

**SECRET** #14

SECRET

NATIONAL SECURITY COUNCIL MEETING

September 24, 1980

Time and Place: 11:03-11:47 a.m., Cabinet Room

Subject: Iran-Iraq

①  
1

Participants:

President Jimmy Carter

State:

Secretary Edmund Muskie  
Deputy Secretary Warren Christopher

Defense:

Secretary Harold Brown  
Deputy Secretary W. Graham Clayton

Energy:

Secretary Charles Duncan

JCS:

General Lew Allen, Acting Chairman  
Lt. General John Pustay

DCI:

Admiral Stansfield Turner

White House:

Dr. Zbigniew Brzezinski  
David Aaron  
Jack Watson  
Lloyd Cutler  
Jody Powell

NSC:

Gary Sick

State Dept. review completed

OSD Review Completed.

NSC review completed.

SECRET

Cl. by Zbigniew Brzezinski  
Rvw. on September 24, 1986

**SECRET**

Add:

The President instructed that  
a message <sup>be prepared for this Council & PM Thatcher</sup> asking for ship  
movement toward the Persian  
Gulf to be initiated and that  
these two nations plus Germany  
& Japan be asked to consult  
on <sup>plans for</sup> stabilizing insurance rates.  
Also, he will make a statement  
personally ~~to the~~ during the  
afternoon. (copy attached)

Meeting adjourned.

**SECRET**SECRET

The President said he had asked Dr. Brzezinski to schedule this meeting to review the Iran-Iraq situation. He intended to make a statement this afternoon with the objective of trying to calm the situation down and to help restrain pressures on the oil spot market. He also wanted to stress the importance of keeping the oil routes open, to reiterate our neutral posture in this situation and indicate that we want others to do the same.

Dr. Brzezinski summarized the key results of the previous SCC meetings for the President. The SCC had agreed on the following statement of U.S. objectives:

1. To terminate the conflict as quickly <sup>primarily</sup> as possible, by mobilizing diplomatic and political pressure through the UN and the Islamic Conference, in order to reduce the opportunity for the Soviet Union to enhance its position in the region and to preserve the territorial integrity of Iran.
2. To exploit whatever opportunities may exist in the situation to promote the safe and early release of the hostages, and eventually to develop U.S. diplomatic relationships with both Iran and Iraq.

Today we face three principal dangers:

1. Expansion of Soviet political-military presence, the growth of Soviet political influence if they become the peacemaker in this crisis, or the increase of Soviet influence if they succeed in establishing themselves as co-guarantors of regional security. The latter Soviet objective is consistent with Brezhnev's statement in February and subsequent expansion of the idea in Pravda.
2. The U.S. may be perceived as pursuing an anti-Arab policy if we are seen making a deal with Iran on the hostages. Since we are widely perceived as opposing Arab interests through our support of Israel, this could complicate our entire Middle East policy.
3. An oil cutoff affecting the entire 15 mbd of Gulf exports would be a catastrophe.

Dr. Brzezinski further summarized the steps which we have taken or intend to take to respond to these threats. He briefly reviewed the activities at the UN the previous day and Secretary Muskie's contacts with Waldheim and key allies.

The SCC this morning had agreed to recommend to the President a further effort to encourage formal action by the Security Council--either under the auspices of the Secretary General or under the sponsorship of non-aligned Islamic nations--with the objective of establishing contact with Iran and Iraq to encourage observance of a cease-fire.

SECRET**SECRET**

SECRET

SECRET

-2-

We are consulting with the nations of the region about the situation. We have noted a tendency for the Arab countries to move toward support of Iraq. That factor needs to be taken into account since there is a danger that the Arabs will be mobilized against the U.S. Secretary Muskie has sent a message to the Iranian Prime Minister denying that we promoted the Iraqi attack. That seems increasingly important since Bani-Sadr and Rajai are both quoted in very hostile public statements accusing us of complicity in the attack.

On relations with the Soviets, the President's statement of the preceding day had addressed that issue, and Secretary Muskie will see Gromyko tomorrow and make the same point urging non-involvement on their part. If Gromyko tries to suck us into joint action, we will respond that we support the efforts of the Security Council and other international efforts and hope the Soviets will lend their support to those efforts as well. We will not let them move us into a joint position where the superpowers are up front.

