

IRAN/IRAQ

ADVANCE COPIES 18

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SIR J BULLARD  
SIR J LEAHY  
MR EGERTON  
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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

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