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PRIME MINISTER

cc Sir Percy Cradock Mr Appleyard

#### OPD(G): 19 December

# Item 1: Expulsion of suspect Iragis from the United Kingdom

The Home Secretary will be present for this item only. The paper OPD(G)(90)11 has been agreed by the Foreign and Home Secretaries.

2. You might begin by inviting the <u>Foreign Secretary</u> to introduce the paper. <u>Originally</u> the intention had been to proceed with the expulsion of the <u>eight Iraqi Embassy personnel</u> with intelligence connections on 20 December on the assumption that all the British hostages who wanted to leave would have done so. <u>Mr Walker</u>, our Ambassador in Baghdad has recommended that the expulsions be carried out later in case the Iraqis take action against any remaining hostages and expel Embassy staff whose job it would be to assist them to leave.

The FCO and Mr Walker accept that the Iraqis would retaliate by expelling Embassy staff in Baghdad but by then the consular workload should have been cut drastically. We know from the UK/US talks that the Americans are reviewing the <u>future of their Embassy in Baghdad</u> after 15 January: you might ask the Foreign Secretary for the FCO's view.



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4. You might conclude the discussion by inviting Ministers to accept the recommendations of the Foreign and Home Secretaries.

## Item 2: Current international situation

- 5. You might begin by asking the <u>Foreign Secretary</u> where we stand on the return of <u>British hostages</u>. At the time of drafting there were some 68 <u>British citizens</u> in Iraq and 34 in Kuwait. Those in Kuwait appear to be the hard core of stayers-on. In Iraq most of the 68 are expected to be out by Christmas but the Iraqis are making difficulty about a small number of exist visas. You are seeing <u>Mr Walker</u>, our Ambassador in Baghdad and <u>Mr Weston</u> and <u>Mr Banks</u> from Kuwait who are being extensively covered in the media. The <u>consular advice</u> agreed at OPD(G) last week has been issued.
- 6. On the international front, subject to overnight developments, there has still been no progress on <u>US/Iraqi</u> <u>meetings</u>, or on a meeting of the <u>Permanent Five Foreign Ministers</u>, where the Iraqis continue to string out the process. The Foreign Secretary had breakfast with Mr Baker today and may have the latest picture on US thinking. The EC Foreign Affairs Council will be discussing today contacts between the <u>EC Presidency</u> and Tariq Aziz: Mr Garel-Jones

has a firm brief to argue for no contacts prior to or independent of Mr Baker. At the United Nations, complex and protracted negotiations continue over US and non-aligned texts for a Resolution on the occupied territories: the issue could come to a head this week. The argument turns in part on whether the US Government can accept a reference to a Middle East

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Conference. The North Atlantic Council meeting, which the Foreign Secretary attended, produced a reasonably robust Gulf statement. President Chadli Bendjedid of Algeria continues his efforts over Arab mediation with no visible evidence of headway.

#### Item 3: Your visit to the United States

- 7. You will be having a more general briefing on your visit later in the day. The present discussion is intended to allow you to run over the main Gulf Items. The report by officials on the UK/US talks on 14 December has been circulated as background (OPD(G)90 12).
- 8. You might begin by inviting the <u>Foreign Secretary</u> to outline the main points. The Foreign Secretary may want to begin by seeking Ministers' approval for the <u>revised text of strategic and military objectives</u> attached to the note on the UK/US talks subject to the outcome of an agreed assessment on collateral damage (paragraph 9c of the objectives). This would enable the UK team to go into the next round with a strong hand. The Foreign Secretary may propose <u>dropping paragraphs 4 and 5</u> of the revised objectives as the US want. The <u>Attorney General</u> may have views on whether, in the <u>preamble to paragraph 9</u> of the objectives, the word "must" has to be used or whether, as the US proposed, this could become "should".
- 9. Turning to your talks with President Bush, the Chief of the Defence Staff has been giving thought to the answer to your question on Monday about the four or five crucial points you need to put to the President. You may wish to confirm the determination of both governments to insist on full implementation of UN Security Council Resolutions and their readiness to adopt the military option if Saddam Hussain does not comply. A key point will be to stress the need for adequate and timely consultation before the military option is exercised. You

might add that we are very pleased with the extent of US cooperation on military planning in-theatre between military commanders and with the wide measure of agreement on strategic and military objectives revealed in the UK/US talks last week. In this context you might ask the President for his assessment of US Congressional and public opinion as the 15 January deadline approaches.

