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LONDON SWIA 2AA

From the Private Secretary

21 August 1990

Do Sime,
THE GULF CRISIS: JORDAN

The Prime Minister has seen the Foreign Secretary's minute of 20 August about a possible international rescue package to help mitigate the consequences for Jordan of implementing UN sanctions against Iraq. She has not made any direct comment but agrees I am sure, that some international assistance will be needed and that the UK will have to contribute. She is not convinced that we should leave it to the United States to take a lead. Depending on reactions at the meeting of the Twelve being attended by the Foreign Secretary today, she is inclined to think that Europe should be ready to give a lead in securing help for Jordan. In particular, those countries which are not contributing forces to the multi-national effort in the Gulf could do their bit by giving financial assurance to countries such as Jordan and Iraq, and by encouraging other donors such as Japan and the wealthier Arab States to do likewise.

The Prime Minister has not taken a view on the point in paragraph 7 of the Foreign Secretary's minute and paragraph 5 of the Chief Secretary's minute of 16 August about the funding of a UK contribution to assistance to Jordan.

I am copying this minute to Jeremy Heywood (Chief Secretary's Office), Eamoinn Taylor (Overseas Development Administration) and Sonia Phippard (Cabinet Office).

C. D. POWELL

Simon Gass, Esq., Foreign and Commonwealth Office

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