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FROM PRIVATE SECRETARY

SECRETARY OF STATE'S MEETING WITH SAUDI FOREIGN MINISTER

SUMMARY

1. GRATITUDE TO UK. DETERMINATION TO ACHIEVE IRAQI WITHDRAWAL FROM KUWAIT. BEWILDERMENT AT JORDANIAN POSITION. ENCOURAGEMENT FOR IMPROVEMENT OF UK/SYRIA RELATIONS.

DETAIL

2. THE SECRETARY OF STATE HAD A 75 MINUTE BILATERAL MEETING WITH PRINCE SAUD ON 3 SEPTEMBER.

3. PRINCE SAUD PAID A WARM TRIBUTE TO HMG FOR ITS SWIFT AND FIRM RESPONSE TO THE INVASION OF KUWAIT. BRITAIN COULD ALWAYS COUNT ON SAUDI ARABI AS A FRIEND.

4. PRINCE SAUD SPOKE AT LENGTH ON THE CONSEQUENCES OF IRAQ'S AGGRESSION. SAUDI ARABIA WAS DETERMINED THAT THE ONLY POSSIBLE SOLUTION WAS THE UNCONDITIONAL WITHDRAWAL OF IRAQ AND THE RESTORATION OF THE LEGITIMATE GOVERNMENT OF KUWAIT. HE REJECTED THE ARGUMENT THAT AN ARAB SOLUTION MUST BE FOUND. THIS HAD BEEN TRIED BEFORE, DURING AND AFTER THE INVASION. BUT THE ARAB WORLD COULD NOT JUDGE ITSELF BY DIFFERENT STANDARDS FROM THE REST OF THE WORLD BY CLAIMING THAT AGGRESSION BY AN ARAB COUNTRY WAS IN SOME WAY DIFFERENT. THERE WAS NO DIFFERENCE OF SUBSTANCE BETWEEN AN ARAB AND AN INTERNATIONAL SOLUTION.

5. PRINCE SAUD DWELT ON THE DIVISIONS IN THE ARAB WORLD. THE SAUDIS WERE DISAPPOINTED BY THE MINORITY OF ARAB COUNTRIES WHO HAD GIVEN COMFORT TO THE IRAQIS. HE ATTRIBUTED THE DIVISIONS AMONG ARAB COUNTRIES LARGELY TO THE PALESTINIAN PROBLEM WHERE ISRAELI AGGRESSION HAD BEEN ACCOMMODATED BY THE INTERNATIONAL COMMUNITY. PALESTINIAN FRUSTRATION COULD EASILY BE MANIPULATED AS SADDAM HUSSEIN HAD DONE. NEVERTHELESS, HE BELIEVED THAT IF A SOLUTION

TO THE KUWAIT PROBLEM COULD BE FOUND, THE ARAB WORLD WOULD EMERGE HEALTHIER AND MAKING A GREATER CONTRIBUTION TO WORLD AFFAIRS. IN THE MEANTIME, HE HAD NO DOUBT THAT WE WOULD SUCCEED.

6. THE SECRETARY OF STATE SAID THAT WE WERE ENTIRELY IN ACCORD WITH SAUDI RESOLVE. THERE WAS STRONG SUPPORT THROUGHOUT BRITAIN FOR THE LINE WE HAD TAKEN. IN HIS TALKS WITH THE LEADERS OF OTHER GULF STATES, HE HAD TRIED TO CONVEY THE MESSAGE THAT SADDAM HUSSEIN WOULD LOSE. WE COULD NOT ALLOW A COMPROMISE WHICH PERMITTED SADDAM HUSSEIN TO CLAIM A SUCCESS: THE UN RESOLUTIONS MUST BE OBEYED IN FULL. THE SECRETARY OF STATE GAVE AN ACCOUNT OF HIS DISCUSSIONS IN YEMEN. HE WONDERED WHETHER THERE WAS A CASE FOR SAUDI ARABIA TO MAKE A GESTURE TOWARDS YEMEN - FOR EXAMPLE, THE PROVISION OF OIL IN CONCESSIONAL TERMS OR GCC MEMBERSHIP, IF THE YEMENIS CAME ON SIDE. KING HUSSEIN WAS BEHAVING SIMILARLY AND THE SECRETARY OF STATE ASKED WHAT SCOPE THERE MIGHT BE FOR HELPING JORDAN. WE DID NOT WANT KING HUSSEIN TO LOSE HIS THRONE.

