ATTACKS ON SHIPPING IN THE GULF

1. WE ARE GRATEFUL FOR REPORTS FROM YOU AND GULF POSTS. THE IRAQIS NOW CLAIM TO HAVE HIT TWO OIL TANKERS (BOTH SOUTH OF KHARG ISLAND) ON 13 MAY BUT HAVE SO FAR NOT (NOT) CLAIMED RESPONSIBILITY FOR THE UNSUCCESSFUL ATTACK ON THE KUWAITI VESSEL, UMM CASBAH, WHOSE CARGO OF FUEL OIL IS DESTINED FOR SHELL (UK). OIL AND SHIPPING CIRCLES IN LONDON (WITH WHOM WE ARE IN CLOSE TOUCH) ARE CONCERNED AT THE FREQUENCY AND INDISCRIMINATE NATURE OF THE LATEST ATTACKS. INSURANCE RATES FOR TANKERS CALLING AT KHARG ISLAND WERE TODAY INCREASED FROM 2 PERCENT TO 3 PERCENT.

DETAIL.

2. THE SHIPS ATTACKED ON 13 MAY HAVE BEEN IDENTIFIED AS:

(A) AN IRANIAN-REGISTERED TANKER, THE TABRIZ, WHICH WAS HIT ABOUT 10 MILES NORTH OF THE SAUDI-OWNED TANKER, AL AHOOD, AND IS REPORTED ON FIRE.

(B) A GREEK-REGISTERED TANKER, THE ESPERANZA, WHICH WAS HEADING NORTH IN BALLAST. IT WAS NOT BADLY DAMAGED BUT HAS TURNED BACK TO LAVAN.

WE HAVE JUST RECEIVED REPORTS OF FURTHER ATTACKS TODAY ON:

(C) A KUWAITI-OWNED CRUDE TANKER, THE BAHRA, HEADING NORTH IN BALLAST TO KUWAIT. THIS HAS BEEN HOLED BY AN EXOCET, BUT IT IS NOT IN DANGER. TWO CREW WERE INJURED.

(D) A KUWAITI-OWNED PRODUCTS TANKER, THE RAS AL-ZOUR. WE HAVE NO DETAILS OF WHEREABOUTS OR DAMAGE IF ANY.

3. BP CURRENTLY HAVE TWO VESSELS IN THE GULF AREA. THE FIRST,

CONFIDENTIAL

19239 - 2

THE SHOOSH, IS OPERATED BY BP'S IRANIAN JOINT VENTURE COMPANY. THIS VESSEL LEFT KUWAIT YESTERDAY AND SHOULD NOW BE OUTSIDE THE IMMEDIATE DANGER ZONE. THE OTHER BP VESSEL, BRITISH SUCCESS, LEFT KUWAIT EARLY THIS MORNING AND MAY STILL BE IN THE NORTHERN GULF.

4. COMMENT. THERE IS MUCH SPECULATION HERE ABOUT RESPONSIBILITY FOR THE ATTACK ON THE UMM CASBAH. THE AMERICANS BELIEVE THE IRANIANS TO BE RESPONSIBLE, BUT WE HAVE NO CORROBORATION. FOR THEIR PART, THE IRAQIS HAVE TAKEN A HARD-LINE APPROACH TO THE WHOLE QUESTION OF ATTACKS. ON 10 MAY (IE, AFTER THE ATTACKS ON THE SAUDI-OWNED TANKERS) THE IRAQI MINISTERS OF OIL REPORTEDLY TOLD KUWAITI JOURNALISTS THAT THE IRAQIS COULD NOT (NOT) DISTINGUISH BETWEEN FRIENDLY AND UNFRIENDLY TANKERS. WE ALSO UNDERSTAND FROM THE AMERICANS THAT IRAQI LEADERS RECENTLY TOOK A VERY TOUGH LINE WITH THE JAPANESE, ASSERTING THAT THEY WOULD CONTINUE TO ATTACK TANKERS IN THE GULF AS LONG AS IRAQ IS DENIED USE OF HER GULF PORTS.

5. FOR TEHRAN. WE ARE SOMEWHAT SCEPTICAL ABOUT REPORTS THAT THE IRANIANS ATTACKED THE UMM CASBAH, BUT IF TRUE COULD REFLECT INCREASING IRANIAN CONCERN ABOUT THE CONTINUING IRAQI ATTACKS AND THEIR OWN INABILITY TO LAUNCH THE MUCH EXPECTED GROUND OFFENSIVE IN THE SOUTH. GRATEFUL FOR ANY COMMENTS YOU MAY HAVE.

HOWE

IRAN/IRAQ

STANDARD (PALACE)

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ERD  
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DEFENCE DEPT.  
MR EGERTON  
CABINET OFFICE

ADDITIONAL DISTRIBUTION

IRAN/IRAQ

2  
CONFIDENTIAL



FCS/84/142

SECRETARY OF STATE FOR DEFENCE

Iran/Iraq Conflict: Guidelines for Loan Service Personnel

1. Thank you for your minute of 25 April enclosing draft guidelines for our Ambassadors in Bahrain, Kuwait, Qatar and the United Arab Emirates on the question of the involvement of our Loan Service Personnel (LSP) in dealing with an external attack on the Gulf State in which they are serving. I have also seen No 10's minute of 30 April recording a comment made by the Prime Minister and to which, I understand, your Office will be replying.
2. The guidelines were drawn up in consultation with FCO officials and take full account of the legal advice provided. I am therefore content that they should be issued. I suggest that they be telegraphed to the posts concerned under cover of a telegram on the lines of the draft attached. If the Prime Minister, yourself and our other OD(EM) colleagues are content we shall arrange despatch of the guidelines and the covering telegram to the posts concerned.
3. I am copying this minute to the Prime Minister and other members of the OD(EM) Sub-Committee, and to Sir Robert Armstrong.

GEOFFREY HOWE

Foreign and Commonwealth Office  
14 May 1984

# OUT TELEGRAM

	↓	Classification and Caveats <b>SECRET</b>	Precedence/Deskby <b>PRIORITY</b>
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ZCZC	1	ZCZC
GRS	2	GRS
CLASS	3	SECRET
CAVEATS	4	
DESKBY	5	
FM FCO	6	FM FCO 141630Z MAY 84
PRE/ADD	7	TO PRIORITY BEHRAIN
TEL NO	8	TELEGRAM NUMBER
	9	AND TO PRIORITY KUWAIT, DOHA, ABU DHABI
	10	INFO PRIORITY MUSCAT
	11	IRAN/IRAQ CONFLICT: GUIDELINES FOR LOAN SERVICE
	12	PERSONNEL IN GULF STATES
	13	1. Against the background of a possible escalation of
	14	the Iran/Iraq conflict, we wish to avoid the possibility
	15	of weakening the defence capabilities of the Gulf States
	16	in a situation in which our LSP were unable to act, other
	17	than in self defence, in the event of a sudden external
	18	attack. Ministers have therefore agreed that guidelines
	19	on the use of LSP should be issued to HM Ambassadors in
	20	Bahrain, Kuwait, Doha and Abu Dhabi. The guidelines are
	21	in MIFT.
///	22	2. As indicated in the first paragraph of the IFT please
//	23	show the guidelines to the Senior British Loan Service
/	24	Officers in each State. You should not for the present
	25	bring them to the attention of the host governments but,

NNNN ends telegram	BLANK	Catchword  for
File number	Dept Defence	Distribution Limited Defence D MED PS PS/PUS PS/Mr Wright Sir J Leahy Mr Cartledge Mr Egerton Legal Advisers
Drafted by (Block capitals) R D Hart		
Telephone number		
Authorised for despatch		
Comcen reference	Time of despatch	
		Copes to MOD DS11

OUT TELEGRAM (CONT)

	Classification and Caveats SECRET	PRIORITY	Page 2
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<<<<

1 <<<<  
2 for your information, if the situation were to deteriorate  
3 to the extent that an external attack on one or more of  
4 the States concerned was a real possibility, you would  
5 probably be given discretion to explain to the governments  
6 to which you are accredited that you had delegated  
7 authority to approve LSP involvement, if the time factor  
8 ruled out reference to London and provided that this was  
9 in response to a clear invitation.  
10 3. Under the terms of the Prime Minister's letter to the  
11 Sultan of 15 July 1982 we have already agreed that in the  
12 event of a direct threat to Oman which did not allow time  
13 for consultation with London we would be content for  
14 British personnel to play their part in Oman's defence.  
15 There is no need therefore for the guidelines in IFT also  
16 to be issued to HM Ambassador, Muscat. You should know  
17 that Ministers considered the possibility of extending a  
18 similar undertaking to that given to the Omanis to the  
19 other Gulf States but concluded that as our defence  
20 relations were not so close with them as with Oman an  
21 open-ended commitment of this kind was not justified.  
22 Ministers also rejected the possibility of delegating  
23 authority to Senior British Loan Service Officers as,  
24 legally, this would be inconsistent with the terms of the  
25 various Memoranda of Understanding on the provision of LSP.  
26  
27 HOWE  
28 NNNN  
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NNNN ends telegram	BLANK	Catchword
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log : Iran/Iraq relations A 4

14 MAY 1964







PM/84/77

N. D. P. D.

A. J. C.  $\frac{14}{5}$

PRIME MINISTER

h.a.

Iran/Iraq

with  
AJC

1. I was grateful to receive a copy of the Defence Secretary's minute of 8 May to you, outlining the basis on which he proposes to allow our team to participate in the next round of military to military talks with the Americans on contingency planning for a Gulf crisis. I agree with him that it will be important to make clear that the talks would be entirely without commitment on either side. Given this caveat, the principles he outlines seem eminently sensible.

2. I am copying this letter to OD(EM) colleagues and to Sir Robert Armstrong.

GEOFFREY HOWE

Foreign and Commonwealth Office  
14 May 1984

11/10/02 (over) (over) Nels 11/4

6)



14.11.1904



SECRET

FILE

SH



6 cc: SPC

cc: LPO  
HMT  
FCO  
CO

31

10 DOWNING STREET

From the Private Secretary

14 May, 1984

*Dear Richard,*

Iran/Iraq

The Prime Minister has seen your Secretary of State's minute of 8 May.

Subject to the views of OD(EM) colleagues, she agrees that the US/UK military talks on the Gulf should now proceed to cover, without commitment, such matters as rules of engagement and command and control - and that, accordingly, Mr. Heseltine should instruct our delegation to the talks to proceed on the basis outlined in his paragraph 3.

I am copying this letter to the Private Secretaries of other members of OD(EM) and to Sir Robert Armstrong.

*Yours ever*

*John Gode*

Richard Mottram, Esq.,  
Ministry of Defence

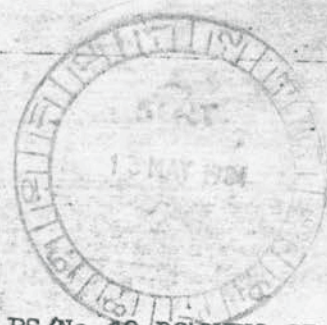
SECRET

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IRAN/IRAQ ADVANCE COPIES 18

PS  
PS/MR LUCE  
PS/PUS  
SIR J BULLARD  
SIR J LEAHY  
MR EGERTON  
HD/MED  
HD/NENAD  
HD/UND  
HD/CONS. D  
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HD/NEWS D  
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RESIDENT CLERK



PS/No. 10 DOWNING ST (2)

CABINET OFFICE D I O

RESTRICTED

DESKBY FCO 131300Z

DESKBY MOD 131300Z

DESKBY BAHRAIN 131400Z

DESKBY ABU DHABI 131400Z

DESKBY DUBAI 131400Z

FROM KUWAIT 131120Z MAY 84

TO IMMEDIATE FCO

TELNO 186 OF 13 MAY

AND TO IMMEDIATE MOD (FOR DIAC)

FOR INFORMATION IMMEDIATE BAHRAIN, ABU DHABI AND DUBAI.

IRAN/IRAQ

1. SULAIMAN AL SHAHEEN, DIRECTOR OF THE FOREIGN MINISTER'S OFFICE, TOLD US CHARGE THIS MORNING THAT A KUWAITI TANKER HAD JUST BEEN HIT, APPARENTLY BY A MISSILE, IN THE LOWER GULF. THE SHIP, WHICH WE HAVE SUBSEQUENTLY DISCOVERED IS CALLED THE UMM CASBAH OWNED BY KOTC AND CARRYING 80,000 TONS OF FUEL OIL FROM KUWAIT TO THE UK, WAS SAID BY AL SHAHEEN TO BE HEADING BACK FOR BAHRAIN.

ADVANCE COPY  
IMMEDIATE

2. AL SHAHEEN WONDERED WHETHER IT HAD BEEN HIT BY AN IRANIAN

FOR BAHRAIN.

2. AL SHAHEEN WONDERED WHETHER IT HAD BEEN HIT BY AN IRANIAN RATHER THAN AN IRAQI MISSILE. DUBAI MIGHT PICK UP DETAILS THROUGH THEIR CONTACTS WITH SALVAGE ASSOCIATION.

MELHUIH

BT

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DEKKA W05 T3T3001

DEKKA 600 T3T3001

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MO 3/9/4/2

Prime Minute.

Agree that the US/UK military talks on the Gulf should now proceed to cover, without commitment, such matters as rules of engagement and command and control?

A.S.C. 10/5.

PRIME MINISTERIRAN/IRAQ

I read with considerable interest the Foreign Secretary's minute of 3rd April covering Richard Luce's report on his discussions in Washington on 19th/20th March. I share his view that this was a very useful visit which served to underline both our essential support for the Americans' policy in the Gulf, but also our concerns about the risks of precipitate or over-excessive military action.