- 10. You may want to seek the President's views on Iraqi tactics over <u>US/Iraqi contacts</u> and to express your support for the robust line which he and Mr Baker have taken. This might lead into a more general discussion of the chances of Iraqi <u>partial withdrawal</u> and how both governments should continue to work together <u>to deter Saddam</u> from taking the partial withdrawal option (by making clear now that it would not be enough: as President Bush, Mr Baker, the European Council and the North Atlantic Council have been doing) and how we would react if he did nevertheless announce his intention to keep the oilfields and the islands (by marshalling support in advance for insistence on full compliance).
- 11. An even more difficult option would be partial withdrawal disquised as full withdrawal: the Americans are beginning to grapple with the implications for military and diplomatic policy. Looking further ahead, you may want to discuss the implications of full withdrawal and the need to establish a strict regime of NPT provisions, an arms embargo and rigorous limits on technology transfer plus continued sanctions, including an oil embargo, if these are politically obtainable. In the OPD(G) discussion you may wish to draw in the Defence Secretary, the Chief of the Defence Staff and Sir Percy Cradock on this complex of issues which were covered also in the UK/US talks (the Americans share our concerns and approach: it is important that we have a further round in the New Year).

- 12. An important component of the overall picture is the Israeli factor. This will at the top of President Bush's mind following Mr Shamir's visit: it could perhaps be dealt with under the next agenda item. On more detailed issues, depending on latest developments, you might wish to ask how President Bush sees the complex question of dealing with Iraq's NBC capability and the risks of collateral damage. You might also mention the importance of continued UK/US co-operation on media handling. You may need to raise the disposition of British forces (resubordination) and BW immunisation if these military issues have not been sorted out by then: the Chief of the Defence Staff can bring you up to date.
- 13. You might <u>conclude the discussion</u> by saying that the points which have been raised should be covered in the briefing for your visit to Camp David.

## Item 4: Israeli policy

- 14. This item consists of a JIC paper JIC(90)CIG 195, commissioned at last week's OPD(G), on Israel's options if Saddam withdraws from Kuwait with his military machine intact and a longer term set of two papers by the FCO on an Arab/Israel settlement.
- 15. You might invite <u>Sir Percy Cradock</u> to introduce briefly the JIC paper. You might ask whether <u>Iraq's more formidable capability</u> has fundamentally changed the balance of advantage for Israel against a preemptive strike. In the <u>UK/US talks</u> (paragraph 14 of the note) the Americans interpreted Israeli statements that they would not launch a pre-emptive strike "in this crisis" as meaning that they would not do so while there were major US forces in the Gulf: this seems to be broadly in line with the <u>JIC assessment</u>. But if a credible regional security structure had not been set up after Iraqi withdrawal all bets would be off.



- 16. You might ask <u>Sir Percy</u> and the <u>Foreign Secretary</u> for their assessment of the (different) scenario, which seems plausible, of <u>an Iraqi missile attack on Israel</u>, before or after an allied offensive, followed by <u>Israeli retaliation</u>. Since the Israelis would have to fly through <u>Jordanian or Syrian airspace</u>, could this bring about a more general Israeli/Jordanian or Israeli/Syrian conflagration and threaten the survival of the Jordanian monarchy? You might ask what we can do to <u>avert</u> such a situation and what should be the <u>US and UK positions</u> if the situation did arise. The <u>Chief of the Defence Staff</u> can comment on US plans to pre-empt an Iraqi missile attack.
- 17. You might then invite the Foreign Secretary to say a brief word on the two papers on Arab/Israel which are essentially for longer term consideration. If there is time at Camp David, it would be useful to sound out President Bush and Mr Baker on the prospects for progress towards an Arab/Israel settlement. attitude will be crucial: the friendly Arabs in the Gulf coalition will be looking for action after an Iraqi withdrawal. The second paper reviews a 6-stage new approach to a settlement (paragraph 6 onwards) based on: resumption of efforts to foster Israel and representative Palestinians: dialogue between Israel's political steps to resolve differences and confidence-building measures. External pressure to kick-start the process is based on US-Soviet cooperation. There is no need to look at the paper in detail, and the Foreign Secretary will not want you to include these ideas in your Camp David talks.
- 18. You may wish to conclude the discussion by highlighting those points raised in discussion for inclusion in your Camp David talks and inviting the Foreign Secretary to return to the Arab/Israel issue when it seems likely to require decisions or further consideration.



Next meetings

19. We have an OPD(G) pencilled in for 3 January to be called if needed and a substantive booking before Cabinet on 10 January: the last date before the 15 January deadline.

FR.B.

ROBIN BUTLER

18 December 1990