7. PRINCE SAUD SAID THAT SAUDI ARABIA HAD CONSISTENTLY HELPED BOTH JORDAN AND YEMEN. HE HAD NO WISH FOR EITHER COUNTRY TO SUFFER AS A RESULT OF THE IRAQI AGGRESSION. THE GCC COUNTRIES WOULD DO WHAT THEY COULD TO HELP. BOTH COUNTRIES CLAIMED THEY HAD ADOPTED THE POSITIONS THEY HAD SO THAT THEY COULD BE BETTER MEDIATORS. BUT THEY HAD BEEN TOLD BY THE SAUDIS AND OTHERS THAT THE TIME FOR MEDIATION WAS PAST. IF THEY WANTED TO ENGAGE IN DIPLOMATIC ACTIVITY, THEY SHOULD PERSUADE IRAQ TO WITHDRAW. BUT BEHIND THIS FACADE, BOTH JORDAN AND YEMEN WERE TRYING TO JUSTIFY IRAQ'S ACTIONS. THE MEDIA IN BOTH COUNTRIES PAINTED A PICTURE THAT IRAQ'S AGGRESSION WAS FOR THE GOOD OF THE ARAB WORLD AND FOR THE PALESTINIANS. THIS WAS PARTICULARLY CURIOUS IN JORDAN'S CASE SINCE ONCE THEY HAD ACCEPTED THAT FORCE COULD BE USED IN SUPPORT OF A HISTORICAL CLAIM, THEY HAD JUSTIFIED ISRAELI AGGRESSION. NO COUNTRY HAD BENEFITTED MORE FROM GCC AID THAN JORDAN. JORDAN COULD NOT BE CLASSED AS ONE OF THE HAVE NOTS. OF COURSE SAUDI ARABIA DID NOT WANT KING HUSSEIN'S POSITION TO BE JEOPARDISED AND THERE WAS NO QUESTION BUT THAT THE SAUDIS WOULD SUPPORT HIM. BUT HIS POLICY WAS FRAUGHT WITH DANGER. IF IRAQ WON, JORDAN WOULD LOSE SEMI-COLON IF IRAQ LOST, JORDAN WOULD STILL LOSE. THE SAUDIS WOULD STAND FIRMLY WITH THE KING, BUT HE HAD TO HELP THE SAUDIS.

8. AS FOR YEMEN, SAUDI ARABIA WOULD BE WILLING TO HELP IF YEMEN SHOWED BY ITS ACTIONS THAT IT WANTED SAUDI HELP. MEMBERSHIP OF THE GCC WAS NOT ON AS LONG AS YEMEN TOOK ITS PRESENT LINE. THE KUWAIT CRISIS HAD BEEN A GREAT OPPORTUNITY FOR YEMEN TO SHOW

THAT IT STOOD FIRMLY WITH THE GCC. THEY BLEW IT.

9. THE SECRETARY OF STATE RAISED ASSISTANCE FOR TURKEY AND PRINCE SAUD SAID THAT AN AGREEMENT HAD BEEN REACHED WITHIN THE LAST FEW DAYS BY WHICH SAUDI ARABIA WOULD COVER TURKEY'S OIL SHORTFALL. THEY HAD GOT A GOOD DEAL.