2. In paragraph 3 of his minute the Foreign Secretary has identified a number of areas for further discussion with the Americans, including questions of rules of engagement and joint operational planning. As you know, we have already held two rounds of military-to-military talks with the US in parallel with the politico/military discussions but, as reported in the paper which Sir Robert Armstrong submitted to you on 5th March, these have so far stopped short of any form of joint planning. They have concentrated essentially on an exchange of information about each side's operational capabilities; we have been given a considerable amount of detail about the US operational concept known as PORT GRAND concerned with maintaining free sea and air passage in the Gulf. However, if we are to go further, for example into the areas of rules of engagement and command and control, we shall be getting very close to defining a joint concept of operations which would only require political approval to become an operational plan.



3. We have previously recognised the risks involved in joint planning: in particular that we should either be drawn in to supporting military action that we could not control, or that in a crisis we might be forced to disappoint US expectations of support. Nevertheless I think there is a case for allowing the military talks to proceed naturally to this next step, on the clear understanding that the discussions should be confined to considering separate but co-ordinated operations, that they would take place entirely without commitment on either side, and that all planning would be subject to political approval in the event of an actual operation. Mr Weinberger has already made it clear he would welcome closer military co-ordination, and the deployment of our MCM force to the Mediterranean has already created a climate of expectation in Washington which will not be significantly strengthened by joint planning. Moreover if we are seen to draw back now, it will erode much of the advantage gained by the MCM deployment and Richard Luce's visit. Finally talks on these lines will enable us to identify and perhaps clarify some of the more complex issues which might be difficult to resolve in a fast-moving crisis.

4. A further round of military talks has been provisionally scheduled for mid-May. Subject to your agreement and that of our OD(EM) colleagues, I therefore propose to instruct our team to proceed on the basis outlined in paragraph 3 above.

5. I am copying this minute to our OD(EM) colleagues and to Sir Robert Armstrong.

  
Ministry of Defence

8th May 1984

IRAQ PT4

Internal SAT.

50 MAY 1984







DEPARTMENT OF TRADE AND INDUSTRY  
1-19 VICTORIA STREET  
LONDON SW1H 0ET

Telephone (Direct dialling) 01-215) 5144  
GTN 215)  
(Switchboard) 215 7877

From the Minister for Trade

Private Secretary to  
Richard Luce Esq MP  
Minister for State  
Foreign and Commonwealth Office  
Whitehall  
LONDON SW1

4 May 1984

*Dear Private Secretary*

Officials of our two Departments have been in touch about developments within the EEC about the imposition of licensing controls on chemicals which could be used for the manufacture of chemical weapons in Iran and Iraq following our decision before Easter to impose controls on the export of 8 chemicals to those countries.

Mr Channon understands that the other Nine Members of the Community have agreed to control the exports of five chemicals all of which are on the UK list but that they all consider that the controls should be imposed on exports to all destinations in order to prevent the risk of diversion through third countries. My Minister understands that, if the United Kingdom fails to go along with the other Nine, there is a risk that the whole agreement will crumble and that the UK would bear the brunt of the blame. He recognises that this would be most unfortunate particularly since it was we who had taken the initiative and had been the first among the Ten to impose controls on these chemicals. At the same time he is anxious to minimise the effect of these controls on legitimate trade and proposes to grant open individual licence to British companies which we are satisfied are reliable exporters, to enable them to export the chemicals in question freely to other OECD countries and any other country where we can be sure that there is no possibility of diversion. Mr Channon understands that these arrangements would be consistent with what has been proposed by the representatives of the Ten. Officials will be having discussions about the details with the chemical industry next week.

On this basis, Mr Channon is content that your officials should lift the reservation which they have put on the proposals of the Ten.

*A.D.C. 4/5*  
*p.a.*



I am sending a copy of this letter to the Private Secretaries to the Prime Minister and to the Minister for Defence Procurement.

*Your sincerely*  
*Steve Nicklen*

STEPHEN NICKLEN  
Private Secretary to the  
Minister for Trade (PAUL CHANNON)



Foreign and Commonwealth Office

London SW1A 2AH

2 May 1984

~~Prime Minister~~

AM 3/5

p.a.

Dear John,

JH 2/5

International Committee of the Red Cross

/ We have received the enclosed personal letter of thanks from the President of the ICRC to the Prime Minister in reply to her letter of 9 March about the ICRC's appeal on behalf of the victims of the Iran/Iraq war and the need to uphold the Geneva Convention in the area. No reply is called for but as you will see Mr Hay writes warmly of the example which the United Kingdom has set other Governments in supporting ICRC's work. His letter also acknowledges our most recent contributions to ICRC, announced by Mr Raison on 2 March. These contributions amounted to £2,675 million, including that for the Iran/Iraq appeal.

Yours ever,

Peter Ricketts

(P F Ricketts)  
Private Secretary

A J Coles Esq  
10 Downing Street

SECRET



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da

29

cc LPO  
FCO  
HMT  
CO

10 DOWNING STREET

*From the Private Secretary*

30 April 1984

The Prime Minister has seen your Secretary of State's minute of 25 April to the Foreign and Commonwealth Secretary about guidelines for loan service personnel in relation to the Iran/Iraq war. Mrs. Thatcher has commented that she is rather surprised at the legal position as set out in paragraphs 2 and 3 of your Secretary of State's minute. She recalls that when the Iran/Iraq war began and we heard that Oman could be used by Iraqi planes for landing purposes, she enquired about the position of loan service personnel and was told that they could be used for defence but not for attack. She would be grateful therefore if the records of that period could be checked to ensure that the advice on the position of loan service personnel is consistent with that given at the time.

BFI  
I should be grateful if you could arrange for this point to be considered and further advice to come forward.

I am sending a copy of this letter to Private Secretaries to members of OD(EM) and to Sir Robert Armstrong.

Timothy Flesher

Richard Mottram, Esq.,  
Ministry of Defence.

SECRET

JC



28

cc of  
A

MO 3/9/4/2

Prime Minister<sup>①</sup>Content with the approach at  
X in para 4, subject to  
OD(EM) colleagues?FOREIGN AND COMMONWEALTH SECRETARYIRAN/IRAQ WAR: GUIDELINES FOR LOAN SERVICE PERSONNELDMS  
27/4  
- see pt 3 attached

You will recall that at the meeting of OD(EM) on 26th January we agreed that the rules governing the employment of our loan service personnel (LSP) serving in the Gulf should be reviewed. Our concern was to avoid the possibility of weakening the defence capabilities of the Gulf States in a situation where our LSP in critical posts were unable to act (other than in self-defence) in the event of a sudden external attack.

2. The present situation is that our defence co-operation arrangements with the various Gulf States (mostly in the form of Memoranda of Understanding) prohibit the use of our LSP in hostilities without the prior consent of HMG. The main exception is Oman (where British LSP serve in command posts); in her letter to the Sultan in July 1982 the Prime Minister said that in the event of a direct threat to Oman which did not allow time for consultation we would be content "that British personnel should play their full part in Oman's defence". We could of course extend this sort of undertaking to the other Gulf States, either by amending the various Memoranda of Understanding (which would, however, involve serious practical problems) or by means of a similar letter to the other local Rulers. But our relations with Oman are a good deal closer than with the other States, and I do not think we would be justified in entering into an open-ended commitment to use our LSP in defence of the latter, irrespective of the circumstances.

4  
4



3. In view of these difficulties I have considered the possibility of delegating authority to the Senior British Loan Service Officers (SBLSOs) to commit LSP to operations in defence against external attack on the host country when there was insufficient time to seek HMG's consent. This would have the advantage of ensuring that those of our personnel who have vital defensive roles would be able to play a timely part in the defence of their host nations. Unfortunately, there are over-riding legal objections to delegating authority in this way. Under the terms of the various MOUs our LSP can only be used in defence of the Gulf States after consultation between the host Governments and HMG. If the LSP were to go into action without the clear political authority of the host Government, and the approval of HMG, they could be held to have exceeded their authority and to have intervened in the affairs of the host state. The FCO Legal Advisers have therefore advised us that it would not be satisfactory for the SBLSO to have delegated authority to give HMG's approval to the use of his own men.

X 4. I therefore believe that the only acceptable solution would be to give delegated authority to the British Ambassador (or Charge d'Affaires in his absence) to approve the involvement of our LSP on behalf of HMG in response to a clear invitation from the host Government in the event of an external attack when there was no time to consult London. This is not an ideal solution since it adds a potential delay to the approval process. Nonetheless, it would ensure that our men were acting legally at all times. Moreover, in most circumstances in which the threat is so immediate that the delay would be critical, the threat to our LSP would almost certainly allow them the right to act with their host forces in self-defence (the MOUs do not constrain the right of self-defence). In order to speed up the process of consultation our Ambassadors could be given discretion to approach the host Governments in an emergency and explain that they have delegated authority to approve LSP involvement in response to an invitation when time precludes consulting London. Naturally, if host Governments feel they might need swifter assistance in the event of



external attack, it is open to them to propose modification of the terms of the MOUs.

5. I therefore attach draft guidelines which might be sent to our Ambassadors in the Gulf to give them this delegated authority. The guidelines would not be applicable to Oman, since they do not go as far as our existing undertaking to the Omanis, but a copy would be sent to HMA Muscat for information. They cannot, of course, be regarded as comprehensive instructions identifying all the circumstances which might arise, but Ambassadors would be able to seek more specific guidance if they felt that there were particular situations for which the guidelines did not fully cater. For instance, the constraint on operations outside the territorial limits of the host country could prove unsatisfactorily restrictive if there were any British pilots of fast jet aircraft serving in the countries concerned, as defensive action in this environment would be very difficult to confine within territorial limits. At present, however, there are no such LSP in Bahrain, Kuwait, Qatar or the UAE. I should be grateful to know whether you, and our OD(EM) colleagues to whom I am copying this minute, are content for us to proceed accordingly.

*[Handwritten signature]*

Ministry of Defence  
25th April 1984

*I am surprised at the legal position. When the Iran/Iraq war started - and we heard that Oman could be used by Iraq planes for landing purposes - I enquired about the position of LSP and was told that they could be used for defence purposes. Is there not some reference to that in the Telegrams/ correspondence 1980 - after that time? To remember that the weekend was very active diplomatically to prevent the escalation of that war down the Gulf.*

DRAFT GUIDELINES FOR APPROVAL OF THE INVOLVEMENT OF UK LSP IN AN EXTERNAL ATTACK ON THE GULF STATE IN WHICH THEY ARE SERVING (TO BE ISSUED TO HM AMBASSADORS IN BAHRAIN, KUWAIT, QATAR AND THE UAE)

Ministers have agreed that confidential guidelines should be issued to you concerning the basis on which British Loan Service Personnel normally employed in critical defensive posts may operate in the event of a sudden external attack. You should ensure that these guidelines are read and initialled by the Senior British Loan Service Officers (SBLSO), who may acquaint their junior officers with the contents. You may delegate the authority contained in these guidelines to the Charge d'Affaires in your absence, but no further délegation is allowed. These guidelines complement, but in no way supersede, the relevant Memoranda of Understanding and, where applicable, Chiefs of Staff Directives.

2. In the event of an approach by your host government asking for HMG's approval for LSP employed routinely in vital defence functions to participate in defensive operations, in the event of an external attack, if you judge that the urgency of the situation precludes consultation with London you may give approval on HMG's behalf, provided you are satisfied that the circumstances warrant it. In exercising this delegated authority you should consult first with the SBLSO, and ensure that he is aware of the need to act in concert with indigenous forces, and to take all appropriate steps to minimise the risks to British personnel commensurate with supporting the indigenous defence effort. You should



report any authorisation given under these guidelines immediately to the FCO and MOD.

3. This delegated authority does not apply to any operations concerned with internal security even if externally inspired, nor to the enforcement of law and order, in which British personnel should not become involved. Nor does it permit British participation in operations outside the territorial limits of the host country.

4. Nothing in these guidelines shall be construed to inhibit the inherent right of all British loan service personnel to self-defence in response to an immediate threat to their safety, nor to conflict with their obligations to act in accordance with UK Service Regulations and International Military Law.

Iraq R4

Int. Sit

Pa  
bms  
27/4

Prime Minister

**CONFIDENTIAL**

GR 450  
CONFIDENTIAL  
FM TEHRAN 251030Z APR  
TO PRIORITY FCO  
TELNO 230 OF 25 APRIL 1984  
INFO PRIORITY UKDIS GENEVA, UKMIS NEW YORK, BAGHDAD, MODUK  
INFO ROUTINE GULF POSTS, WASHINGTON, PARIS, STOCKHOLM, THE  
HAGUE, MOSCOW, UKDEL NATO  
SAVING TO UKDEL OECD, UKREP BRUSSELS.

It remains to be seen whether there is any connection with today's events at the Consulate. But the background is not helpful.

Done  
26/4

MY TELNO 209 (NOT TO ALL) : CHEMICAL WEAPONS.

SUMMARY.

1. AN IRANIAN DEPUTY MINISTER HAS LEFT FOR GENEVA TO ATTEND THE DISARMAMENT TALKS. THE ANTI-BRITISH PROPAGANDA CAMPAIGN CONTINUES. THE MFA TOLD ME THEY DO NOT CONSIDER OUR STATEMENTS ON CW SUFFICIENT, AND ARE NOT CONVINCED THAT WE DID NOT SUPPLY CASINGS FOR CW BOMBS TO IRAQ. I REPLIED THAT THERE HAD BEEN PLENTY OF TIME TO PRODUCE ANY EVIDENCE THAT WE HAD SUPPLIED CW AND WE EXPECTED A FORMAL RETRACTION.

