NOTE FOR THE RECORD

IRAO/KUWAIT

The Prime Minister and the Foreign Secretary had a talk this afternoon about the way ahead in the Gulf crisis.

The Prime Minister said that she was increasingly certain that Saddam Hussain would not come out of Kuwait unless thrown out. She had reached the same conclusion about General Galtieri in the Falklands conflict. The Foreign Secretary was more inclined to see a chance that sanctions would succeed, provided we could convince Saddam Hussain that he would be clobbered if he stayed.

The Prime Minister said that sanctions had to be given time to work: but this had to be balanced against the dangers of leaving our forces too long in the desert, and of the Arab and wider international front against Saddam Hussain crumbling. She did not want to set a deadline: but thought a bracket of 3-6 months was about right. We need to start to look very quietly at dates which could affect military action. It was unlikely before the US Congressional elections in early November. We would have to avoid Christmas and Ramadan. She would need a very restricted meeting soon with the Foreign Secretary, Defence Secretary and CDS to discuss these sensitive aspects.

The Prime Minister said that any military action must have the widest possible participation, particularly of Arab contingents.

The Prime Minister also commented that, if sanctions did not work and the US and the multinational force failed to take military action, then she expected the Israelis to strike.

C. D. POWELL

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