On the Strait of Hormuz, Secretary Muskie will explore today with the Europeans if they are willing to engage in contingency planning and/or some form of peacetime patrols of the Strait to help reassure international shipping which may be building up outside the Gulf. If they agree, we would participate but not in a highly visible or unilateral role. The French have a number of ships in the area, the British have ships about two weeks' sailing time away, and Australia also has some naval forces. We intend to talk to the Gulf states about possible cooperation in protecting freedom of navigation, and we will initiate discussions with the French, British and possibly Australians at the military level unless Secretary Muskie's contacts in the next 24 hours indicate that such talks would not be desirable.

Finally, he reported that the SCC had drafted a statement for the President to use today on the Iran-Iraq issue. He understood the President would go over the statement in detail after the meeting.

The President commented that the Iraqi demands appeared to be relatively modest. They were calling for a return to the situation prior to the 1975 agreement.

Dr. Brzezinski said that reestablishment of Iraqi control over territory and the Shatt al-Arab River would be hard for Iran to swallow.

Secretary Muskie said that the French and Italians believe that Iran's territorial goals are limited to the treaty, but they also have the goal of toppling the Khomeini regime. Francois-Poncet does not believe they will abandon that goal. They think that Bani-Sadr has no power and that Khomeini's time is limited since he is trying to take the country back 2000 years. So power is likely to gravitate to the Tudeh Party unless the military intervenes.

SECRET

SECRET

SECRET**SECRET**

-3-

Admiral Turner said the intelligence community agrees that Iraq's first objective is to undo the Algiers agreement of 1975, and their second objective is to topple Khomeini either by undoing the agreement or by cutting off access to all jet fuel and much of the heating oil and other petroleum products from the south. As a third point, he had just learned that the Iraqis have approached General Oveissi (who is presently in New York) with a proposal to give him a piece of Khuzistan where he could set up a rival government. Oveissi is asking us for advice.

The President commented that Oveissi would not want to be part of Iraq.

Secretary Brown said that would not be his objective, but he might want to take advantage of the opportunity provided by the Iraqis.

Admiral Turner continued with his briefing, noting that Iraq is dominant on the ground. In the air it is a standoff. Baghdad has been bombed five times, while Iraq has struck Iranian airfields repeatedly. All stops are off as far as escalation is concerned, and it is proceeding tit-for-tat. Iran's objective is to topple Saddam Hussein. Iran will probably run out of fuel and spares in a relatively short time, while Iraq had a longer sustainability. The French have moved quickly to offer Iraq military support. However, taking and holding Khuzistan for any significant period may be beyond their capability. At the Strait of Hormuz, the Iranians have declared their 12-mile limit of territorial waters as a war zone, but it is not exactly clear how they intend to enforce it. It has the effect of forcing shipping to the southern side of the channel. There is evidence that shipping is piling up outside the Gulf, but it is not clear where these ships were headed. No damage has been reported to any ship in the Strait area. Iraq is not shipping any oil via the Persian Gulf at present. Their pipeline to the Mediterranean has a capacity of about 1 mbd. We do not know if Kharg Island is still in operation for the Iranians.

The President asked how we could protect shipping.

Secretary Brown said we could escort ships individually or in convoys only to ports other than Iran and Iraq, or we could simply say that we intended to keep it open and let ships proceed on their own. No ships have been boarded yet, though Iranians have apparently interrogated some ships. There is no evidence any ships have been turned back.

Admiral Turner said it would build the courage of merchant captains to ignore Iran if there were U.S. ships on patrol.

The President said we should quickly get a response from the French. It is probably not necessary to institute patrols unless they begin boarding or stopping ships. A public declaration might suffice.

Dr. Brzezinski noted that the draft statement includes a specific reference to the EC-9 declaration on freedom of navigation.

SECRET**SECRET**

**SECRET**SECRET

-4-

The President asked Secretary Muskie if he had discussed the possibility of multinational naval operations with the French.

Secretary Muskie said not explicitly, though he had talked to the foreign ministers of the Four and they drew his attention to the language of the declaration. That is the strongest indication he had seen to date that they recognize their interests are engaged. The French and British foreign ministers said they could make no commitment without referring back to their governments. He would meet them again tonight.

The President said it might be useful for him to send a personal message direct to Giscard and ask his views.

Secretary Muskie said Giscard would probably have heard from Francois-Poncet by now and that such a message would be timely.

Secretary Brown noted that the French ships are in Djibouti, some four days away from the Strait, and the British ships are much further away. The sooner they start to move the better.

David Aaron wondered if the President could ask them to move their ships in that direction.



Secretary Brown noted that the French had not complied.