DETAIL.

2. THE PROPAGANDA CAMPAIGN AGAINST US FOR ALLEGEDLY SUPPLYING CHEMICAL WEAPONS TO IRAQ HAS NOT STOPPED, EVEN IF WE ARE NOT NOW THE ONLY TARGET. SOME FANCIFUL PRESS ARTICLES ARE STILL APPEARING. FOR EXAMPLE, THE EVENING NEWSPAPER 'KAYHAN' OF 22 APRIL QUOTED WHAT IT CALLED INFORMED DIPLOMATIC SOURCES IN LONDON AS CONFIRMING THAT A CONSIDERABLE AMOUNT OF THE CHEMICAL WEAPONS USED BY THE IRAQI REGIME HAD BEEN SUPPLIED BY BRITAIN. ANOTHER REPORT, IN THE ISLAMIC REPUBLICAN PARTY'S NEWSPAPER ON 24 APRIL, QUOTED LIBYAN TELEVISION AS SAYING THAT IRAQ HAD PURCHASED CONSIDERABLE QUANTITIES OF CW FROM UNSPECIFIED BRITISH AND BRITISH/AMERICAN COMPANIES.

3. I CALLED ON MAHALLATI ON 23 APRIL AND HANDED HIM A COPY OF MR LUCE'S STATEMENT OF 18 APRIL (YOUR TELNO 25 TO UKDIS GENEVA). MAHALLATI MADE NO COMMENT ON THIS BUT AGAIN CRITICISED OUR FAILURE TO CONDEMN IRAQ: IRAN DID NOT CONSIDER BRITISH STATEMENTS TO BE SUFFICIENT. NOR WAS SHE CONVINCED THAT WE HAD NOT SUPPLIED SOME OF THE CASINGS. THESE WERE STILL BEING EXAMINED.

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**CONFIDENTIAL**

4. IN/

# CONFIDENTIAL

4. IN REPLY, I REFERRED TO RAJAJE AND SADATIAN'S CALL ON LEAHY ON 3 APRIL (YOUR TELNO 174 TO UKMIS NEW YORK, NOT TO ALL). NOT UNEXPECTEDLY, MAHALLATI HAD HEARD NOTHING ABOUT THIS FROM SADATIAN. I SAID THAT IRAN HAD HAD AMPLE TIME TO PRODUCE EVIDENCE IF IT EXISTED AND SHOULD NOW ADMIT PUBLICLY THAT HER ALLEGATIONS WERE MISTAKEN. I HANDED HIM A NOTE TO THAT EFFECT (COPY BY BAG TO FCO ONLY), ADDING THAT I HAD UNDERSTOOD THAT THE IRANIANS BELIEVED THAT ANOTHER COUNTRY WAS THE SOURCE OF THE CASINGS. MAHALLATI ADMITTED THE SOVIET UNION WAS ALSO UNDER SUSPICION.

5. SHAIKHOESLAM, THE DEPUTY MINISTER FOR POLITICAL AFFAIRS IN THE IRANIAN MFA, LEFT FOR GENEVA ON 24 APRIL TO PARTICIPATE IN THE DISARMAMENT CONFERENCE. BEFORE HIS DEPARTURE, HE TOLD REPORTERS THAT HE WOULD DRAW PARTICIPANTS' ATTENTION TO THE FACT THAT THE SUPERPOWERS WERE TRYING TO OBSTRUCT MOVES TO PREVENT IRAQ FROM REPEATING ITS HEINOUS CRIMES.

FCO PASS SAVING UKDEL OECD, UKREP BRUSSELS.

**THIS TELEGRAM  
WAS NOT  
ADVANCED**

SIMPSON-ORLEBAR  
BT

(REPEATED AS REQUESTED)

IRAN/IRAQ  
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MR EGERTON  
CABINET OFFICE

ADDITIONAL DISTRIBUTION  
IRAN/IRAQ

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14812 - 1

DD 242230Z SEOUL  
DD 250015Z TOKYO

GRS460

CONFIDENTIAL

DESKBY 242230Z

FM FCO 241718Z APR 84

TO IMMEDIATE SEOUL

TELEGRAM NUMBER 81 OF 24 APRIL

AND TO IMMEDIATE DESKBY 2500.5Z TOKYO

FOR PRIVATE SECRETARY FROM PRIVATE OFFICE

IRAN/IRAQ

1. THE FOLLOWING IS AN UP-DATE OF THE IRAN/IRAQ BRIEF  
(ANNEX 1(B)) COVERING THE MAIN EVENTS OF THE LAST WEEK OR SO.

2. THE WAR

THE LONG-AWAITED IRANIAN OFFENSIVE HAS STILL NOT MATERIALISED  
ALTHOUGH PREPARATIONS CONTINUE. THE DELAY IS PUZZLING. WE  
SHOULD WELCOME ANY COMMENTS THE JAPANESE MAY HAVE FOLLOWING THE  
RECENT VISIT TO TOKYO OF THE IRANIAN FOREIGN MINISTER.

3. MEDIATION

THE EGYPTIAN PEACE PROPOSALS (WHICH THEY INTEND TO SUBMIT  
THROUGH THE NAM AND POSSIBLE THE UN) SEEM UNLIKELY TO COME TO  
ANYTHING. STILL NO SIGN THAT THE IRANIANS ARE READY TO NEGOTIATE.

4. ESCALATION IN THE GULF

WE WERE INTERESTED TO READ FROM THE REPORT OF VELAYATI'S VISIT  
(TOKYO TELNO 310 OF 17 APRIL) THAT THE JAPANESE HAD AGAIN RAISED  
THE QUESTION OF AN AGREEMENT WHEREBY IRAQ WOULD REFRAIN FROM  
ATTACKS ON KHARG ISLAND AND SHIPPING IN THE GULF IN RETURN FOR  
ASSURANCES FROM THE IRANIANS THAT THEY WOULD NOT ATTACK IRAQI  
PORTS. DO THE JAPANESE INTEND TO PURSUE THIS PROPOSAL FURTHER  
WITH THE TWO SIDES?

5. CHEMICAL WEAPONS

FOLLOWING THE US DECISION ON 30 MARCH TO EXTEND EXPORT LICENSING  
CONTROLS ON FIVE CHEMICALS WHICH COULD BE USED TO MANUFACTURE  
MUSTARD GAS OR NERVE AGENTS, WE ANNOUNCED OUR DECISION TO EXTEND  
EXPORT CONTROLS TO IRAN AND IRAQ ON EIGHT CHEMICALS WITH EFFECT

1

CONFIDENTIAL

CONFIDENTIAL

14812 - 1

FROM 12 APRIL FOR A PERIOD OF SIX MONTHS IN THE FIRST INSTANCE. WE ARE IN CLOSE TOUCH WITH OUR EC PARTNERS ON THIS, AND HAVE ALSO EMPHASISED TO OECD MEMBERS THE NEED FOR MULTILATERAL ACTION TO PREVENT THE EXPORT OF CHEMICALS LIKELY TO BE USED BY IRAQ OR IRAN TO MANUFACTURE CW. THE JAPANESE RESPONSE TO OUR APPROACH (TOKYO TELNO 314 OF 19 APRIL) WAS NOT ENCOURAGING. THE SECRETARY OF STATE MAY WISH TO TAKE THE OPPORTUNITY TO REINFORCE THE NEED FOR COMPREHENSIVE MULTILATERAL ACTION ON THIS QUESTION, AND REMIND THE JAPANESE OF OUR JOINT EFFORTS AT THE CONFERENCE ON DISARMAMENT (CD) IN GENEVA TO SECURE A WORLD-WIDE BAN ON THE DEVELOPMENT, PRODUCTION, STOCKPILING AND USE OF CHEMICAL WEAPONS.

6. CONTINGENCY PLANNING (DEFENSIVE USE ONLY)

WE CONTINUE TO KEEP IN CLOSE TOUCH WITH THE AMERICANS ON CONTINGENCY PLANNING AND ARE HOLDING FURTHER MEETINGS THIS WEEK IN LONDON AT OFFICIAL LEVEL.

7. VISIT OF ARAB LEAGUE DELEGATION (DEFENSIVE USE ONLY)

AN ARAB LEAGUE DELEGATION, HEADED BY THE JORDANIAN FOREIGN MINISTER IS DUE TO ARRIVE IN LONDON ON 30 APRIL. WE UNDERSTAND THE PURPOSE OF THE VISIT IS TO DISCUSS THE SUPPLY OF MILITARY ITEMS TO IRAN. WE ALSO UNDERSTAND THAT THE DELEGATION WILL SUBSEQUENTLY VISIT JAPAN. WHAT IS THE JAPANESE ATTITUDE TOWARDS THE SUPPLY OF MILITARY EQUIPMENT TO IRAN (INCLUDING THAT OF A NON-LETHAL NATURE)?

HOWE

IRAN/IRAQ

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MR EGERTON  
  
CABINET OFFICE

ADDITIONAL DISTRIBUTION  
IRAN/IRAQ

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Treasury Chambers, Parliament Street, SW1P 3AG  
01-233 3000

18 April 1984

Len Appleyard Esq  
Private Secretary  
Foreign and Commonwealth Office

Dms  
18/4

Dear Len

The Chancellor has seen your Secretary of State's minute of 10 April and is content with the proposals therein.

I am copying this letter to John Coles and to the Private Secretaries of other members of OD(EM).

Yours ever  
David

D L C PERETZ  
Principal Private Secretary

Iraq: Iran/Iraq Relats #4.

8 APR 1984







MO 3/9/4/2

cc/c

Prime Minister  
24/4

Prime Minister (2)

FOREIGN AND COMMONWEALTH SECRETARY

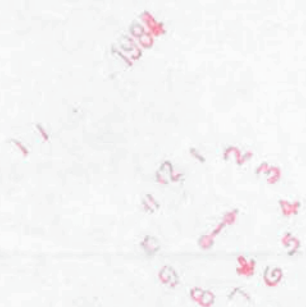
mb

IRAN/IRAQ: KUWAITI REQUEST FOR ASSISTANCE

Thank you for your minute of 6th April concerning Shaikh Sabah's wish for an assurance of possible UK help in an emergency. As you say, we can neither ignore this approach nor reject it outright. As yet, however, we have no specific idea of likely Kuwaiti requirements either for equipment or experts. While we might be able to provide some appropriate help, it will clearly be important to avoid giving any commitment, at least until Kuwait's specific requirements are much clearer.

2. I spoke briefly to Shaikh Salim, the Kuwaiti Defence Minister, when he was in London last weekend. As you suggested, I invited him to have discussions with me on his return from Washington. He accepted this invitation and I hope to arrange a meeting around the Easter weekend. In subsequent discussion with the Kuwaiti Embassy it emerged that Shaikh Salim would look for an answer "in principle" on UK assistance in an emergency. It would therefore be most useful if HMA, Kuwait could speak before hand to the Kuwaiti Foreign Minister along the lines proposed in your letter. I understand that our officials have set this in hand.
3. When I meet Shaikh Salim I shall also follow up your suggestion about exploring the nature of his discussion with the Americans.
4. Copies of this minute go to OD(EM) colleagues.

IRAQ RT 4 International Sur



CONFIDENTIAL



FUE  
cc: P.C  
OD(EM) LPC CO  
(FCO)  
HMT  
MOD

10 DOWNING STREET

*From the Private Secretary*

16 April, 1984

IRAN: SUPPLY OF DEFENCE EQUIPMENT

The Prime Minister has seen the Foreign and Commonwealth Secretary's minute of 10 April.

Subject to the views of OD(EM) colleagues she is content with Sir Geoffrey Howe's proposals for handling this matter, as set out in paragraphs 6 and 7 of the minute.

I am sending a copy of this letter to the Private Secretaries to the other members of OD(EM).

ALL DOLES'

P. Ricketts, Esq.,  
Foreign and Commonwealth Office

6



cc Sir E.C.

10 DOWNING STREET

*From the Private Secretary*

11 April 1984

Iran/Iraq: Supply of Chemicals

Thank you for your letter of 10 April describing the action which you have taken with regard to the control of exports to Iran and Iraq of substances which might be used in the manufacture of chemical weapons.

The Prime Minister has noted the contents of your letter and (as I informed the Minister of Trade's office this afternoon) that Mr. Channon is proposing to answer a Question on this matter in the House of Commons on 12 April.

I am copying this letter to Callum McCarthy (Department of Trade and Industry), Richard Mottram (Ministry of Defence) and David Goodall (Cabinet Office).

7.7.84

Peter Ricketts Esq  
Foreign and Commonwealth Office,



LE PRÉSIDENT

Geneva, 10 April 1984

*Dear Madam.*

I should like to thank you very much indeed for your kind letter of 9 March, which was handed to me recently, and to let you know how much I appreciated your encouraging sentiments.

The Rt. Hon. Margaret Thatcher M.P.  
Prime Minister  
10, Downing Street  
London S.W. 1

Your understanding of and support for the role of our institution in favour of victims of conflicts stands as an example which I hope will be shared by other governments and their respective leaders. Your support is not limited to words but expresses itself in substantial contributions, not only for the victims of the Iran/Iraq war, but for those suffering as a result of conflicts throughout the world. The recent substantial contributions (including the £ 100,000 for Iran/Iraq, mentioned in your letter of 9 March) from Your Government more than testify to this effect.

