

IMMEDIATE

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IRAN/IRAQ

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TO IMMEDIATE FCO

TELEGRAM NUMBER 382 OF 07 OCT

INFO IMMEDIATE MODUK (DI4) AND WASHINGTON.

ROUTINE ANKARA, BAGHDAD, DAMASCUS, JEDDA, KUWAIT, MUSCAT, TEL AVIV,
TRIPOLI AND UKMIS NEW YORK

IRAQ/IRAN

1. ON KING HUSSEIN'S RETURN FROM BAGHDAD ON THE EVENING OF 5 OCTOBER HE SUMMONED MY US COLLEAGUE TO CHECK ON A REPORT WHICH THE IRAQI PRESIDENT HAD RECEIVED FROM THE SAUDIS, ALLEGEDLY BASED ON A DISCUSSION BETWEEN THE SAUDI FOREIGN MINISTER AND MR MUSKIE FROM WHICH THE SAUDIS CLAIMED TO HAVE UNDERSTOOD THAT THE AMERICANS WERE SUPPLYING DOLLARS 50 MILLION WORTH OF MILITARY SPARES TO IRAN. AMBASSADOR VELLOTTI SAW KING HUSSEIN AGAIN ON THE AFTERNOON OF 6 OCTOBER

DOLLARS 50 MILLION WORTH OF MILITARY SPARES TO IRAN. AMBASSADOR VELIOTES SAW KING HUSSEIN AGAIN ON THE AFTERNOON OF 6 OCTOBER (ACCOMPANIED BY ASSISTANT SECRETARY PICKERING FROM THE STATE DEPARTMENT WHO WAS HERE ON A BRIEF VISIT) AND WAS ABLE TO CLEAR UP THE MISUNDERSTANDING. APPARENTLY THE SAUDIS HAD ASKED WHAT REQUESTS THE AMERICANS HAD RECEIVED FOR SPARES PRIOR TO THE SEIZURE OF THE AMERICAN EMBASSY HOSTAGES AND HAD BEEN TOLD THAT THERE HAD BEEN AN OUTSTANDING REQUEST FROM THE IRANIANS FOR 50 MILLION DOLLARS WORTH OF SPARES BUT THAT SINCE THEN ALL SUCH TRANSACTIONS HAD OF WAMNACUOO BEEN FROZEN. THIS HAD GOT MUDDLES IN TRANSMISSION BY THE SAUDIS AND HAD REACHED PRESIDENT SADDAM IN THE MUCH MORE DAMAGING VERSION DESCRIBED ABOVE.

2. DURING THESE TWO INTERVIEWS WITH KING HUSSEIN, AMBASSADOR VELIOTES LEARNT A GOOD DEAL ABOUT KING HUSSEIN'S RECENT VISIT TO BAGHDAD AND HIS DISCUSSIONS THERE WITH PRESIDENT SADDAM HUSSEIN (HE ASKED THAT HIS CONFIDENCE BE FULLY PROTECTED). ON THE QUESTION OF SAUDI ASSISTANCE TO IRAQ, KING HUSSEIN HAD MENTIONED THAT TWO SOVIET VESSELS DESTINED FOR IRAQI PORTS WHICH HAD BEEN WAITING AT THE ENTRANCE TO THE STRAITS OF HORMUZ WITH MILITARY EQUIPMENT FOR IRAQ HAD BEEN DIVERTED TO SAUDI PORTS AND THAT THEIR CARGOES WERE BEING TRANSPORTED BY LAND FROM SAUDI ARABIA TO IRAQ.

3. KING HUSSEIN AFFIRMED THAT SULTAN QABOOS'S STANDING WITH IRAQ WAS NOW VERY HIGH AND THAT HE HAD GAINED A LOT OF POINTS WITH THE IRAQIS BY HIS INITIAL AGREEMENT TO MAKE FACILITIES AVAILABLE TO IRAQ AND HAD NOT LOST AS A RESULT OF THE SUBSEQUENT WITHDRAWAL OF THE OFFER. (THE KING HAS OF COURSE A STRONG INTEREST IN MAKING THE BEST TO THE AMERICANS OF THIS UNHAPPY AFFAIR).

4. PRESIDENT SADDAM HAD EXPRESSED SATISFACTION OVER DENIALS BY SOUTH KOREA, TAIWAN AND TURKEY THAT THEY WERE SENDING MILITARY SPARES TO IRAN. THE KING SAID THAT THE TURKS HAD EARNED PARTICULARLY GOOD MARKS WITH THE IRAQIS BY THEIR RAPID REPAIR OF THE OIL PIPELINE. HOWEVER THE IRAQI PRESIDENT HAD ~~YB~~ CLAIMED

~~ND~~ THAT LIBYA AND SYRIA WERE SUPPLYING EQUIPMENT (NOTABLY STRELLA HAND-HELD ANTI-AIRCRAFT MISSILES AND SAM 6S) AND SENDING MEN TO IRAN, AND THAT THE IRAQIS HAD CAPTURED EQUIPMENT WITH LIBYAN AND SYRIAN MARKINGS AND EVEN SOME PRISONERS FROM THESE COUNTRIES.

5. PRESIDENT SADDAM CONTINUED STRONGLY TO SUSPECT THAT THE ISRAELIS HAD TAKEN PART IN THE ATTACK ON THE IRAQI NUCLEAR INSTALLATION, PARTLY BECAUSE THE ATTACK HAD BEEN SO ACCURATE. HE WAS ALSO DISTURBED BY PRESS REPORTS, APPARENTLY EMANATING FROM KUWAIT, THAT ISRAEL WAS PLANNING TO BLOCK THE SHIPMENT OF SUPPLIES DESTINED FOR IRAQ THROUGH AQABA.

