

Prime Minister

SECRET

I think some of the  
action proposed in the  
27 July 1990  
but para. is in hand -  
though not yet to the  
extent of formulating a

PRIME MINISTER

*Harleyson m*

IRAQ

As I have minuted separately, it seems there are now some 100,000 Iraqi troops on the Kuwait border with possibly another two divisions on the way. Logistic arrangements suggest they could keep this force in the field for a month.

Statement. CAB  
20/7

We still think the immediate aim is money (oil prices, writing off of old loans, provision for new payments) but success in this venture, already virtually certain, will only feed the appetite for more. The blackmail is likely to go on. The Iraqis have territorial ambitions; there are disputed areas; and at least limited military action is possible before too long.

The Kuwaitis will not stand up to this pressure. Nor are the Saudis likely to warn Iraq off: it is not their style.

The emergence of a successful bully and predator in this highly sensitive area of the world is not in our or the Western interest. The question is whether we should collectively try to do anything about it. Militarily, only the Americans can. The US Administration are confused and uncertain; they have moved ships but their comments are distinctly more cautious. They have spoken of a territorial dispute between Arab neighbours; but it is more than that.

We do not want to get out on a limb ourselves. We have no formal treaty obligations to Kuwait and we have an interest in continuing the repair work on our bilateral relations with Iraq. We want Richter out and better trade. Even if we do no more than take the lead in EC discussions there will a risk that the Iraqis will soon learn, via our partners, who is leading the pack. Any Western intervention might only help Saddam Hussein by enlisting instinctive Arab support on his behalf. On the other hand, I do not think the West in its own longer term interest should remain silent, and I doubt whether the UK's

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present low profile of simply responding to journalists' questions is enough. I suggest we should be talking urgently with our EC partners and with the Americans, with the possible object of statements expressing collective concern at military threats and our interest in Kuwait's security and integrity. With the Americans our additional object would be to establish what Iraqi actions they would regard as impermissible. We should also try to bring in the Russians. The matter should also be raised, even if only informally, in the Five at the United Nations. I believe this last is in hand.



PERCY CRADOCK