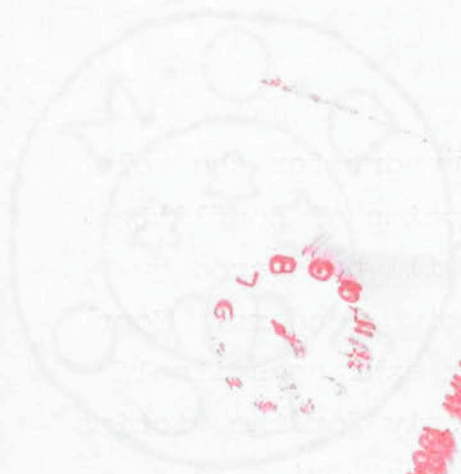
Thanks to support received from the international community, the ICRC is able to fulfil its tasks consistent with the Geneva Conventions and much of the credit for this goes to you and the U.K. Government and for which I should like to reiterate my deep gratitude and sincere appreciation.

*Your sincerely,*

*AH (H)*

Alexandre Hay

IRAQ: int. int: R44



22 MAY 1984





Foreign and Commonwealth Office

London SW1A 2AH

Prime Minister.

*Agreed  
mt*

10 April 1984

To be aware of  
the action which  
is being taken.

Dear John,

Iran/Iraq: Supply of Chemicals

In your letter of 2 April, you recorded that the Prime Minister had asked to be kept informed about the results of our efforts to control exports to Iran and Iraq of substances which might be used in the manufacture of chemical weapons. The Foreign Secretary raised this subject in Cabinet on 5 April.

The same day officials informed representatives of the UK chemical industries of the Government's concern about the use of chemical weapons in the Gulf and that Ministers were due to consider the possible extension of controls to the export of certain chemicals to Iran and Iraq. The companies raised no objection, except to point out that supplies of the chemicals likely to be controlled could be obtained from elsewhere.

At a meeting here on 6 April, Mr Luce and Mr Channon agreed that export controls should be introduced on the five chemicals on which a US embargo was already in operation, that two other chemicals, dimethylamine and chloroethanol should also be included, and that subject to further consultation among officials, which has now taken place, methyl phosphonyl dichloride (which has been identified as an ingredient in the manufacture of the nerve agent Sarin), should also be included. They also agreed that although sodium and potassium cyanide could conceivably be used in CW manufacture, their wide availability and commercial application argued strongly against their inclusion in an exercise of this kind. Finally they agreed that export controls should be limited to Iran and Iraq, and should be reviewed after six months.

Sir Geoffrey Howe raised this with Community colleagues in Luxembourg on 9 April. He told them that we intended to extend the list of chemicals covered by the Export of Goods Control Order so as to make it possible to control the direct export of those goods to Iraq and Iran and urged them to take similar action. In subsequent discussion the following points emerged:

/(a)





- (a) there was a consensus on preventing the export of chemicals likely to be used by Iraq or Iran to manufacture CW in the present conflict;
- (b) a number of partners, including the major chemical exporters, are planning or considering measures similar to our own;
- ? (c) joint Community action is not possible, at any rate at this stage, for Danish doctrinal reasons;
- (d) partners will therefore keep one another fully informed as they take national action, and will harmonise this as far as is possible;
- (e) the problems of diversion of trade etc which will inevitably arise as the Ten take their separate national actions will be discussed by a group of experts of the Ten which the Presidency will urgently convene for this purpose;
- (f) the Community machinery will discuss the matter as necessary.

Sir Geoffrey Howe believes that we should aim for an early announcement of the new controls. I understand that the Department of Trade and Industry (who are responsible for the Export of Goods (Control) Order) are proposing to arrange an inspired PQ to be answered on the afternoon of Thursday 12 April, when the new controls will come into effect.

I am sending copies of this letter to Callum McCarthy (DTI), Richard Mottram (MOD) and David Goodall (Cabinet Office).

*Yours ever,*

*Peter Ricketts*

(P F Ricketts)  
Private Office

A J Coles Esq  
10 Downing Street

IRAQ PT 4

Internal sur

10 APR 1984



PS

27

PS/MR LUCE

PS/PUS

SIR J BULLARD

SIR J LEAHY

MR EGERTON

ED/MED

ED/NENAD

ED/UND

ED/CONS. D

ED/CONS. EM UNIT

ED/NEWS D

ED/DEFENCE D

HD | ADD (CHEMICAL WEAPONS ONLY)  
RESIDENT CLERK

PS/No. 10 DOWNING ST (2)

CABINET OFFICE D I O



mf

SECRET

FROM UKDEL NATO 101545Z APR 84

TO IMMEDIATE FCO

TELEGRAM NUMBER 191 OF 10 APRIL

INFO IMMEDIATE WASHINGTON PRIORITY PARIS MUSCAT BAGHDAD TEHRAN  
ABU DHABI BAHRAIN DOHA DUBAI KUWAIT JEDDA UKMIS NEW YORK AMMAN  
CAIRO ROME

INFO SAYING UKREP BRUSSELS UKDEL OECD

ADVANCE COPY  
IMMEDIATE

YOUR TELNO 659 TO WASHINGTON: IRAN/IRAQ: CONTINGENCY PLANNING

1. AS FORECAST IN PARAGRAPH 8 OF TELEGRAM UNDER REFERENCE,

ABSHIRE (US) RAISED THIS ISSUE AT THE END OF TODAY'S WEEKLY

LUNCH OF PERMANENT REPRESENTATIVES. HE SAID THAT IRAN WAS ON

THE POINT OF LAUNCHING ITS BIGGEST OFFENSIVE YET AND, DEPENDING

ON THE FORTUNES OF WAR, IRAQ MIGHT ATTACK KHARG ISLAND OR BLOCK

TANKERS EN ROUTE TO OR FROM IT. THAT COULD LEAD TO FURTHER

ESCALATION WITH THE RISK OF ACTION BY IRAN IN THE STRAITS OF HORMUZ.

BOTH SIDES BORE A HEAVY RESPONSIBILITY FOR THE WAR, BUT IRAN WAS

NOW THE MAJOR OBSTACLE TO PEACE. THE US HAD CONDEMNED IRAQI USE

OF CHEMICAL WEAPONS AND IRAN'S USE OF CHILDREN AND REFUSAL TO

NEGOTIATE. GIVEN THE GRAVITY OF WESTERN INTERESTS AT STAKE, THE

US BELIEVED IT RIGHT TO ENGAGE IN MILITARY PLANNING THOUGH THEY

WOULD PLACE PRIORITY ON DIPLOMATIC EFFORTS. THE US WOULD OPPOSE

~~W BELIEVED IT RIGHT TO ENGAGE IN MILITARY PLANNING THOUGH THEY~~  
WOULD PLACE PRIORITY ON DIPLOMATIC EFFORTS. THE US WOULD OPPOSE  
ANY ACTION WHICH COULD LEAD TO THE CLOSURE OF THE HORMUZ STRAITS.  
THEY WOULD TAKE NO ACTION WHICH WAS NOT ENTIRELY CONSISTENT WITH  
INTERNATIONAL LAW AND THE RIGHT OF SELF-DEFENCE AND THEY REALISED  
THE IMPORTANCE OF INVOLVING THE GULF STATES ALTHOUGH THE LATTER  
HAD HITHERTO MADE NO COMMITMENTS. THE US GOVERNMENT HAD BEEN  
IN CONTACT WITH THE SOVIET GOVERNMENT AND WOULD MAINTAIN CONTACT  
AND CONSULT WITH THEM IN ANY CRISIS. THEY DID NOT THINK THAT THE  
SOVIET UNION WOULD RESPOND MILITARILY, ALTHOUGH THEY WOULD NO  
DOUBT CRITICISE WHATEVER ACTION THE WEST MIGHT TAKE.

2. I SAID THAT WHILE HMG TOOK A SOMEWHAT MORE SANGUINE VIEW OF  
THE LIKELIHOOD OF ESCALATION, IT WAS NEVERTHELESS PRUDENT THAT  
WE SHOULD BE THINKING ABOUT WHAT ACTION WE MIGHT TAKE SHOULD  
THE WORST COME TO THE WORST. HMG'S VIEW WAS THAT PRIORITY MUST  
BE GIVEN TO DIPLOMATIC EFFORTS, AND THAT IF IT CAME TO MILITARY  
ACTION IT WAS IMPORTANT THAT IT SHOULD BE TAKEN ON THE BASIS  
OF AN INVITATION FROM A REGIONAL STATE.

3. ABSHIRE'S STATEMENT CLEARLY TOOK OTHERS BY SURPRISE AND  
THERE WAS A REQUEST FOR A COPY OF HIS SPEAKING NOTES IN WRITING.  
ABSHIRE SAID THAT HE COULD MAKE NO PROMISES ABOUT THIS BUT WOULD  
TRY TO OBTAIN AUTHORITY. OLCAY (TURKEY) SAID THAT HIS GOVERNMENT  
HAD BEEN IN TOUCH WITH THE IRANIANS BUT HAD FOUND THEM TOTALLY  
NEGATIVE, ALTHOUGH THEY HAD AT LEAST ALLOWED DISCUSSION OF THE  
DIPLOMATIC ASPECTS OF THE PROBLEM: WITH MANY OTHERS THEY HAD  
REJECTED EVEN THAT.

4. AFTER LUNCH OJEDA (SPAIN) TOOK ME ASIDE TO EXPRESS CONCERN  
AT WHAT ABSHIRE HAD SAID, WHICH HE SEEMED TO HAVE INTERPRETED  
AS PRESAGING IMMEDIATE ACTION. I ASSURED HIM THAT IT WAS CLEAR  
THAT ABSHIRE HAD BEEN TALKING MERELY OF CONTINGENCY PLANNING.

PARIS PASS SAVING UKDEL DECD

GRAHAM



Prime Minister.

Content will approach in  
para. 6 and 7, subject to  
OD(EM) colleagues?

PM/84/62

A.S.C. 13/4.

Yes  
mt

PRIME MINISTER

Iran: Supply of Defence Equipment

see IRAQ A3  
interest sit  
attached

1. We agreed at OD(EM) on 27 January that I should attempt to protract negotiations over the supply of tank-related spares to Iran, in the hope of achieving a more defensible position relative to the moderate Arab States.
2. We have since discussed this further with the Iranians in Tehran. Not surprisingly they reacted adversely to the news that we intended to review again the items in the interim package to eliminate lethal items. They have since said that they want negotiations to continue. However, they have made the signature of the contract for the two Yarrow ships (worth £23 million to the UK) conditional on the receipt of assurances from us that:
  - (i) we would release all non-lethal spare parts as soon as our review is complete;
  - (ii) agreement would be reached between IMS and the Iranian MOD within three months thereafter on what to do about the lethal items, and also on tank ammunition, which is outside the package; and
  - (iii) negotiations should continue on outstanding elements of other pre-revolutionary items outside the interim settlement, with particular emphasis on the terminated tank contract.
3. The question of how we should respond turns largely on judgement of the likely reaction in the US and the moderate

/Arab



Arab States. There is no doubt that they remain concerned. We have refused suggestions planted in the press by an American official that we were supplying to Iran major items such as Spey engines for military aircraft; and have worked hard to explain our policy that while we continue to supply non-lethal equipment and spares to both Iran and Iraq (quite separately from this interim package), and to trade normally with both, we do not supply lethal items to either side. However, Mr Shultz has recently further criticised our supply of spares to Iran, in an interview in The Times. There has been a shrill anti-British campaign on the subject in Iraq and we have also had representations from the Saudis, Kuwaitis and Jordanians recently. *and Bahraini.*

4. All this, coupled with the heightened international concern about the situation in the Gulf, means that we must expect considerable further criticism if we decided to release tank spares, even if, as suggested in paragraph 5, these are by our own definition at the non-lethal end of the range. Whether this would be translated into action of any kind against us by the Arabs is impossible to predict: but the edge may perhaps have been taken off this to some extent, as we have already informed the Saudis and the Secretary General of the Arab League, as well as the Americans, of our position on the release of the Yarrow support ships, and have explained that our policy is, and will remain, evenhanded. Implicit in this has been a steadfast refusal to explain in detail what precisely we mean by "lethal" and "non-lethal", terms which we have to interpret according to the ebb and flow of the war, and about which we cannot be too specific in public.

5. Further delay with the Iranians of course risks considerable damage to our commercial interests there, which they have linked to progress on the interim package. They might take measures against our exports (£630 million in 1983) and react in other unpredictable ways, if they judged that we were stalling

/unreasonably



unreasonably on the interim package and at the same time engaging in contingency planning in the Gulf with the Americans.

6. This is, as we have always recognised, a very difficult decision. My preliminary view is that:

- (i) we should agree to release very shortly items in category C and D (automotive, communications and electric, and other equipment). These are clearly non-lethal. Their total value is about £3.5m);
- (ii) we should refuse to release items in category A (guns and fire control equipment);
- (iii) there may also be a case for releasing at least the items in category B(ii) (brakes, steering axles, wheels and tracks) which could add a further £2.5m to the items released, or some 70% of the total value. We could ask officials, perhaps chaired by a Cabinet Office representative, to examine further the hull-related items in B(i) to see whether some of those items might also be released in due course.

7. Progressive release on these lines would be evidence of our serious intent, and would also allow us the flexibility to limit release if Arab or US reactions looked like going beyond mere words. As for the assurances sought by the Iranians on the other elements and contracts outside the interim packages, we shall have to ask our negotiators to continue to play for time, but it may be necessary in due course to give the assurance in paragraph 2(ii) above. Under no

/circumstances



circumstances would lethal items or ammunition be supplied to Iran while hostilities continue; but the Iranians might insist on their money back.

7. I am copying this minute to other members of OD(EM).

A handwritten signature in dark ink, consisting of a stylized 'G' followed by a series of loops and a final downward stroke.

