

OPS

Subject :
Iraq, April 80,
Internal 80

PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. T189/80

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BONN FROM LONDON
SECRET GOVERNMENTAL 0022
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MESSAGE FROM THE PRIME MINISTER TO CHANCELLOR SCHMIDT

DEAR HELMUT,

I SHOULD HAVE LIKED TO TALK TO YOU ON THE TELEPHONE ABOUT THE VERY SERIOUS SITUATION IN THE GULF BUT I KNOW HOW BUSY YOU MUST BE WITH YOUR ELECTION CAMPAIGN. I AM THEREFORE SENDING YOU THIS MESSAGE INSTEAD.

APART FROM THE FIGHTING BETWEEN IRAQ AND IRAN AT THE HEAD OF THE GULF, WITH ITS POTENTIAL EFFECTS ON OIL SUPPLIES, WE NOW HAVE REASON TO BELIEVE THAT THERE IS A POSSIBILITY OF MILITARY ACTION AT THE SOUTHERN END OF THE GULF. THIS COULD LEAD TO THE CLOSURE OF THE STRAITS OF HORMUZ TO ALL OIL TRAFFIC INTO AND OUT OF THE GULF, WITH THE GRAVEST REPERCUSSIONS FOR US ALL. OBVIOUSLY IT IS IMPORTANT THAT NONE OF US SHOULD SAY ANYTHING ABOUT THIS IN PUBLIC, FOR FEAR OF DAMAGING CONFIDENCE IN THE OIL MARKETS AND EVEN OF PRECIPITATING EVENTS WHICH WE ALL WISH TO AVOID. THE AMERICANS AND WE ARE DOING WHAT WE CAN BEHIND THE SCENES TO ENSURE THAT THESE DANGERS ARE UNDERSTOOD IN THE REGION, AND I AM SUGGESTING TO PRESIDENT GISCARD THAT HE MIGHT CONSIDER THE DISCREET USE OF FRENCH INFLUENCE WITH THE IRAQIS IN THE SAME DIRECTION.

THESE DEVELOPMENTS UNDERLINE THE NEED FOR CLOSE AND CONTINUING QUADRIPARTITE CONSULTATION ABOUT THE SITUATION. YOU WILL HAVE HEARD FROM HERR GENSCHER OF THE PROPOSAL THAT A QUADRIPARTITE CONSULTATIVE GROUP SHOULD BE ESTABLISHED IN PARIS. I HAVE TOLD PRESIDENT GISCARD THAT I THINK THIS IS AN EXCELLENT IDEA, AND I HAVE EXPRESSED MY HOPE THAT THE GROUP CAN MEET URGENTLY. WE ARE READY TO SEND A REPRESENTATIVE TO PARIS IMMEDIATELY A MEETING IS CONVENED.

WITH WARM PERSONAL REGARDS.

MARGARET THATCHER