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TO IMMEDIATE FCO
TELNO 2164

ADVANCE COPY

OF 070044Z SEPTEMBER 90
INFO PRIORITY MOSCOW, PARIS, BONN, UKMIS NEW YORK, CAIRO
INFO PRIORITY BAGHDAD, AMMAN, RIYADH, ACTOR, ESC LONDON

**IRAQ/KUWAIT: BUSH/GORBACHEV SUMMIT
SUMMARY**

1. SUMMIT FOCUS WILL BE ON THE GULF, AND ON POSSIBLE DIFFERENCES BETWEEN THE TWO SIDES ON THE USE OF FORCE. AGENDA WILL ALSO INCLUDE OTHER REGIONAL ISSUES, EUROPE, AND THE SOVIET ECONOMY.
- DETAIL
2. WE HAVE OBTAINED FROM CONTACTS IN STATE AND NSC AN ACCOUNT OF THE ARRANGEMENTS FOR THE BUSH/GORBACHEV SUMMIT IN HELSINKI ON 9 SEPTEMBER.
3. THE MEETING WILL BE DIVIDED INTO THREE SESSIONS: IN THE MORNING DISCUSSION WILL BE ON THE GULF AND OTHER REGIONAL ISSUES: THERE WILL BE A WORKING LUNCH TO DISCUSS EUROPE (CSCE, CFE AND GERMANY): AND, IN THE AFTERNOON THERE WILL BE DISCUSSION OF THE SOVIET ECONOMY, AND OTHER BILATERAL ISSUES.
4. THE FOCUS WILL BE ON IRAQ/KUWAIT. THE US PURPOSE IS LARGELY SYMBOLIC: TO SHOW TO IRAQ THAT THE TWO SUPERPOWERS STAND SHOULDER TO SHOULDER OVER THE CRISIS. THE AIM WILL BE TO BRIEF GORBACHEV ON US THINKING, IN THE HOPE OF ENSURING HIS CONTINUED SUPPORT. THERE IS CONSIDERABLE SATISFACTION HERE AT THE WAY IN WHICH THE SOVIET UNION WORKED FOR, AND HAS SUBSEQUENTLY STOOD BY, THE UN CONSENSUS AGAINST IRAQ. (THE CONTINUED PRESENCE OF SOVIET MILITARY ADVISERS IN IRAQ HAS NOT SPOILT THE PICTURE, GIVEN THE US ASSESSMENT THAT THESE ARE NOT MATERIALLY AFFECTING IRAQ'S MILITARY CAPABILITY AND HAVE PROBABLY NOT BEEN RECALLED ONLY BECAUSE MOSCOW FEARS THAT THEY, TOO, MIGHT FIND THEMSELVES HELD LIKE THE WESTERN HOSTAGES.) BUT THERE IS SOME CONCERN ABOUT POSSIBLE EQUIVOCATION IN MOSCOW ABOUT THE USE OF FORCE AND MOSCOW'S APPARENT INSISTENCE THAT EVEN IF FORCE SHOULD EVENTUALLY BE NECESSARY IT SHOULD ONLY BE EXERCISED UNDER A UN UMBRELLA. THE AMERICANS FORESEE THE POSSIBILITY OF CIRCUMSTANCES IN WHICH FORCE MIGHT HAVE TO BE USED WITHOUT UN COVER.
5. ONE OF THE PRESIDENT'S PRIME OBJECTIVES THEREFORE WILL BE TO MAKE CLEAR TO GORBACHEV THAT - WHILE THE ADMINISTRATION

REMAIN COMMITTED TO MAKING SANCTIONS WORK - THE POSSIBILITY OF HAVING TO USE FORCE CANNOT BE RULED OUT IN THE EVENT THAT SANCTIONS PROVE INEFFECTIVE. HE WILL MAKE CLEAR THAT THE US ARE NOT SEEKING TO PROVOKE IRAQ INTO HOSTILITIES: THAT THEY WANT TO SEE A PEACEFUL SOLUTION: BUT THAT AN EVENTUAL RESORT TO FORCE CANNOT BE EXCLUDED.

6. OUR CONTACTS HAVE ALSO SUGGESTED THAT BUSH WILL WANT TO PRESS GORBACHEV ON INTELLIGENCE-SHARING (EG ABOUT SOVIET EQUIPMENT SUPPLIED TO IRAQ) AND ON OTHER WAYS IN WHICH MOSCOW COULD DEMONSTRATE SUPPORT FOR THE US EFFORT. ONE IDEA IS THAT THE RUSSIANS MIGHT HELP EAST EUROPEAN COUNTRIES WITH THEIR OIL SUPPLIES. ANOTHER IS THE POSSIBILITY THAT THE RUSSIANS MIGHT PROVIDE SHIPS TO TRANSPORT, SAY, SYRIAN FORCES TO SAUDI ARABIA OR EVEN US SUPPLIES TO THE REGION. (WE UNDERSTAND THAT SOVIET SHIPPING FIRMS HAVE BID FOR SOME OF THE PENTAGON CONTRACTS TO SHIP EQUIPMENT FROM THE US TO SAUDI ARABIA.)

7. ON BILATERAL ISSUES BUSH WILL FOCUS ON SOVIET ECONOMIC PROBLEMS. STATE HAVE TOLD US THAT HE WILL EMPHASISE THE IMPORTANCE OF EARLY ADOPTION OF THE EMIGRATION LAW, AND OF A MORE FORTHCOMING POSITION ON CLAIMS (OUR TELNO 1528), IF MOSCOW IS TO REMOVE LEGAL OBSTACLES TO AMERICAN ASSISTANCE. THEY WILL ALSO BE PRESSING THE RUSSIANS TO MAKE DECISIONS ON THE INVESTMENT AND TAX TREATIES CURRENTLY UNDER NEGOTIATION. ACCORDING TO STATE, BUSH WILL REAFFIRM HIS INTENTION TO MOVE TO NORMAL ECONOMIC RELATIONS AS SOON AS POSSIBLE.

8. FOR CFE ISSUES SEE MIFT.

ACLAND

ADVANCE

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IRAQ/KUWAIT

PS(L)

PS/MR WALDEGRAVE

PS/S OF S FOR DEFENCE

PS/PUS

MR TOMKYS

MR GORE-BOOTH

MR FAIRWEATHER

MR GOULDEN

MR JAY

MR BERMAN (LEGAL ADVISERS)

HD/MED

HD/NENAD

HD/NAD

HD/SOVIET

HD/EED

HD/SED

HD/UND(L)

HD/CONSULAR D

HD/NEWS D

HD/NPDD

HD/SECPOL D

HD/AMD

HD/ECD(E)

MR PRIDDLE, DEPT OF ENERGY

MR APPLEYARD CABINET OFFICE

(BY TUBE H29)

MR W D REEVES CABINET OFFICE

(BY TUBE H29)

MR D J GOWAN CABINET OFFICE

(BY TUBE H29)

MR BARRASS, CABINET OFFICE

(BY TUBE H29)

PS/NUMBER 10 DOWNING ST

SIR P CRADOCK,

(NO 10 DOWNING ST)

CABINET OFFICE D10

(BY TUBE H29)

SIR ROBIN BUTLER, CAB OFFICE

AUS (C) MODUK

HD/SEC (O) (C) MODUK

MR LS SMITH BANK ENGLAND(2)

~~EMERGENCY UNIT~~

RESIDENT CLERK

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