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CONFIDENTIAL FM UKMIS NEW YORK TO DESKBY 230800Z FC0 TELNO 1067 OF 230320Z AUGUST 90

INFO IMMEDIATE STOCKHOLM, WASHINGTON

YOUR TELNO 468: ANGLO-IRANIAN RELATIONS

## SUMMARY

1. THE IRANIANS TAKE US BACK TO SQUARE ONE, PRESSING FOR A MINISTERIAL LEVEL MEETING IN GENEVA TO RESTORE RELATIONS WITHOUT DISCUSSING COOPER, HOSTAGES ETC. NO PROSPECT NOW OF A MEETING ON 24 AUGUST.

### DETAIL

2. I SAW THE IRANIAN AMBASSADOR (KHARRAZI) ON 22 AUGUST AND MADE THE POINTS IN PARAGRAPH 4 OF YOUR TUR.

## 3. KHARRAZI MADE FIVE POINTS:

- (A) ANGLO-IRANIAN RELATIONS HAD NOT YET COME UP IN THE MAJLES, WHICH WAS DISTRACTED BY THE GULF CRISIS.
- (B) THE IRANIAN GOVERNMENT HAD FIRMLY DECIDED THAT NEW YORK SHOULD BE THE CHANNEL FOR SUBSTANTIVE CONTACTS WITH US. THEY WERE CONFUSED THAT THE SWEDISH AMBASSADOR IN TEHRAN WAS NOT ONLY FULLY INFORMED ABOUT THE DISCUSSIONS IN NEW YORK (WHICH WAS FAIR ENOUGH) BUT ALSO ACTIVE. HE HAD TRIED TO SEE THE IRANIAN PRIME MINISTER FOUR TIMES ON 22 AUGUST.
- (C) THE AGENDA FOR THE GENEVA MEETING SHOULD BE AGREED IN NEW YORK. IT SHOULD INCLUDE ONLY ''CURRENT'' ISSUES, SUCH AS THE RESTORATION OF RELATIONS AND THE GULF CRISIS. OLD PROBLEMS COULD BE DEALT WITH LATER.
- (D) THE METING SHOULD BE AT DEPUTY FOREIGN MINISTER LEVEL, IE MR WALDEGRAVE AND VAEZI. RESTORATION OF RELATIONS WAS A POLITICAL MATTER AND SHOULD BE DONE AT A POLITICAL LEVEL.
- (E) THE STATEMENT ON THE RESTORATION OF RELATIONS SHOULD BE ''VERY SHORT AND PRECISE''.

PAGE 1 CONFIDENTIAL 4. ON (C), I RECALLED AT SOME LENGTH THE HISTORY OF MY CONTACTS WITH KHARRAZI AND ZARIF: WHY WE HAD SUGGESTED A MEETING IN GENEVA PRECISELY BECAUSE WE NEEDED TO OVERCOME THE DIFFERENCE BETWEEN OUR POSITIONS: AND WHY IT WOULD BE BETTER IF THE MEETING WERE INFORMAL WITH NO FIXED AGENDA. I CAREFULLY REHEARSED OUR POSITION ON THE NEED TO REMOVE CERTAIN OBSTACLES FOR EXAMPLE OVER COOPER AND HOSTAGES, BEFORE RELATIONS COULD BE RESTORED. IT FOLLOWED THAT POINT (D) ALSO CAUSED US DIFFICULTY. WE DID NOT WANT A POLITICAL LEVEL MEETING IN ORDER TO WRANGLE OVER COOPER. IF FOR EXAMPLE THE IRANIANS WERE TO PUT COOPER ON TO AN AEROPLANE TOMORROW, THEN THINGS WOULD LOOK VERY DIFFERENT. A MINISTERIAL MEETING WOULD BE HARD TO KEEP QUIET, WHICH WAS WHAT BOTH SIDES HAD AGREED TO TRY TO DO. POINT (E) COULD BE DEALT WITH WHEN WE GOT TO THE POINT OF RESTORING RELATIONS.

5. KHARRAZI ARGUED AT SOME LENGTH THAT WE NEEDED TO DISCUSS THE AGENDA FOR A GENEVA MEETING IN NEW YORK. I COMMENTED THAT WE SEEMED TO BE BACK TO THE POINT WE WERE AT IN EARLY JULY. I WAS SORRY THAT AN INITIATIVE DESIGNED TO BREAK THE DEADLOCK SEEMED TO HAVE FAILED. I WAS READY TO TALK TO HIM AGAIN ABOUT THE OBSTACLES WHICH NEEDED TO BE TACKLED BEFORE WE COULD RESUME RELATIONS. I WAS ALSO WILLING TO DISCUSS THE BROADER ISSUES. BUT IT SEEMED CLEAR THAT A MEETING IN GENEVA ON 24 AUGUST WAS NOW NOT ON. KHARRAZI AGREED.

6. AT THAT POINT I HAD TO END THE MEETING FOR ANOTHER ENGAGEMENT. KHARRAZI SAID THAT HE WOULD LIKE TO SEE ME AGAIN TOMORROW. HE HAD SOME OTHER POINTS TO PUT. WE HAVE PROVISIONALLY AGREED 231900Z. HE SAID HE ALSO HOPED TO HAVE AN ANSWER FOR ME ON NIMROD FREQUENCIES (ABOUT WHICH PLEASE SEE MIFT).

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THIS TO OUR CAPITALS.

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