NBL 075124 MDHIAN 7271

CONFIDENTIAL FM MUSCAT TO DESKBY 090915 FCO TELNO 25 OF 090720Z JANUARY 91 INFO DESKBY 090915Z CAIRO INFO PRIORITY OTHER MIDDLE EAST POSTS, CANBERRA, WASHINGTON INFO PRIORITY UKMIS NEW YORK, MODUK, HQBFME, ESC LONDON, ACTOR

CAIRO (FOR PS/PRIME MINISTER)

VISIT OF THE PRIME MINISTER TO OMAN - 8/9 JANUARY

1. THE PRIME MINISTER PAID A SHORT VISIT OVERNIGHT ON 8/9 JANUARY FOR TALKS WITH THE SULTAN ON REGIONAL ISSUES AND TO MEET THE RAF NIMROD DETACHMENT. ATMOSPHERE OF THE TALKS EXCELLENT AND FIRM FOUNDATION LAID FOR RENEWAL OF THE SPECIAL RELATIONSHIP.

DETAIL

- 2. THE PRIME MINISTER, ACCOMPANIED BY SIR CHARLES POWELL, HAD A PRIVATE AUDIENCE WITH THE SULTAN, LASTING AN HOUR, AFTER ARRIVING IN MUSCAT AT THE BAIT AL BARAKAH PALACE. THE CONVERSATION TURNED MAINLY ON THE FUTURE SECURITY ARRANGEMENTS FOR THE GULF AND IS BEING RECORDED SEPARATELY BY THE PRIVATE SECRETARY.
- THE PRIME MINISTER, SIR CHARLES POWELL, AVM SIR ERIK BENNETT AND I JOINED THE SULTAN AND DEPUTY PRIME MINISTER QAIS ZAWAWI FOR DINNER AFTERWARDS FOR A FURTHER TWO HOURS OF CONVERSATION. THE MAIN POINTS ARE RECORDED BELOW.

IBN KHALDOUN

4. I DREW TO THE SULTAN'S ATTENTION THE PLIGHT OF THE WOMEN ON THE IBN KHALDOUN WHICH WAS STILL MOORED OFF MUSCAT. I ASKED WHETHER HE COULD NOT ENCOURAGE SOME AGREEMENT WITHIN THE GCC ON RECEIVING SUCH INTERCEPTED SHIPS AND THEIR CONTRABAND CARGO. POINTING OUT THAT THE BALGES WAS ALSO ON ITS WAY. THE SULTAN STRESSED THAT OMAN SIMPLY COULD NOT ACCOMMODATE LARGE QUANTITIES OF DISCHARGED CONTRABAND GOODS. HE SAID SEVERAL TIMES THIS WAS NOT MERELY AN EXCUSE. HE WAS ATTRACTED TO THE IDEA OF A GCC SOLUTION TO THE PROBLEM AND ASKED ZAWAWI TO INSTRUCT THE OMANI MINISTER OF COMMUNICATIONS TO CONTACT HIS QATARI HOMOLOGUE WITH A VIEW TO COORDINATING A GCC APPROACH.

> PAGE 1 CONFIDENTIAL



YEMEN

5. THE SULTAN CONFIRMED THAT HE HAD SENT YOUSUF BIN ALAWI WITH A WRITTEN MESSAGE TO PRESIDENT ALI ABDULLAH SALEH ABOUT THE BORDER DISPUTE. HE SAID THAT HE WANTED SOME FURTHER CLARIFICATION OF THE YEMENIS' INTENTIONS. HE ADDED THAT IN THE PRESENT CIRCUMSTANCES THEY MIGHT ACTUALLY BE MORE WILLING TO CONCLUDE AN AGREEMENT.

JORDAN

6. THE PRIME MINISTER SAT ALONE WITH THE SULTAN AFTER DINNER AND THE PRIVATE SECRETARY WILL BE RECORDING THE ESSENCE OF THAT DISCUSSION. THE PRINCIPAL POINT WAS ABOUT THE SITUATION IN JORDAN. AM SIR ERIK BENNETT TOLD ME THAT THE SULTAN HAD ASKED HIM TO PAY ANOTHER VISIT TO AMMAN ON 12 JANUARY TO SEE HOW KING HUSSAIN WAS STANDING UP TO THE POLITICAL AND ECONOMIC PRESSURES ON HIM. THEY ALSO DISCUSSED OMAN/UAE RELATIONS. THE SULTAN TOLD ME SEPARATELY AFTERWARDS THAT HE HAD INDEED INVITED SHAIKH ZAYED TO COME BUT NO DATES HAD BEEN AGREED BECAUSE OF THE UNCERTAIN SITUATION.