(GEOFFREY HOWE)

Foreign and Commonwealth Office  
10 April 1984



10 APR 1984

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K  
S B

oio

Prime Minister.

A.F.C. 6/4.

FCS/84/110SECRETARY OF STATE FOR DEFENCEIran/Iraq: Kuwaiti Request for Assistance

1. The Kuwaiti Foreign Minister, Shaikh Sabah, called on me on 3 April to express his concern about the Iran/Iraq war. He took the opportunity to say that, in an emergency, Kuwait might wish to request weapons and experts from the UK. He hoped that we would be able to give an assurance that we would be prepared to send Kuwait military supplies quickly, if necessary from our own stocks. In answer to my question, he confirmed that nothing more was required and I think we can take this to mean that he is not seeking a commitment to provide British forces. He also said that he would not be making a similar request to the United States (indeed he made a number of disparaging remarks about them), although he will probably have made the same request to M. Cheysson whom he had seen the previous day in Paris.

2. Since then, we have heard that Shaikh Salim, the Kuwaiti Defence Minister, will be passing through London this weekend on his way to Washington for official talks with Mr Weinberger. Shaikh Salim has never shared Shaikh Sabah's anti-Americanism, and we know they have not always taken the same view on contingency planning. It is possible that Shaikh Salim would be less reluctant to approach the Americans. It would, I am sure, be useful if you could suggest to Shaikh Salim that he stop over for discussions on his way back from Washington to enable us to clarify this point.

3. Despite this apparent ambiguity in the Kuwaiti attitude to the Americans, we are still left with Shaikh Sabah's request. It clearly raises considerable difficulties. But in view of our wish to do what we can to preserve the stability of the



Gulf States, I do not believe we can ignore it or reject it outright. Furthermore, our response is bound to have an affect on our long-term defence sales prospects in Kuwait, and possibly in the rest of the GCC as well.

4. We shall need to know in much greater detail what the Kuwaitis have in mind before we can consider giving any assurance along the lines that Shaikh Sabah is seeking. Shaikh Salim may give you some clarification if you are able to see him on his return. Meanwhile, I propose to instruct our Ambassador to contact the Kuwaiti Foreign Minister and to say that while we are willing to see what we can do within our own limited resources, we would need to know a great deal more about exactly what military supplies and expert assistance they require, and in what circumstances they might call upon us, before we can consider giving any assurances.

5. I am copying this minute to our colleagues in OD(EM).

(GEOFFREY HOWE)

Foreign and Commonwealth Office  
6 April 1984



file 26

10 DOWNING STREET

*From the Private Secretary*

5 April 1984

IRAN/IRAQ

The Prime Minister has seen the Foreign and Commonwealth Secretary's minute of 3 April and the accompanying documents about the visit to Washington by the Minister of State, Mr. Luce, to discuss contingency planning arrangements with the Americans.

Mrs. Thatcher is glad that Mr. Luce's visit was so successful. She has noted the points on which further detailed discussion with the Americans will be necessary and has no comments to make about these.

I am copying this letter to the Private Secretaries of other members of OD(EM).

A. J. COLES

Peter Ricketts, Esq.,  
Foreign and Commonwealth Office.

SECRET

Prime Minister.

A.C. 74.

PM/84/58PRIME MINISTERIran/Iraq

1. You may wish to have a progress report on our contingency planning arrangements, particularly as they affect our contacts with the Americans.

2. I enclose a copy of a report by Richard Luce on his discussions in Washington on 19 and 20 March. This account, and the separate comments from Sir Oliver Wright in Washington telegram No 986, which you have already seen, show that the visit proved timely and was very well received by the Americans. Richard Luce was able clearly to register our concern that the Americans should not rush into hasty or excessive military action should there be any further escalation of the conflict, while reaffirming that we are ready to play our part in whatever efforts may be needed to contain and dissipate any crisis. He also made the point that the West needed to ensure that the purpose of any military action was not misunderstood by the Soviet Union. Mr Shultz said that he had already spoken to Dobrynin about this.

3. Richard Luce identifies a number of particular points on which we need further detailed discussions at official level with the Americans. These include:

- (a) the handling of contacts with Gulf States, all of whom are worried about US insensitivity in the handling of any crisis;
- (b) the need to explore fully all possibilities for action at the United Nations (where the Americans are less ready than ourselves to acknowledge that some action will be necessary) if only to pre-empt the activities of less well-disposed countries;



- (c) the need to ensure that all diplomatic options are thoroughly explored before recourse to military action;
- (d) the need for a clear understanding on rules of engagement, and on the circumstances in which it might be necessary to consider counter-action against Iranian forces and/or territory;
- (e) the extent to which there is a need for joint - or as we would prefer - separate but co-ordinated planning of naval operations, especially the protection of merchant shipping.

These points will be taken up at a meeting with US State department and DOD officials in London next week. (We pressed for talks on 3 or 4 April, but those dates unfortunately proved unacceptable to the Americans.)

4. In addition I believe officials should look particularly carefully at those contingencies in which the Iranian response is more concerned with terrorism or subversion against one or more Gulf states than with closing the Straits. From all I have heard, this seems to be at least as likely a reaction on their part. By the same token, the less that is said publicly about a possible closure of the Straits the better: we do not want unnecessarily to alarm public opinion, nor do we want to give the Iranians a pretext for intemperate action.

5. I shall of course let you know how these discussions progress. In the meantime, any comments you or other colleagues may have on the points to be discussed with the Americans would be welcome. The Annex takes stock of other action in hand.

6. I am copying this minute to colleagues on OD(EM).



- (iv) With NATO. We have proposed to the Americans that it would be useful to hold a discussion among Permanent Representatives in NATO and are pressing them for a reply.
  
- (v) Oil Supplies. FCO and the Department of Energy are reviewing the extensive contingency planning already done on this subject.

FROM: RICHARD LUCE  
DATE: 22 March 1984

Secretary of State

cc: All Ministers  
PUS  
Sir J Leahy  
Mr Egerton  
Mr Haskell, MED

## TALKS WITH THE AMERICANS ON THE GULF

### Objective

1. I spent Monday and Tuesday in Washington, discussing the Gulf with the American Administration. My objectives, in line with last week's Cabinet decision, were to reaffirm our commitment to maintain freedom of navigation in the Gulf; to discuss ways in which we should cooperate with the Americans to this end; to ensure that our views were properly understood in Washington; and to secure a basis of understanding and cooperation in order to minimise the risk of crossed wires later on.

2. The Prime Minister's message opened all doors. I had meetings with Vice President Bush, Weinberger, McFarlane (Security Adviser to the President), Shultz, Dam (with a strong supporting State Department team including Burt, Eagleburger, Howe and Murphy), and appointments on the Hill with Congressman Hamilton (Chairman of the Middle East Sub-Committee of the House) and Senator Tower.

### Our Position

3. I emphasised throughout that we shared the US view of the importance of the Gulf, and were prepared to play our part. The Armilla patrol and our decision to bring our Mine Counter Measures force to a higher state of readiness were evidence of our commitment and sincerity. I emphasised no less clearly the need to consider carefully the diplomatic and military parameters within which we should operate. These included:

- (i) Maximum involvement of the Gulf States. We should be seen to be responding to an invitation from, and as far as possible acting in concert with, the states in the area.
- (ii) The importance of exhausting all diplomatic options; including the UN, before resorting to force (though there are clearly circumstances in which this may not be possible).

/(iii)



- (iii) Involving as many interested parties as possible. The French, Italians, Germans, Japanese, Australians and New Zealanders all emerged in discussion.
- (iv) Ensuring that the Russians did not misunderstand our intentions.
- (v) If force proved inevitable, it should be kept to a minimum and be clearly related to the specific objective of securing freedom of navigation in international waterways.
- (vi) We should not play into Khomeini's hands through an ill-judged response.
- (vii) We should have the fullest, frankest possible consultations in advance of any firm decisions.

#### American Position

4. The American response was reassuring. There is no sense of panic. Although their own oil supplies would be little affected, they pay considerable attention to the effects on the international oil market, and thus on all Western economies, of a prolonged interruption of Gulf oil supplies. To minimise this, they are determined to have their contingency plans ready on all fronts - diplomatic, military, and energy.

5. The attention of all, from the President downwards, is engaged. As Vice President Bush made clear, they are extremely pleased by our willingness to play our part and anxious to know our views. The Administration is concerned about the isolationist streak in the recent public pronouncements of Democratic Presidential candidates, particularly Senator Hart. They want - indeed for domestic political reasons they need - to have the support and cooperation of other interested parties, especially ourselves.

6. There is much common ground between us. The Americans accept the need:

- (i) to bring along the Gulf States (though they attach less importance than we do to securing public requests for assistance);
- (ii) to maximise international support. They are active with a number of Western European countries, as well as the Japanese, the Australians and New Zealanders (who are heavily dependent on Gulf oil). They have had military talks with the French, and look to them for naval support from their forces stationed at Djibouti.

/(iii)

- (iii) to square the Russians. Shultz has already spoken to Dobrynin;
- (iv) to minimise use of force and to ensure that, if it is used at all, it should be limited to the immediate objective of securing the free flow of oil from the Gulf. They are anxious to avoid becoming involved with ground (as opposed to naval and air) forces.

Policy is not being dictated by desire to teach Iran a lesson, though a sharp response to Iranian provocation could prove popular in Congress.

7. In sum, the Administration is looking coolly and rationally at the problem. The various parts of the machine, so often pulling in different directions, are as far as one can tell coordinating reasonably well. They are helped in this by the relatively low level of Congressional and public interest in the Gulf. The isolationist streak I have mentioned above is still more a distant cloud than an active constraint on policy. There are no strong lobby groups at work.

#### US/Iran

8. The Americans see no prospect of an early end to the war. Their first objective is accordingly containment, and persuading other countries to cut/supplies which enable Iran to sustain/off hostilities. I explained our position on the Kharg and the support ships, about which there is still considerable doubt and nervousness. In doing so, I laid particular stress on the British self-interest in ensuring that nothing was supplied to either side which could subsequently be used against us. This point was well taken and has, I think, largely defused a potential area of difficulty. Overall, however, there is no doubt that the Americans remain sensitive about Iran. McFarlane warned that President Reagan is particularly concerned about Iranian state-sponsored terrorism. They will be in touch with us about this.

#### Potential Problem Areas

9. Although the area of agreement is considerable, potential problems remain:

- (i) I suspect that, in any crisis, American impatience will get the better of them. We must therefore expect to be faced with pressure for military action before we might ourselves believe this is justified. Weinberger in particular is hawkish. Despite their assurances, we must live with the possibility that they will act first and consult afterwards - or at least at the last minute.

/(ii)

- (ii) The problem over rules of engagement which we faced in Lebanon is likely to re-surface. Weinberger spoke in reassuring terms of a narrow interpretation of self-defence. But Shultz took the line that, in the event of, eg an air attack, the response should be at source.
- (iii) The Americans may press for coordination to be taken to the extent of joint military planning. Weinberger is clearly keen on this.
- (iv) The division between military precautionary measures (which they accept should be low-key) and deterrence remains a very grey area in American eyes. This may be more a question of semantics, given that the Americans accept that a high profile military build-up could be counter-productive. But I think we need to explore this further.
- (v) American handling of the Arab/Israel dispute will not enhance their standing in the Gulf. There is insufficient awareness in Washington of the inter-relationship between the two issues, and the effect it is having on their credibility in the Gulf.

### Conclusions

10. I believe that, following my talks, we and the Americans understand each other considerably better on this issue. The Cabinet decision on MCMs was well judged to impress our commitment on them. We can be reassured that they are not seeking to recover prestige lost in Lebanon with some ill-considered strike in the Gulf. They reacted well to our positive approach. Fears that we were out to play simply a blocking role have been dispelled.

11. We must expect our influence to be related closely in American eyes to the role we are prepared to play. But in assessing this, the Americans will take into account our diplomatic assets, and especially the fact that we have better relations with many of the Gulf States than they do, as well as our military contribution. Without over-emphasising what we can do, we can therefore have confidence that we have something to offer that the Administration will find of value. They are keen to carry forward the process of consultation. Equally, they will be looking to us to see that our present level of commitment is sustained and not just a flash in the pan.

12. There are opportunities here we should build on. The immediate need is for detailed talks at official level to

/analyse

Lamm

analyse the various scenarios, and to agree together a range of possible diplomatic and military responses. While avoiding being drawn into joint military planning, it clearly makes sense to look closely now at who might do what. A team of officials will be coming to London for this purpose at the beginning of next month. We should match this with regular exchanges at political level by message and personal contact to ensure that we are kept fully abreast of policy thinking at the top. In this latter regard, there is no substitute for the personal touch. The boost given to our relations with the Administration by Bush's weekend at Chequers, to take one recent example, is quite remarkable.

13. Follow-up action will also be necessary in a number of other areas. We should:

- (i) discuss further with the Americans the handling of the Gulf States;
- (ii) coordinate our posture at the UN, including on the question of the UN Maritime Force (the Americans are chary of any UN involvement, though they recognise that if the war escalated, the Security Council will be bound to react);
- (iii) make our own soundings about involving other interested parties;
- (iv) follow up with the Americans on their rules of engagement;
- (v) consider whether any further action in NATO is required;
- (vi) consider whether we should talk ourselves to the Russians;
- (vii) on the energy front, ensure the closest possible coordination. I will follow up with Peter Walker, whose own recent visit to Washington included detailed discussions on this aspect.



Richard Luce

SECRET

24 JR



10 DOWNING STREET

*From the Private Secretary*

3 April 1984

DEPLOYMENT OF A MCM FORCE TO  
THE MEDITERRANEAN

The Prime Minister has noted the contents of your Secretary of State's minute of 28 March about the precautionary deployment, in view of the situation in the Gulf, of a MCM force to the Mediterranean.

