

PRIME MINISTER

GULF CRISIS: MEETING OF MINISTERS

You have a meeting of Ministers at 0945 this morning to consider latest developments in the Gulf crisis. Mr. Waldegrave will represent the Foreign Secretary. You need to finish by 10.30.

DIPLOMATIC

The main points are:

- UN Secretary-General. He clearly got nowhere on the main issue of Iraqi withdrawal. This is probably helpful, because it underlines Iraq's isolation. The Secretary-General is now meeting King Hussein in Paris.
- Foreign Secretary's Tour. He is in Yemen today, to read the riot act.
- US initiative on burden-sharing. You are to see Secretary Brady on Wednesday.
- British hostages. The arrangements for welcoming back the first group of women and children went well (and Mr. Waldegrave deserves congratulations). The Iraqis are now putting fresh obstacles in the way of flights, by insisting on the use of Iraqi airways. We probably have only a small number of women and children left in Baghdad. But there are anything up to 1,000 still to be got out of Kuwait. (British Airways say that their aircraft there cannot safely be used to take passengers). This may mean bussing them to Baghdad and putting them up in hotels there, possibly for some time. We may have to take the financial responsibility for this and try to recoup from firms etc. later.
- US/Soviet Meeting. This will command a lot of attention, particularly in the light of grumbling by the Soviet military about the build-up of US forces. It is for consideration whether you should send a message to Gorbachev

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before then. The purpose would be to encourage him to maintain the cooperative approach, and assure him that our policy is to let sanctions work.

- Crown Prince of Kuwait. You see him this afternoon.
- Counter-Propaganda. Your David Frost interview has been very effective and sent the Iraqis into paroxysms (they have described you as a "spotted serpent" which is at least original). The Helpline people have expressed some misgivings about your line on hostages. This is unavoidable and should be dealt with patiently.

→ We need the shipping of oil bypassed when our MILITARY Embassy staff can't hold onto any longer

- Iraqi Tankers. The Hittin remains fully laden at anchor 1 1/2 miles off the Mina loading point. Otherwise there seems to be little movement.
- Roll on/Roll off Ships. The US has asked its allies to help with provision of roll on/roll off ships. The Defence Secretary proposes that we charter one for them at a cost of £1.5 million. Do colleagues agree?
- Interception of flights which break sanctions. With growing evidence of Libyan intention to circumvent sanctions by using aircraft, how is our contingency planning for interception of such flights progressing?
- ROE. The Attorney and the Defence Secretary are in agreement on what to do with Iraqi tankers or other sanction-breaking ships once they have been stopped (you saw the note at the week-end).

→ Are we ready should Saddam announce a seizure of oil? Should we have a response already before the man found for oil? C.D.P.

C. D. POWELL

3 September 1990