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CONFIDENTIAL FM WASHINGTON TO DESKBY 202130Z FCO TELNO 1983 OF 202109Z AUGUST 90 INFO IMMEDIATE MODUK, KUWAIT, BAGHDAD, UKMIS NEW YORK, ACTOR INFO IMMEDIATE PARIS, RIYADH, AMMAN, TEL AVIV, UKDEL NATO

SIC 19M

PARIS (FOR SECRETARY OF STATE'S PARTY)

MODUK FOR DUS(P)

IRAQ/KUWAIT: US POLICY

SUMMARY

- 1. OFFICIALS IN STATE DEPARTMENT AND NSC SAY THAT THE PRESIDENT'S EARLY RETURN TO WASHINGTON DOES NOT PRESAGE ANY CHANGE IN POLICY WHICH REMAINS AS BEFORE: READINESS FOR THE LONG HAUL, IN TERMS OF BOTH ECONOMIC SANCTIONS AND DEFENSIVE MILITARY BUILD UP. BUT SOME CONCERN THAT POSSIBLE INTERDICTION OF TRAQI TANKERS AND ENFORCED CLOSURE OF WESTERN MISSIONS IN KUWAIT COULD BE POTENTIAL FLASH-POINTS THIS WEEK. DETAIL
- 2. WE HAVE OBTAINED AN ASSESSMENT FROM CLARKE (ASSISTANT SECRETARY POL-MIL BUREAU, STATE) ON THE STATE OF US MILITARY PLANNING AND INTENTIONS IN THE GULF. CLARKE WAS THE SENIOR STATE DEPARTMENT OFFICIAL WHO ACCOMPANIED CHENEY ON HIS FIRST VISIT TO SAUDI ARABIA ON 6 AUGUST AND REMAINS CLOSELY INVOLVED. 3. CLARKE SAID THAT PRESIDENT BUSH'S PREMATURE RETURN TO WASHINGTON AND HIS MEETING WITH NATIONAL SECURITY ADVISERS TO REVIEW POLICY LAST NIGHT (19 AUGUST) SHOULD NOT BE INTERPRETED AS INDICATING A SIGNIFICANT SHIFT IN THE ADMINISTRATION'S APPROACH. IF IT DEMONSTRATED ANYTHING IT WAS THAT BUSH WAS DETERMINED TO AVOID THE DOMESTIC POLITICAL MISTAKE MADE BY PRESIDENT CARTER OF REMAINING ABSENT FROM WASHINGTON WHEN A HOSTAGE CRISIS BROKE. HAVING HIMSELF TAKEN THE POLITICAL INITIATIVE TO DEFINE THE DETAINED FOREIGN NATIONALS AS HOSTAGES IN HIS SPEECH IN BALTIMORE THIS MORNING (OUR TELNO 1981), THE PRESIDENT WAS EXPECTED TO RETURN TO KENNEBUNKPORT AND (WITH SCOWCROFT) CONTINUE TO WATCH OVER EVENTS FROM THERE. 4. ON THE BROADER STRATEGY, CLARKE THOUGHT THAT THIS REMAINED

PAGE CONFIDENTIAL VERY MUCH AS SET OUT TO KING FAHD IN SAUDI ARABIA ON 8 AUGUST. THE AMERICANS HAD TALKED ABOUT TWIN TRACKS TO FAHD: UN ECONOMIC SANCTLONS AND DEPLOYMENT OF ADEQUATE MILITARY FORCES TO DEFEND THE KINGDOM. BOTH WERE LONG TERM, IN THE SENSE THAT IT COULD TAKE MONTHS FOR EITHER TO BE EFFECTIVE. THE ADMINISTRATION BELIEVED THAT THE AMERICAN PEOPLE WOULD BE PREPARED FOR THE LONG HAUL, PROVIDED - UNLIKE VIETNAM - THERE WAS A CLEAR OBJECTIVE IN SIGHT AND THAT ANY LIVES LOST WERE NOT PERCEIVED AS BEING SACRIFICED IN VAIN. BUT CLARKE EMPHASISED THAT THERE WAS NO PLAN TO ORGANISE POLICY TO INITIATE WHAT HE CALLED, THE WORST-CASE OPTION - IE FULL SCALE WAR WITH IRAQ. QUOTE NEITHER SIDE IS READY FOR THAT UNQUOTE. AN OPERATION TO RESCUE HOSTAGES WAS EQUALLY UNREALISTIC. NOR WERE US FORCES SEEKING TO PROVOKE LIMITED MILITARY ACTION, ESPECIALLY WHILE THEY WERE RELATIVELY WEAK ON THE GROUND. AT PRESENT THE AMERICANS HAD ONLY 17 TANKS IN SAUDI ARABIA (PRE-POSITIONED STOCK FROM DIEGO GARCIA). ALTHOUGH THREE ARMOURED UNITS HAD RECEIVED NOTICE TO MOVE TO SAUDI ARABIA, ONLY ONE HAD BEGUN TO SAIL AND IT WOULD BE ANOTHER 6 WEEKS AT LEAST BEFORE AN ARMOURED DIVISION WAS FULLY IN PLACE. THE PLAN COULD OF COURSE GO WRONG ANY DAY, SHOULD SADDAM HUSSEIN DECIDE TO STRIKE OUT, BUT THAT HAD ALWAYS BEEN A RISK.