6. KING HUSSEIN ASSURED AMBASSADOR VELIOTES THAT PRESIDENT SADDAM

6. KING HUSSEIN ASSURED AMBASSADOR VELIOTES THAT PRESIDENT SADDAM HAD NOT REQUESTED ANY MILITARY HELP FROM JORDAN DURING HIS VISIT AND THAT PRESIDENT SADDAM HAD CLAIMED HE HAD NO NEED FOR IT. HE TOLD THE KING THAT IRAQ HAD LOST 30 AIRCRAFT AND 50 TANKS SINCE THE BEGINNING OF THE FIGHTING: MOST OF THE TANKS HAD BEEN LOST IN KHORRANSHAHR AND HE ACKNOWLEDGED THAT IT HAD BEEN A MISTAKE TO SEND TANKS INTO THE CITY. PARTLY FOR THIS REASON, THE IRAQIS HAD DECIDED TO STAY OUTSIDE THE CITIES OF AHWAZ AND DEZFUL AND AVOID BECOMING INVOLVED IN STREET FIGHTING. HE CLAIMED THAT THE OIL PIPE-LINES NEAR DEZFUL WHICH LINK TEHRAN AND THE SOUTHERN OIL FIELDS HAD BEEN CUT BY IRAQI TROOPS. PRESIDENT SADDAM HAD SAID HE WAS WORRIED BY SEVERAL IRANIAN ATTEMPTS TO BOMB DAMS ON THE EUPHRATES WHICH, IF SUCCESSFUL, COULD RESULT IN MANY THOUSANDS OF CIVILIAN CASUALTIES.

7. MY US COLLEAGUE HAD PREVIOUSLY ON INSTRUCTIONS SPOKEN IN STRONG TERMS TO KING HUSSEIN ABOUT THE DANGERS THE AMERICANS SAW IN ANY EXTENSION OF THE FIGHTING AND ON THE NEED TO TREAD VERY CAREFULLY WITH REGARD TO THE POSSIBLE FUTURE OF KHUZESTAN. THE KING CLAIMED TO VELIOTES THAT HE HAD DISCUSSED KHUZESTAN AT LENGTH WITH PRESIDENT SADDAM AND HAD ALSO COUNSELLED CAUTION. PRESIDENT SADDAM HAD CLAIMED AT ONE POINT IN THEIR DISCUSSION THAT LARGE-SCALE EXECUTIONS HAD BEEN TAKING PLACE OF PRO-IRAQI ARABS IN KHUZESTAN. HE HAD GONE ON TO ASSERT THAT THE BEST OUTCOME OF THE WAR WOULD BE IF PRO-WESTERN MILITARY ELEMENTS WERE TO TAKE OVER IN IRAN AND CREATE A GOVERNMENT WITH WHICH IRAQ AND OTHER ARAB COUNTRIES COULD ESTABLISH GOOD RELATIONS, BUT HAD EXPRESSED FEARS THAT A MORE LIKELY OUTCOME WAS A COMMUNIST TAKE-OVER IN IRAN. HE HAD ENQUIRED OF THE KING WHETHER THERE WAS NOT SOME WAY IN WHICH THE UNITED STATES AND WESTERN EUROPE COULD "SIT AND THINK ABOUT THE PROBLEM WITH THEIR ARAB FRIENDS" WITH PARTICULAR REFERENCE TO KHUZESTAN'S FUTURE. PRESIDENT SADDAM HAD SAID HE DID NOT ENVISAGE IRAQ NEED BE A PARTICIPANT IN ANY SUCH TALKS SEMICLN KING HUSSEIN HAD ALSO FORMED THE IMPRESSION THAT THE IRAQIS WERE NOT YET READY FOR DIRECT DEALINGS WITH THE US.

8. VELIOTES THINKS WE ARE LIKELY TO HEAR MORE FROM THE IRAQIS AND JORDANIANS ABOUT KHUZESTAN AND INTENDS URGING THE STATE DEPARTMENT TO INITIATE TALKS WITH US ON THIS SUBJECT, SO THAT WE CAN DEVELOP OUR OWN THINKING FURTHER. HE TOLD ME THAAAAAAAAT THE AMERICANS HAD INCORPORATED IN THEIR INSTRUCTIONS FOR HIM TO USE WITH THE KING THE POINT I HAD PREVIOUSLY MADE ON A PERSONAL BASIS TO KING HUSSEIN ABOUT THE RISK OF A NEEDLESS PROLONGATION OF THE WAR IF THE IRANIANS GOT TO KNOW OF IRAQI INTENTIONS FOR AN INDEPENDENT OR AUTONOMOUS KHUZESTAN (SEE PARA 7 OF MY TELNO 363 OF 28 SEPTEMBER).

KHUZESTAN (SEE PARA 7 OF MY TELNO 353 OF 28 SEPTEMBER).

URWICK

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PARA 4 LINE 5

HOWEVER THE IRAQI PRESIDENT HAD CLAIMED THAT LIBYA AND SYRIA WERE

RGRTKS BWANA .. THASS ME ZNB .. EREONE MORE OOO THEN ME DCR AT
T'END

CCN PARA 1 LINE 14

WORTH OF SPARES BUT THAT SINCE THEN ALL SUCH TRANSACTIONS HAD
OF COURSE BEEN FROZEN.

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