A. J. COLES

Richard Mottram, Esq.,  
Ministry of Defence.

SECRET

CONFIDENTIAL



*file* *lll*

10 DOWNING STREET

*From the Private Secretary*

2 April 1984

Iran/Iraq: Chemical Weapons

The Prime Minister has noted the contents of your letter of 30 March and would like to be kept informed about the results of our efforts, together with those of other countries, to control the exports to Iran and Iraq of substances which might be used in the manufacture of chemical weapons.

I am copying this letter to Callum McCarthy (Department of Trade and Industry), Richard Mottram (Ministry of Defence), and David Goodall (Cabinet Office).

A. J. COLES

Roger Bone Esq  
Foreign and Commonwealth Office

CONFIDENTIAL

*lll*

cc/AC  
23

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N. B. P. D.

FOREIGN AND COMMONWEALTH SECRETARYA. J. C. 3  
/4.IRAQ/IRAN - CHEMICAL WEAPONS

I have studied the report by officials which was commissioned in response to your exchange of letters with Norman Tebbit on 23rd and 26th March.

2. The report makes it clear that unilateral action by the UK will not be fully effective and that it would represent something of a new departure in our licensing arrangements. Nevertheless, we are in an exposed position as a result of the Iranian allegations that we have assisted Iraq to develop a chemical warfare capability. Despite the action taken to refute these allegations they have gained currency and have given rise to some political criticism in this country. Now that the United Nations report has confirmed that chemical warfare has been used in the Gulf War and the United States has acted promptly to extend its own licensing controls, I believe that we must take similar action to ensure that our own national controls are as rigorous as possible. It would be extremely damaging in present circumstances if we were to allow any chemicals to be supplied to Iraq or Iran which could be used to develop or enhance either sides capability to wage chemical warfare.

3. I therefore agree that we should take the earliest possible action to extend our export licensing controls to cover supplies of the chemicals listed in the report to Iraq and Iran for an initial period of six months subject to review. We should also urgently seek the co-operation of the chemical industry in preventing Iran and Iraq from obtaining supplies through third parties. These consultations should cover distributors as well as producers since I understand that Aldrich, the firm proposing to supply to Iran



the two chemicals of concern, does not manufacture these itself. I hope that action can be taken in good time to prevent these immediate shipments.

4. I am copying this minute to the Prime Minister, the Secretary of State for Trade and Industry and to Sir Robert Armstrong.

A handwritten signature in dark ink, appearing to be 'W. H. H.', is written over a faint circular stamp.

Ministry of Defence  
30th March 1984



IRAQ AT 4  
Internal sit



3 APR 1984




 Foreign and Commonwealth Office
 
 cc PC  
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London SW1A 2AH

30 March 1984

Prime Minister.

For information.

John Selby

ms

A.C. 207/3

Iran/Iraq: Chemical Weapons

Thank you for your letter of 26 March drawing our attention to two points raised by the Prime Minister concerning the proposed supply by the Aldridge Chemical Company to Iran of two chemicals (Chloroethanol and Thiodiglycol) used in the manufacture of mustard gas.

Since receipt of your letter, an FCO official has discussed the matter informally with the company concerned. As a result, I understand that the company have decided not to supply the Thiodiglycol. 700 kilos of the Chloroethanol (the material of lesser concern to us) had left for the shipping agent before we first learnt of the proposed supply and this is believed to be already on its way to Iran. However, we understand that the company will not now supply the remaining order of 300 kilos. We have indicated to them that these decisions are welcome.

On the question of wider action, DTI, MOD and FCO officials met on 27 and 28 March to consider the implications of extending export control to various chemicals used in the manufacture of mustard gas and tabun (the use of which in Iran the UN Team confirmed in their report published on 26 March). I enclose a copy of the report agreed by officials. The paper identifies the ingredients needed to manufacture those chemical weapons and it considers the merits of an extension of licensing to such chemicals.

The US Administration today instituted new licensing arrangements for exports to Iran and Iraq of five chemicals, including Thiodiglycol, which could be used to manufacture the chemical weapons being used by Iraq. The Americans are reviewing the whole issue of export licensing in this area and have said that further controls might be introduced. They have asked other governments to consider urgently the introduction of similar export controls.

/Sir Geoffrey



Sir Geoffrey Howe raised the question of chemical exports with Mr Van Den Broek in Brussels on 27 March. The latter envisaged some difficulty in extending the list to control Dutch chemical exports. He agreed with the Secretary of State that any change would be less embarrassing if action were taken by a number of countries together, and that this should be carefully considered. I understand that this issue is being raised today by DTI officials in the Article 113 Committee in Brussels.

This Community approach is in line with the outcome of the brief discussion of the subject in Cabinet yesterday.

We are trying to arrange a discussion between FCO, DTI and MOD Ministers next week to review specific actions in the light of the agreed paper, which will be updated as necessary, and of the US action. This review should provide us with the basis for any further action in the Community context.

I am letting you have this in time for this weekend's box. I shall be showing this letter in parallel to the Secretary of State this evening.

I am copying this letter to Callum McCarthy (Department of Trade and Industry), Richard Mottram (Ministry of Defence) and David Goodall (Cabinet Office).

A handwritten signature in blue ink, appearing to read 'R B Bone', written in a cursive style.

(R B Bone)  
Private Secretary

A J Coles Esq  
10 Downing Street

020 Mr Coles



*With the compliments of*

**THE PRIVATE SECRETARY**

**FOREIGN AND COMMONWEALTH OFFICE  
SW1A 2AH**

CHEMICAL WEAPONS

Report by Officials



The UN Inspection Team has confirmed in a Report published on 26 March that both mustard gas and the nerve gas Tabun have been used in the Iran/Iraq war as chemical weapons. Concern has been expressed about a consignment of chloroethanol and thiodiglycol awaiting delivery from the UK to Iran since these chemicals can be used in the manufacture of mustard gas. The DTI has also learned separately about attempts to purchase on behalf of an unnamed Middle Eastern client substantial quantities of dimethylmethyl phosphonate which can be used to manufacture the nerve gas Sarin; the UK manufacturer has however refused to supply.

2. Following an exchange of minutes between the Secretary of State for Foreign and Commonwealth Affairs and the Secretary of State for Trade and Industry, officials were instructed to consider all the implications of an extension of the Export of Goods (Control) Order to cover the chemicals involved.

4. "Mustard gas" (dichlorodiethyl sulphide) can be manufactured through two chemical routes -

- a) Ethylene + Hypochlorous acid = Chloroethanol  
Chloroethanol + Sodium Sulphide = Thiodiglycol  
Thiodiglycol + Hydrogen Chloride = "Mustard Gas"



- b) Ethylene + Sulphur chloride = "Mustard Gas"  
(but this produces a very unstable product).

Tabun can be manufactured through a single route

Phosphorous oxychloride + dimethylamine = intermediate(a)  
Intermediate (a) + sodium cyanide = intermediate(b)  
Intermediate (b) + Ethanol = Tabun

Both "mustard gas" and Tabun are liquids which operate by skin contact or through breathing the vapour given off.

Sarin can be manufactured from dimethylmethyl phosphonate, but the process is complicated. The view of the MOD is that Iraq/Iran are capable of manufacturing Sarin only on a laboratory scale if at all.

The manufacture of mustard gas by route (a) and the manufacture of Tabun involve relatively easy chemical processing. Officials consider that these are likely to be the preferred routes used by Iran/Iraq. Controls on the ingredients for the manufacture of Sarin (which are in common industrial use) are not therefore further considered at this stage but will be kept under review.

4. The ingredients required for the manufacture of mustard gas and Tabun are in common use for a wide range of industrial applications (see Annex A) and are freely available throughout



the world. All the ingredients for the manufacture of tabun are produced in the UK and in many industrialised countries though the UK appears to be the sole W.European producer of Dimethylamine (see Annex B for W.European producers). In 1983 the UK exported £34m worth of ethanol and £12m worth of sodium cyanide to all destinations; lesser quantities of other ingredients were exported (see Annex C). Enquiries have not so far shown that the ingredients for the manufacture of mustard gas (chloroethanol and thiodiglycol) are manufactured in the UK, but there is substantial production capacity in W.Europe, the USA and the Soviet bloc. All these chemicals are traded internationally on a substantial scale.

5 The particular consignment of chloroethanol and thiodiglycol referred to in paragraph 1 is a re-export, and is awaiting despatch by the Aldrich Chemical Co via an intermediary to an end-user in Iran. The stated end user is the "Red Crescent" which claims that the end use is for crop spraying, but there is considerable doubt about the validity of this claim. The intermediary is a firm of international traders, two of whose members are known to have been involved in illegal exports of nuclear materials to Pakistan. The Aldrich Chemical Co is a UK subsidiary of a US corporation and operates here as a distributor of its parent's products. The company have been advised of the Government's concern about these chemicals and only some of the chloroethanol has left the UK. We do not yet know whether the US administration intends to ban the export of these chemicals from the US (see below para 10).



### Export Licensing Control

6 Controls on the export of certain goods are provided for in the Export of Goods (Control) Order 1981 (as amended) made under the Import, Export and Customs Powers (Defence) Act 1939. Orders made under the Act are not subject to Parliamentary approval, and can be brought into force with immediate effect if need be. The 1981 Order provides that listed goods may not be exported without a licence issued by the Secretary of State. The export licensing system is operated by the Department of Trade and Industry in consultation with MOD, FCO and other Departments. Current controls cover industrial goods of strategic concern (in accordance with COCOM requirements), nuclear materials and equipment; works of art and antiques (national heritage protection); steel to the US and scrap metals (both under EC requirements); live cattle, sheep and pigs (from Northern Ireland); aircraft, arms and military equipment etc; and certain items of human rights concern.

7. A list of noxious chemicals, including mustard gas, is already subject to export licensing control to all destinations under the Export of Goods (Control) Order. Tabun however is not on the list because it is not in commercial production whereas mustard gas has a medical end use in small quantities. Given the ease with which Tabun can be manufactured from commonly available chemicals its omission from the





Export Control Order should be reviewed in slower time.

8. Licensing control could be introduced for
  - a) named destination countries (eg Iran/Iraq)
  - b) all destination countries
  - c) all destination countries except the EEC.

Controls which involved a restriction on intra-Community trade (ie (b) above) would arguably breach our EEC obligations and could be challenged, by any exporter affected, by an action for judicial review.

#### International action

9. In the negotiations at the Conference on Disarmament in Geneva for a total ban, applied world-wide, on the development, production and stockpiling of chemical weapons, the United Kingdom has submitted proposals for verification of non-production of chemical weapons in civilian chemical industries. This verification would be one aspect of the comprehensive routine international on-site inspection being sought by us and our Allies. The negotiations on such a ban are unlikely to be completed this year, thus ruling out this element of multilateral action on non-production for the immediate future.



10. The UK approach on non-production envisages varying degree of verification (ranging from on-site inspection to the availability of production data) for a variety of chemicals ranging from high risk chemicals, which could be used only as chemical weapons, down to medium/low risk chemicals which have industrial end-uses but which could be used in the manufacture of chemical weapons.

11. The US Administration informed the Washington Embassy on March 27th that they intend to control with effect from 30 March the export of anhydrous potassium fluoride which is used in the manufacture of Sarin. They also intend to take similar action with respect to the export of certain other chemicals which can be used to manufacture Tabun though we do not know at this stage which chemicals they have in mind. The US say that their action will be limited initially to direct exports from the US to Iran and Iraq - ie they are not proposing to exercise at this stage extra-territorial powers on re-exports. The controls are stated to have effect initially for 180 days. The Embassy have been informed that the UK will be asked to take parallel action. We have no information on action contemplated by the French or West German authorities. We have made recent representations to the Dutch about exports of Thiodiglycol and certain other chemicals from the Netherlands to Iraq which had come to our notice. We have not yet had a response.



Possible UK Action

12. The UK is not in a position to influence the supply of ingredients to manufacture mustard gas and Tabun to any significant extent by unilateral action. As noted above the UK does not appear to manufacture thiodiglycol and chloroethanol and any unilateral control would thus affect only transit traffic or imports surplus to UK industrial requirements. Given the widespread availability of the ingredients for Tabun unilateral control could have only very limited effect on the ability of Iran/Iraq to secure supplies.

13. The inclusion of these ingredients in an Export of Goods (Control) Order would carry significant political impact. It would enable the Government to state, as they have in the past, that the UK is not involved in the supply of chemical weapons. It would also re-emphasise our rebuttal of Iranian claims that the UK has supplied such weapons to Iraq. Early action would strengthen our hand in seeking, with the Americans, international co-operation to impose temporary controls on relevant exports to those countries. In the absence of concerted international action the development of such weapons in Iraq and Iran could continue. But that in itself has not prevented the Government in the past from taking actions which it believes are in the country's best interests.



14. There are however major arguments of principle and practice against imposing unilateral export controls on these ingredients:-

a) a control on the export of goods whose normal end-uses are wholly innocent taken individually, but which could conceivably be misused in combination, other than on the basis of international agreement, would entail a significant departure from current export control policy, and would lay the Government open to pressure for control on wide and unpredictable range of goods particularly chemicals;

b) licensing control limited to direct exports to Iran/Iraq of ingredients for chemical weapons would be open to criticism on the grounds that on this limited basis it would be clearly open to evasion by directing orders through third countries. Pressure to extend licensing control on this basis to all destinations could therefore be expected. However, if other major suppliers are not prepared to control exports, any such extension would be no more effective than licensing control limited to Iran/Iraq;

c) the Export Licensing system is already under heavy and increasing pressure as a result of COCOM controls. It has not been possible in the time available to assess



the impact of export licensing control but given the substantial quantities exported, the effect of licensing control extending beyond Iran/Iraq is likely to be significant. The potential expansion of the licensing system to new categories of goods would have unwelcome long term staffing implications.