TAL

THE PRIME MINISTER DID NOT THINK IT WAS APPROPRIATE TO RAISE THIS CONTENTIOUS ISSUE ON HIS FIRST MEETING. I DID HOWEVER GO OVER IT IN DETAIL WITH ZAWAWI WHO WAS FULLY SYMPATHETIC AND RECEPTIVE TO THE IDEA THAT IAL SHOULD BE COMPENSATED IN SOME FORM. HIS OWN SUGGESTION WAS THAT THE SULTAN SHOULD BE APPROACHED TO LIMIT THE PERIOD OF THE PANAM CONTRACT TO ONE YEAR (IT IS AT PRESENT FOR FIVE YEARS). IAL THEMSELVES HAVE SAID THEY WOULD FAVOUR SUCH AN APPROACH. I SUGGESTED THAT IT WOULD PROBABLY BE MORE EFFECTIVE AND PROFITABLE IF IAL COULD BE GIVEN PRIORITY FOR ANY NEW WORK EG MODERNISATION OF THE AIRPORT'S RADAR AND OTHER EQUIPMENT. ZAWAWI INDICATED HE WAS PREPARED TO USE HIS INFLUENCE.

RAF DETACHMENT

- 8. THE PRIME MINISTER SPENT 45 MINUTES ATTENDING A SHORT PRESENTATION ON THE WORK OF THE NIMRODS, ADDRESSING THE ASSEMBLED CREWS ON THE PRINCIPLES AT STAKE IN THE PRESENT CRISIS AND CHATTING INFORMALLY TO MOST OF THEM.
- 9. ON ARRIVAL AT THE AIRPORT THE PRIME MINISTER MADE A SHORT STATEMENT MAINLY TO THE OMANI PRESS THOUGH A FEW BRITISH CORRESPONDENTS WERE PRESENT TOO, IN WHICH HE SPOKE OF HIS PLEASURE AT MEETING THE SULTAN FOR THE FIRST TIME AND REAFFIRMING THE CLOSENESS OF ANGLO/OMANI RELATIONS. HE STRESSED THE CLOSE IDENTITY OF VIEWS OF THE TWO COUNTRIES ON THE NEED FOR THE FULL IMPLEMENTATION OF THE SCRS AND REFERRED TO HIS DISCUSSIONS WITH THE

PAGE 2 CONFIDENTIAL SULTAN ON THE LONGER TERM FUTURE OF THE GULF.

COMMENT

10. ALTHOUGH THE VISIT WAS BRIEF IT WENT REMARKABLY HARMONIOUSLY AND SECURED THE MAIN OBJECTIVE OF RENEWING CLOSE PERSONAL CONTACT AT THE TOP. THE PRIME MINISTER CLEARLY ESTABLISHED AN EASY RAPPORT WITH THE SULTAN WHO WAS VISIBLY FLATTERED TO RECEIVE SUCH ATTENTION AT THIS EARLY STAGE OF THE PRIME MINISTER'S TERM OF OFFICE. THE FOUNDATIONS HAVE BEEN LAID FIRMLY FOR THE CONTINUATION OF THE SPECIAL RELATIONSHIP ESTABLISHED BY MRS THATCHER. LOCAL MEDIA COVERAGE WAS GOOD.

- 11. THE VISIT ALSO SERVED AS A MORALE BOOSTER FOR THE RAF
- 12. IT WAS A GREAT PLEASURE FOR US ALL TO HAVE THE PRIME MINISTER HERE AND WE ALL ECHO THE SULTAN'S WISH THAT HE SHOULD RETURN FOR A LONGER VISIT.

CLARK

YYYY

DISTRIBUTION

79

MAIN

75

LIMITED MED

EMERGENCY UNIT (PASSED)

PUSD NEWS D INFO D

PS

PS/MR HOGG

PS/PUS MR FAIRWEATHER

MR BROOMFIELD

MR GORE-BOOTH MISS SPENCER

ADDITIONAL

PS/NO 10 DOWNING ST

NNNN

PAGE 3 CONFIDENTIAL