Jody Powell asked what we would expect within 1-2 weeks if all oil exports through the Strait were stopped.

The President said it would be almost a catastrophe.

Secretary Brown noted it was 15 mbd.

The President said it was his belief that the British and French would have to go in with ships if necessary to protect that.

Gen. Pustay said ships were now moving but were inhibited.

Secretary Brown commented that 12 mbd was moving but it was shaky.

Lloyd Cutler suggested exploring with other governments the possibility of issuing war risk insurance like we did in wartime.

The President asked how soon that could be done.

Lloyd Cutler said we are looking at it now.

SECRET**SECRET**

SECRET

-5-

SECRET

David Aaron noted that Treasury was very sensitive on this since insurance companies would terminate coverage as soon as they got wind of it.

Admiral Turner noted that rates had gone up four-fold on September 22 for shipping to the Persian Gulf. Since then, it has been issued only on a case-by-case basis. Rates are expected to skyrocket.

The President said we should explore how we can hold them down. Perhaps the US could issue a joint statement with the UK and French. He said he would send a message to Giscard suggesting that he begin to move his ships toward the Gulf, with the understanding that in the meantime we would consult with the Europeans about how the ships might be used. We would insure that our consultations were consistent with the EC-9 declaration. He could send the same message to Prime Minister Thatcher with the added suggestion that she consider immediate consultations through our ambassadors or in New York about how to hold down insurance rates.

Dr. Brzezinski asked for the President's views on the SCC recommendation that we press for prompt formal action by the Security Council.

The President wondered what that would add.

Secretary Muskie said that a formal meeting could endorse last night's action, but he was not sure what that would add. We had a statement by the President of the Security Council, and at the right moment we might wish to formalize Security Council action and consider sending a UN emissary, perhaps an Algerian.

The President wondered about Kuwait.

Secretary Muskie said there was no problem finding a sponsor in the Security Council. We would have to probe the Soviets.

The President said to go ahead. It was a good idea.

Dr. Brzezinski asked if the President wanted to take up the hostage issue.

The President said later.

Dr. Brzezinski drew his attention to the draft statement.

Jody Powell wondered if the President should deliver it himself. It appeared to have little new. He was concerned that the President's role not be cheapened by overuse.

The President said he was inclined to do it himself. It addressed keeping the Strait open.

SECRET

SECRET

SECRET

-6-

SECRET

Secretary Muskie said he was concerned about a possible direct confrontation with Iran. Their most effective weapon against Iraq was the harassment of shipping headed for Iraq. If we are up front in opposing this, they may take it as confirmation of U.S. support for Iraq. It is important that as many countries as possible participate in any action in order to minimize that risk and give credibility to our position.

Lloyd Cutler noted that if our protection of shipping is limited to traffic headed to areas other than Iran and Iraq, that would appear to remove that risk.

The President asked if we have any information thus far about damage to oil loading facilities in either country.

Admiral Turner said there were reports of a possible Iranian attack on an Iraqi oil loading facility but no confirmation of any damage.

The President said that before meeting Gromyko we should have a clear idea of what we want from the Soviets concerning keeping the Strait open. He did not want a propaganda blast from them about our naval activities.

Secretary Brown said we would not want any Soviet participation.

Secretary Muskie wondered if the UN had ever sponsored a multilateral naval operation. No one could think of such a case except perhaps in the Korean war.

David Aaron wondered if the Indian navy could play a role.

The President wondered where the Indians get their oil.

Secretary Duncan said from Iraq and Iran (40%).

The President said Secretary Muskie had a good point. Any participation will be characterized by Iran as anti-Iranian. It would be better to have the Saudis and others, as many as possible.

Dr. Brzezinski said it would be better to have non-Arabs.

Secretary Muskie wondered if there would be problems with a UN command.

Secretary Brown said there would be a command problem. We would not want a Bolivian commander of the naval force.

The President said taking to the UN would permit a Soviet veto. Then if we went ahead it would be acting contrary to the UNSC.

Dr. Brzezinski added that if the Soviets approved, they would want to participate.

SECRET

SECRET



SECRET

SECRET

-7-

Deputy Secretary Christopher said he was concerned how we could persuade the parties to accept the ceasefire. It is critical to find the right countries to approach them. We should mobilize all possible resources.

The President said that Iran was losing, which should make them more eager than Iraq to accept a ceasefire.

Secretary Brown commented that was true except they are crazy.

SECRET

SECRET