- THERE WERE ALSO TWO POTENTIAL FLASH POINTS (CLARKE'S WORDS)
 THIS WEEK. THE FIRST CONCERNED THE TWO IRAQI TANKERS WHICH WERE
 HEADING TOWARDS ADEN WITH THEIR OIL SHIPMENTS, POSSIBLY WITH A
 VIEW TO BEING REFLAGGED THEREAFTER. A DECISION WOULD NEED TO BE
 TAKEN ON 21 OR 22 AUGUST ON WHETHER TO USE FORCE TO STOP THEM.
 SECONDLY THERE WAS THE IRAQI STATEMENT THAT EMBASSIES IN KUWAIT
 WOULD BE FORCIBLY CLOSED ON 24 AUGUST, WHICH COULD ESCALATE
 AWKWARDLY GIVEN OUR CURRENT PREFERENCE FOR DRAWING DOWN STAFF
 BUT RETAINING A TOKEN PRESENCE.
- 6. AS REGARDS THE POSITION OF ISRAEL, CLARKE ARGUED THAT
 THE ISRAELIS WOULD KEEP THEIR HEADS DOWN, PROVIDED THE RED
 LINE THAT THEY HAD DRAWN (ANY INTRODUCTION OF IRAQI FORCES INTO
 JORDAN) WAS NOT CROSSED. CLARKE SAID THAT ISRAEL HAD MADE THIS
 ABSOLUTELY CLEAR TO IRAQ.
- 7. WE HAVE SINCE DISCUSSED FURTHER WITH THE NSC. THEY CONFIRMED THAT THE PRESIDENT'S RETURN TO WASHINGTON DID NOT HERALD ANY CHANGE IN POLICY OR INCREASED EMPHASIS ON THE MILITARY TRACK. INDEED WELCH (DIRECTOR NEAR EAST) ARGUED THAT THERE WAS SOME GROUND FOR HOPE IN THE IRAQI STATEMENTS LAST WEEK, WHICH HAD CAREFULLY AVOIDED FORECLOSING ALL AVENUES TOWARDS A DIPLOMATIC SOLUTION, (DESPITE THE UNACCEPTABILITY OF THE TERMS OFFERED SO

PAGE 2 CONFIDENTIAL FAR). THERE WAS ALSO EVIDENCE THAT ECONOMIC SANCTIONS WOULD BITE QUICKLY, GIVEN THAT HOARDING HAD ALREADY BEEN MADE A CAPITAL OFFENCE.

8. WELCH ADDED ONE GLOSS ON HANDLING THE IRAQI TANKERS: HE CONFIRMED THAT NO ACTION WOULD BE TAKEN TO FORCE THE SHIPS TO STOP WHILE EFFORTS WERE STILL UNDERWAY IN THE UN TO SECURE A FURTHER RESOLUTION WHICH WOULD PROVIDE MORE SATISFACTORY LEGAL COVER FOR SUCH ACTION. AMBASSADOR PICKERING HAD SECURED THE STAY OF EXECUTION HE HAD REQUESTED. IF THE UN RESOLUTION WAS FORTHCOMING, THE US NAVY WOULD THEN ACT. IF THE UN RESOLUTION WAS FORTHCOMING, THE NAVY MIGHT STILL ACT, THOUGH A FURTHER DECISION WOULD BE NEEDED FROM THE PRESIDENT IN THAT CASE.

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