15. If despite these objections Ministers conclude that some form of licensing control is required, then it should be on the following basis:-

- a) limited to Iran and Iraq (provided such control were even handed it would be unlikely to have any adverse effect on our trade to Iran/Iraq);
- b) limited in time - say for six months in parallel with US controls - and to be reviewed in the light of action by other supplying countries;
- c) limited to phosphorous oxychloride and dimethylamine. (Dimethylamine because the UK appears to be the only W. European supplier; phosphorous oxychloride because it would not impose any significant licensing burden). Ethanol and sodium cyanide would not be covered in view of the large quantities being traded internationally. Although the US do not apparently intend to control exports of chloroethanol and thiodiglycol, these should also be included in any Order.



16. Whether or not export licensing control is introduced an informal approach should be made to the UK manufacturers of chemical ingredients for manufacturing Tabun to warn them of Middle East interest in acquiring these chemicals, and to seek their co-operation in avoiding as far as possible supply to non-bona-fide purchasers. A meeting between the leading chemical manufacturers and officials is to take place on April 5 to discuss the negotiations at the Conference on Disarmament. This occasion could be used to enlist their co-operation. It would be desirable to extend such an arrangement as far as practicable to include exporters.

17. The UK should also take the occasion offered by the Article 113 Committee (Full Members) meeting in Brussels on 30 March to raise the question informally, of preventing the export of ingredients for manufacturing Tabun and mustard gas to Iran/Iraq with a view to securing early co-operation by other EC members.

#### CONCLUSIONS

18. a) Action by the UK alone will not be effective in preventing Iran or Iraq acquiring or enhancing their CW capability. But given the allegations against the UK already made by Iran and the action now about to be taken by the US there are strong arguments for tightening our own controls if these could be made effective;



- b) however, the imposition of licensing control in this case in the absence of international agreement would entail a major departure from current export licensing policy. World-wide export controls would hamper a considerable volume of legitimate civil trade and pose a further burden on hard pressed export licensing staff. Unilateral controls limited to Iran and Iraq would not be fully effective unless backed by parallel action by other producing countries but would nevertheless carry considerable political impact;
- c) if Ministers decide to go for export controls these should be limited to Iran/Iraq; limited to 6 months initially subject to review, and on a limited range of chemicals as proposed in para 15;
- d) whether or not export licensing controls are introduced an approach should be made to UK manufacturers to enlist their support in preventing supplies reaching non-bona-fide purchasers. If such an arrangement could be publicised it would have considerable presentational value;
- e) action towards the shipments of chloroethanol and thiodiglycol by Aldrich should follow the decision on export controls. If no controls are instituted an informal approach should be made to persuade Aldrich not to ship.



f) An early approach should be made to our EC partners to enlist their support in following whichever course Ministers decide upon.

Department of Trade and Industry

28 March 1984





## Principal End Uses of Certain Chemicals

### A Phosphorous oxychloride (phosphoryl chloride)

Manufacture of cyclic and acyclic esters for plasticisers, fuel additives, hydraulic fluids, and organophosphorus compounds; chlorinating agent and catalyst; dopant for semiconductor grade silicon; tricresyl phosphate and fire retarding agents.

### B Dimethylamine

Acid gas absorbent; solvent; antioxidants; mfg. of dimethylformamide and dimethylacetamide; dyes; flotation agent; fuel stabilizers; pharmaceuticals; textile chemicals; rubber accelerators; electroplating; dehairing agent; missile fuels; pesticide propellant; rocket propellants; surfactants.

### C Sodium cyanide

Extraction of gold and silver from ores; electroplating; heat treatment of metals; hydrocyanic acid; insecticide; cleaning metals; fumigation; dyes and pigments; nylon intermediates; chelating compounds; ore flotation.

### D Ethanol

Solvent; extraction medium, mfg. of acetaldehyde, acetic acid, ethylene, butadiene, dyes, pharmaceuticals, elastomers, detergents, cleaning preparations, surface coatings, cosmetics, explosives; antifreeze; beverages; antisepsis; gasohol.

### E Chlorobenzene

Manufacture of phenol, chloronitrobenzene, aniline; solvent; pesticide intermediate; heat transfer agent.

F Chloro-ethanol (Ethylene Chlorohydrin) is used as a solvent for cellulose acetate and ethyl cellulose in film production; can be used as an intermediate in the production of ethylene oxide and ethylene glycol, both of which are commodity chemicals; in organic syntheses; in the production of certain insecticides and also to activate sprouting in dormant potatoes.

G Thiodiethanol (Thiodiglycol) is used as a chemical intermediate for some specialised antioxidants; in organic syntheses; and as a specialised solvent in textile printing.



Principal Western European Producers of Certain Chemicals

A. Phosphorous oxychloride

UK	Albright and Wilson
France	PCUK
	Rhone - Poulenc
W. Germany	Hoechst
	Preussag

B. Dimethylamine

UK	ICI
----	-----

C. Sodium cyanide

UK	W R Grace
	ICI
	Monsanto
Belgium	Degussa
France	Rhone-Poulenc
W. Germany	Degussa
	BASF
Italy	Montedison
Netherlands	Dutch State Mines
Spain	E and I Aragonesas

D. Ethanol

UK	BP Chemicals Ltd
France	SODES
Germany	C W Huls
	Erdochemie
Netherlands	Akzo

F. Chlorobenzene

UK	ICI
France	PCUK
	Rhone-Poulenc
W. Germany	Bayer
	Hoechst
Italy	Rumianca
Spain	F B de Colorantes
	CROS
	Ugimica



<u>Total UK exports</u>		<u>1981</u>	<u>1982</u>	<u>1983</u>
- ethanol	[2208.1035]	25,000	189,000	836,000
	[2208.3035]	20,944,000	24,438,000	34,310,000
- sodium cyanide	[2843.2100]	9,459,000	9,843,000	12,379,000
- phosphorous oxychloride	[inc in 2814.4100]	81,000	89,000	78,000
- dimethylamine	[inc in 2922.1100]	1,110,000	1,860,000	2,494,000
- Chloro benzene	[2902.9100]	15,000	60,000	41,000
<u>UK exports to Iran</u>				
- ethanol	[2208.1035]	-	-	-
	[2208.3035]	3,000	2,000	14,000
- sodium cyanide	[2843.2100]	18,000	-	-
- phosphorous oxychloride	[inc in 2814.4100]	-	-	-
- dimethylamine	[inc in 2922.1100]	-	-	-
- chloro benzene	[2902.9100]	-	-	-
<u>UK exports to Iraq</u>				
- ethanol	[2208.1035]	-	-	-
	[2208.3035]	19,000	3,000	-
- sodium cyanide	[2843.2100]	-	-	37,000
- phosphorous oxychloride	[inc in 2814.4100]	-	-	-
- dimethylamine	[inc in 2922.1100]	-	-	424
- chloro benzene	[2902.9100]	-	-	-

30 MAR 1984



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FROM WASHINGTON 302302Z MAR 84.

TO PRIORITY F C O

TELEGRAM NUMBER 1075 OF 30 MARCH

INFO PRIORITY UKMIS NEW YORK, BAGHDAD, TEHRAN, UKMIS GENEVA,  
PARIS, BONN, DTI, MODUK.

1. SUMMARY. PRESS REPORTS OF INTELLIGENCE ON GROWING IRAQI CAPABILITY. ALLEGED DISCUSSION OF PRE-EMPTIVE AIR ATTACK, POSSIBLY BY THE ISRAELI'S. STATE DEPARTMENT DENIALS. PRODUCTION EQUIPMENT SUPPLIED BY A GERMAN COMPANY.

IRAN/IRAQ: CHEMICAL WEAPONS.

2. DETAIL. AN ARTICLE BY HERSH IN TODAY'S NEW YORK TIMES, QUOTING US OFFICIALS, CLAIMS THAT THE AMERICANS HAVE INTELLIGENCE THAT IRAQ HAS UP TO FIVE DISPERSED SITES FOR THE STORAGE PRODUCTION AND ASSEMBLY OF NERVE GAS WEAPONS. THE JOINT CHIEFS OF STAFF ARE SAID TO HAVE BEEN ASKED TO EXAMINE THE FEASIBILITY OF AN AMERICAN AIR STRIKE ON THESE SITES. ONE OFFICIAL IS QUOTED AS SAYING THAT THERE WERE MANY IN THE US GOVERNMENT WHO WOULD LIKE TO SEE THE ISRAELI AIR FORCE ATTACK THEM AND THAT THE POSSIBILITY HAD ALREADY BEEN THE SUBJECT OF SENSITIVE HIGH LEVEL TALKS WITH THE ISRAELIS.

3. OFFICIALS ARE REPORTED TO HAVE SAID THAT, WITHOUT INTERVENTION IRAQ IS ESTIMATED TO BE WEEKS OR MONTHS AWAY FROM THE CAPACITY TO MOUNT MAJOR CHEMICAL ATTACKS. CASEY IS CREDITED WITH HAVING DRAWN THE ISSUE FIRMLY TO THE PRESIDENT'S PERSONAL ATTENTION.

4. THE ARTICLE ALSO CLAIMS THAT THE AMERICANS HAVE INTELLIGENCE THAT IRAQ HAS BOUGHT SOPHISTICATED LABORATORY EQUIPMENT, TO BE SUDED FOR THE PRODUCTION OF NERVE GAS, FROM THE WEST GERMAN COMPANY, KARL KOLB, AND THAT THE AMERICANS HAVE MADE LOW LEVEL REPRESENTATIONS ABOUT THIS TO THE GERMAN GOVERNMENT. GERMAN OFFICIALS ARE QUOTED AS SAYING THAT A PESTICIDE PLANT HAD BEEN SOLD TO IRAQ BY THE KOLB COMPANY, BUT A SPOKESMAN FOR THE COMPANY DENIED THIS.

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5. THE STATE DEPARTMENT SPOKESMAN WAS CLOSELY QUESTIONED ABOUT THIS AT TODAY'S PRESS CONFERENCE. HE CATEGORICALLY DENIED THAT THE AMERICANS HAD CONSIDERED ATTACKING IRAQI PLANTS OR DISCUSSED THIS WITH THE ISRAELIS. THE ADMINISTRATION WOULD NOT CONDONE ANY SUCH ACTION BY THE ISRAELIS. HE CONFIRMED THAT THERE HAD BEEN SOME CONTACT WITH BONN OVER EXPORTS TO IRAQ. THE STATE DEPARTMENT WERE CONFIDENT THAT THE GERMANS WERE TAKING ALL NECESSARY MEASURES. HE REFERRED FURTHER QUESTIONS TO THE GERMAN AUTHORITIES. AFTER REHEARSING US EFFORTS, INCLUDING DIRECT APPROACHES TO THE IRAQIS AND THE IMPOSITION OF EXPORT CONTROLS, TO PREVENT THE IRAQIS USING CHEMICAL WEAPONS, THE SPOKESMAN SAID THAT THE FOCUS SHOULD NOT BE ENTIRELY ON THIS ISSUE TO THE EXCLUSION OF THE TENS OF THOUSANDS OF LIVES WHICH HAD BEEN LOST BECUASE OF THE IRANIAN REGIME'S EFFORTS TO EXPORT ITS REVOLUTION.

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DESKBY 290400Z ABU DHABI, DUBAI

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TO IMMEDIATE ABU DHABI

TELEGRAM NUMBER 95 OF 28 MARCH

AND TO IMMEDIATE DUBAI

RFI IMMEDIATE BAGHDAD, BIS TEHRAN, JEDDA, KUWAIT, BAHRAIN, DOHA, MUSCAT

RFI PRIORITY WASHINGTON, PARIS, UKDEL OECD, UKMIS NEW YORK, UKDEL NATO

IRAQI ATTACKS ON GULF SHIPPING

1. IRAQ CLAIMED YESTERDAY TO HAVE ATTACKED TWO 'NAVAL TARGETS' SOUTH-EAST OF KHARG ISLAND USING SUPER ETENDARD AIRCRAFT.

FROM SHIPPING AND OIL SOURCES, WE UNDERSTAND THAT ONE VESSEL WAS THE GREEK-REGISTERED SILIKON L, OWNED BY GP LIVANOS,

CARRYING A CARGO OF FUEL OIL FROM KUWAIT TO SICILY. ACCORDING TO THE OWNERS, SHE WAS HIT OUTSIDE (REPEAT OUTSIDE) THE MEZ,

OFF RAS TANURA. SHE WAS HIT BY A MISSILE WHICH STRUCK THREE FEET ABOVE THE WATERLINE, AND MADE A 50 CENTIMETRE HOLE BUT

APPARENTLY FAILED TO EXPLODE. THE SHIP IS BELIEVED TO BE PUTTING INTO DUBAI OR FUJAIRAH FOR REPAIRS, AND DUBAI MAY BE ABLE TO PICK UP FURTHER INFORMATION LOCALLY.

2. THE SECOND SHIP HIT APPEARS TO HAVE BEEN AN ARAMCO WORKBOAT SUPPLYING THE MARJAN FIELD, ALSO PRESUMABLY OUTSIDE THE MEZ.

WE HAVE UNCONFIRMED REPORTS THAT A THIRD SHIP (TYPE AND NATIONALITY UNKNOWN) WAS ATTACKED AND HIT TODAY.

