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FM WASHINGTON 252330Z MAY, 1984

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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

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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 281). 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

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