10. PRINCE SAUD SAID THAT THROUGHOUT THE CRISIS SYRIA HAD BEEN STAUNCH ON BOTH THE ECONOMIC AND MILITARY CONCERNS. THEY WERE SUFFERING ECONOMICALLY BECAUSE OF LOSS OF AGRICULTURAL EXPORTS TO IRAQ. AND THERE WOULD BE A GREAT PROBLEM IN REABSORBING THE 100,000 SYRIANS IN KUWAIT. THE GULF CRISIS HAD BROUGHT A GREAT CHANGE IN SYRIAN POLICY ON BOTH REGIONAL AND INTERNATIONAL ISSUES. FENCES NEEDED TO BE MENDED BETWEEN THE WEST AND SYRIA. THE US WAS ALREADY DOING SO AND PRINCE SAUD UNDERSTOOD THAT BAKER WOULD SOON MEET THE SYRIAN FOREIGN MINISTER. HE URGED US TO FOLLOW SUIT. THIS WAS PARTICULARLY IMPORTANT GIVEN THE POSSIBILITY THAT SYRIAN AND BRITISH ARMED FORCES MIGHT FIND THEMSELVES FIGHTING ALONGSIDE EACH OTHER.

11. THE SECRETARY OF STATE GAVE PRINCE SAUD AN ACCOUNT OF OUR DEALINGS WITH IRAN. PRINCE SAUD SAID THAT RECENT EVENTS HAD STRENGTHENED THE HAND OF RAFSANJANI AND VELAYATI. HE THOUGHT THAT THERE WERE GOOD PROSPECTS FOR BETTER IRANIAN RELATIONS WITH THE GULF STATES. PRINCE SAUD SAID THAT OF THOSE WHOM SYMPATHISED WITH IRAQ, HE COULD BEST UNDERSTAND AND CONDONE THE PALESTINIANS, PARTICULARLY FOR THEIR OPPOSITION TO THE PRESENCE OF US FORCES IN THE REGION. YOU COULD NOT ACCEPT THAT AFTER 40 YEARS OF FRUSTRATION THEY WOULD ACT RESPONSIBLY. NEVERTHELESS, HE ACCEPTED THAT PALESTINIAN LEADERS HAD MADE A BAD MISTAKE IN THEIR SUPPORT FOR SADDAM HUSSEIN. BUT IT WAS NOT IN ANYONE'S INTEREST THAT THE PRESENT PALESTINIAN LEADERSHIP SHOULD BE UNDERMINED. THE PLO HAD COME A LONG WAY IN THE LAST TWO YEARS.

12. THE SECRETARY OF STATE RAISED THE STATUS OF FORCES AGREEMENT AND PRINCE SAUD ENCOURAGED HIS OFFICIALS TO DEAL QUICKLY WITH THE ISSUE. THE SECRETARY OF STATE ALSO RAISED THE POTENTIAL CASES TO SANCTIONS BREAKING REPORTED IN FCO TELNO 546 TO RIYADH. IT TRANSPIRED THAT FOLLOWING A DISCUSSION WITH SIR A MUNRO, PRINCE SAUD HAD ALREADY INSTRUCTED HIS OFFICIALS TO TAKE ACTION. HE ADDED THAT HE WANTED TO ESTABLISH A CLEARING HOUSE FOR INFORMATION ON SANCTIONS BREAKING. SAUDI ARABIA HAD A CONSIDERABLE NUMBER OF REPORTS FROM PORTS IN THE REGION. IT WAS AGREED THAT SIR A MUNRO WOULD PURSUE THIS WITH HIS US AND FRENCH COLLEAGUES

WHO COULD THEN LINK UP WITH THE MFA. IN A BRIEF DISCUSSION OF POLITICAL WARFARE, PRINCE SAUD EXPRESSED INTEREST IN SEEING ANY MATERIAL WE MIGHT PRODUCE.

13. PLEASE PASS TO NO 10.

DUGGAN

MUNRO

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