3. ACCORDING TO BP, ESSO HAVE ADVISED THEIR OWN TANKERS NOT (NOT)

TO GO INTO THE GULF FOR THE TIME BEING, AND ARE TELLING OWNERS OF TANKERS CHARTERED TO THEM THAT THE DECISION WHETHER OR NOT

TO ENTER THE GULF IS UP TO THEM. BP AND SHELL HAVE NOT AS YET TAKEN ANY ACTION IN RESPECT OF THEIR OWN SHIPS. SPOT OIL

PRICES AND INSURANCE RATES HAVE NOT YET CHANGED, BUT ARE LIKELY TO BE AFFECTED IF ATTACKS, OR RUMOURS OF ATTACKS PERSIST.

4. GRATEFUL FOR ANY FURTHER INFORMATION YOU OR INFORMATION ADDRESSEES CAN PROVIDE. BY ATTACKING SHIPS OPERATING FROM

KUWAIT AND SAUDI ARABIA, THE IRAQIS SEEM TO HAVE SCORED TWO SPECTACULAR OWN GOALS. THIS OUGHT TO INTENSIFY PRESSURES ON THEM

FROM OTHER ARAB STATES NOT TO DO ANYTHING FURTHER WHICH MAY ESCALATE THE WAR, BUT WE WOULD NOT (NOT) BET ON THIS.

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JC

Prime Minister.

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A.J.C. 2/4.

PRIME MINISTER

MSV

DEPLOYMENT OF A MCM FORCE TO THE MEDITERRANEAN

Following our decision in Cabinet to send a MCM force to the Mediterranean as a precautionary deployment in view of the situation in the Gulf I thought you would like to know the latest plans for the movements of the group.

2. The four MCMVs will leave their UK ports (Rosyth and Portsmouth) on 26th March and will arrive at Gibraltar on 31st March - 1st April. A support ship (OIL ENDEAVOUR) has been taken up from trade and is now being converted at Rosyth. If this proceeds smoothly she should be ready to leave the UK about 31st March and arrive at Gibraltar about 6th April.

3. If the situation in the Gulf deteriorates the ships can proceed directly through the Suez Canal to the Indian Ocean. At the moment this does not appear to be necessary and the current plan is that the complete force will leave Gibraltar on 14th/15th April. This time at Gibraltar will enable the ships to carry out essential work on completing the storing and maintenance of the ships, following a relatively hurried departure from the UK, and weapons testing on the range at Gibraltar. It will also enable the force to exercise together for the first time. I am sure this period is essential at the start of what may be a long deployment. Unless the force is sent to the Gulf the next major event in their programme will be participation in the NATO MCM exercise off Sicily from 1st - 16th May which is, as you know, the cover story for the despatch of the force. From 15th April to 1st May the force will sail to the Eastern Mediterranean and, subject to Foreign Office views, will possibly pay a short visit to Crete.





4. We can consider the movements of the force after the end of the NATO exercise nearer the time, taking account of the situation in the Gulf.

5. I am sending copies of this minute to the Foreign and Commonwealth Secretary, Secretary of State for Trade, Secretary of State for Energy, Secretary of State for Transport and Sir Robert Armstrong.

A handwritten signature in blue ink, appearing to be "Wright".

Ministry of Defence  
28th March 1984



-2 APR 1964





JU62

Secretary of State for Trade and Industry

DEPARTMENT OF TRADE AND INDUSTRY

1-19 VICTORIA STREET

LONDON SW1H 0ET

Telephone (Direct dialling) 01-2155422

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21

26 March 1984

SECRET

The Rt Hon Sir Geoffrey Howe QC MP  
Secretary of State for Foreign and  
Commonwealth Affairs  
Foreign and Commonwealth Office  
Downing Street  
London SW1

*D. Geoffrey,*

IRAQ/IRAN : CHEMICAL WEAPONS

Thank you for your minute of 23 March.

*Await reply to my  
letter of today's date.*

*A.S.C. <sup>26</sup>/<sub>3</sub>*

*h.a.*

2 The potential use of mustard gas in the Iran/Iraq conflict is a most worrying development and I agree that we should consider carefully what our response should be. However, we do not yet have sufficient facts upon which to base a decision and we need to consider fully the implications of the various courses of action open to us as well as in particular the actions which other countries are prepared to take.

3 I therefore agree that officials should meet early this week to consider the matter. Steps are already in hand to convene a meeting tomorrow morning. However, I would be most reluctant to extend export licensing control to goods whose end uses are wholly innocent, but which could conceivably be misused in one way or another. If we were to accept the possibility of misuse as a criterion for licensing control there would be no end to the list of items which one pressure group or another could legitimately argue should be added to the list.

4 I do not think there are sufficient grounds for interfering at this stage with the shipment of Thioldiglycol. (I understand that the shipment of Chloro ethanol left the UK on Saturday). The question whether the export of these chemicals should be controlled has yet to be addressed, and as you say we do not know for sure that Iran has ordered these chemicals in order to make mustard gas and the quantities involved are not large enough for immediate operational requirements.

5 I am copying this letter to the Prime Minister to the Secretary of State for Defence.

*[Handwritten signature]*

NORMAN TEBBET

SECRET

IRAQ AT 4

Internal Set

26 MAR 1984

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Re

bc Sir P. Madock

10 DOWNING STREET

From the Private Secretary

26 March 1984

Iraq/Iran: Chemical Weapons

The Prime Minister saw over the weekend the Foreign and Commonwealth Secretary's minute of 23 March to the Secretary of State for Trade and Industry about the proposed supply by the Aldrich Chemical Company to Iran of two chemicals which can be used in the manufacture of mustard gas.

The Prime Minister has asked whether we can be certain that this firm will not export the chemicals by the time the meeting proposed by Sir Geoffrey Howe is arranged. She has further asked whether if the firm does export the chemicals, an Order would prevent actual delivery to Iran.

You will doubtless be seeking to establish, through the proposed informal approaches to the company, what its precise intentions are.

I should be grateful for comments from you or from Callum McCarthy as soon as possible.

today

I am copying this letter to Callum McCarthy (Department of Trade and Industry) and Richard Mottram (Ministry of Defence).

A. J. COLES

Peter Ricketts Esq  
Foreign and Commonwealth Office.

6/1



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26

cc Sir P. Cradock

10 DOWNING STREET

*From the Private Secretary*

26 March 1984

Iran/Iraq War: Mr. Luce's Visit to  
the United States

The Prime Minister has seen Washington telegram no. 986 of 23 March.

With regard to paragraph 5, Mrs. Thatcher has made two comments. Sir Oliver Wright states that in the US view, if the President is forced to take action in the Gulf, such action would have to be decisive. The Prime Minister has observed this decisive action may in the event not be possible.

Secondly, she has noted Sir Oliver Wright's statement that the US would seek to avoid the commitment of ground forces, there being no support for a land commitment. On this Mrs. Thatcher has observed that air and sea action by the United States could mean that the Gulf States would suffer a land attack.

I am copying this letter to Richard Mottram (Ministry of Defence) and Richard Hatfield (Cabinet Office).

Peter Ricketts Esq  
Foreign and Commonwealth Office.

SECRET



THIS IS A COPY. THE ORIGINAL IS RETAINED UNDER SECTION 3 (4) OF THE PUBLIC RECORDS ACT

Prime Minister.

FCS/84/89

A.S.C. 26/3

SECRETARY OF STATE FOR TRADE AND INDUSTRY

Are we certain that the firm will not export these chemicals by the way the matter is arranged? If so can an order stop the delivery to Iran? no

Iraq/Iran: Chemical Weapons

1. We learned yesterday of the proposed supply by a British firm (Aldrich Chemical Co Ltd) to Iran of two chemicals which can be used in the manufacture of mustard gas. Although the quantities involved are not large enough for immediate operational requirements, they may well be intended for Iranian research into the production of chemical weapons.

2. The two chemicals concerned are thiodiglycol, used extensively in the textile printing and dyeing industry, and chloro-ethanol, a chemical intermediary in the formation of thiodiglycol. Thiodiglycol, combined with hydrochloric acid or similar compound produces mustard gas, in a stable and controlled way.

3. I understand that neither thiodiglycol nor chloro-ethanol are subject to licensing under the Export of Goods Control Order; that there would be difficulties in making them subject to licensing under the Export of Goods Control Order, given that the normal end-use of these chemicals is industrial rather than military; and that any licensing arrangement would need to be extended across the board rather than applied only in the case of Iran (or Iraq).



4. It seems to me we have three options:

(i) to make informal approaches to the British company with the aim of persuading them to delay or cancel this shipment. I know that our officials are in touch direct on this, but any action must be taken very quickly if there is to be any hope of stopping this shipment. I would hope that your officials could take the lead on this with the company;

(ii) to act immediately to bring the two chemicals within the scope of the Export of Goods Control Order;

(iii) to arrange an inter-departmental meeting of officials very early next week to consider all the implications of an extension of the Export of Goods Control Order.

5. There are good grounds for early action. We have condemned the use of chemical weapons throughout the world and we should, as a matter of principle, do all we can to discourage their proliferation. The UK has played a leading role in promoting a ban on chemical weapons at the Conference on Disarmament in Geneva, and public disclosure of this shipment could undermine our position. Of more immediate concern, we have been accused repeatedly by Iran of supplying chemical weapons to Iraq. We have not done so, and have worked hard to put the record straight in public. Publicity in the present case would lead many in the Arab world to suspect that we were acquiescing in the supply of chemical weapons to Iraq instead.

/6.



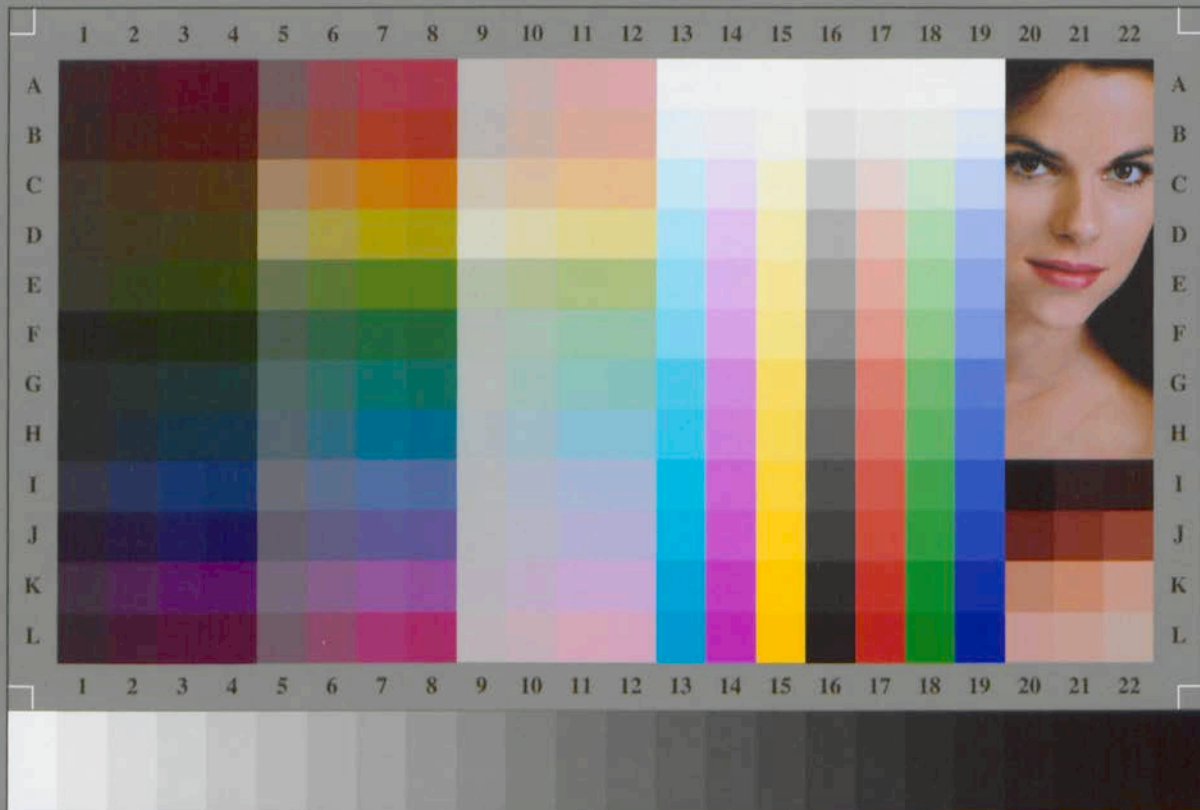


6. On the other hand, I have some doubts about precipitate action to extend the Export of Goods Control Order. We do not know for sure that Iran has ordered these chemicals in order to make mustard gas. Given that the chemicals concerned may be widely used, there could be considerable administrative problems in including them under the Order. I am also struck by the fact that other major Western countries do not seem to be moving quickly to impose their own ban. I understand that the Americans have set up an inter-agency body to review the list of chemicals which might be made subject to licensing if it was established that they could be used in the Gulf war. This does not suggest that they will be acting overnight. We have drawn the attention of the Dutch authorities to secret reports of supplies by Dutch chemical companies to Iraq. We have not had any reports to suggest that they have acted swiftly to impose controls.

7. In the circumstances, my inclination would be to adopt the approach in para 4(iii) above, as well as pressing ahead urgently with the informal contacts to discourage this particular shipment suggested in para 4(i) above. If informal approaches fail to stop this shipment - and more particularly if the result of our enquiries confirms our fears about the purpose of the order - we might need to move quickly to amend the Export of Goods Control Order, all the more so if we get wind of further shipments). Early inter-departmental consideration of the issues involved would put us in a better position to do so.

/8.

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