Souli Apolice CONFIDENTIAL GPS 550 FM JEDDA 141050Z MAY TO PRIORITY FCO TELNO 385 OF 14 MAY INFO ROUTINE WASHINTON AND THE HAGUE ANGLO/ SAUDI RELATIONS 1. THE DUTCH AMBASSADOR CALLED TODAY TO BRIEF ME ABOUT THE LATEST MOVES IN SAUDI/DUTCH CONTACTS ON THE DEATH OF A PRINCESS TV FILM. HE SAID THAT ACCORDING TO BOTH AMBASSADOR SHAWAAF IN THE HAGUE AND AMBASSADOR KABBANI OF THE WESTERN DEPARTMENT OF THE MFA HERE, THERE WAS STILL A SMALL GROUP OF SENIOR PRINCES IN RIVADH WHO FELT THAT THE DUTCH HAD NOT PAID SUFFICIENTLY FOR THE BROADCAST OF THE FILM IN HOLLAND, SHAWAAF HAD ADVISED THE DUTCH MFA TO MAKE SOME GESTURE TO THE SAUDIS TO AVERT ANY FURTHER MEASURES, PROBABLY ECONOMIC, AGAINST DUTCH INTERESTS IN SAUDI ARABIA. KABBANI HAD, FOR INSTANCE, REFERRED TO THE FACT THAT THE DUTCH WERE THE ONLY EUROPEAN COUNTRY TO MAINTAIN AN EMBASSY IN JERUSALEM. 3. VAN NISPEN HAD COME TO ME FROM A MEETING WITH THE AMERICAN AMBASSADOR. WEST WAS ALSO WORRIED AT THE POSSIBILITY THAT AMERICAN INTERESTS MIGHT BE AFFECTED FOLLOWING THE BROADCAST OF THE FILM ON THE AMERICAN PUBLIC NETWORK: HE THOUGH DEFENCE CONTRACTS IN PARTICULAR MIGHT SUFFER AND THAT THE FRENCH WOULD BE THE MAIN BENEFICIARIES. 4. VAN NISPEN ASKED WHAT WE WERE DOING TO SATISFY SAUDI DEMANDS FOR ACTION. I GAVE HIM A GENERAL IDEA OF THE SUGGESTIONS PUT FORWARD FROM THIS EMBASSY BUT DID NOT GO INTO DETAIL. I SAID THAT IT WOULD BE DISTRUBING NEWS FOR US IF THE SAUDIS NOW TOOK MEASURES AGAINST THE DUTCH SINCE OUR TACTICS WERE TO SOME EXTENT BASED ON THE ASSUMPTION THAT THE DUTCH HAD ESCAPED PUNISHMENT BECAUSE THE SAUDIS ACCEPTED THAT THE DUTCH GOVERNMENT HAD DONE ALL THAT TI COULD WITHIN THE LAW TO GET THE BROADCAST STOPPED. COMMENT. WE SHALL OBVIOUSLY NEED TO WATCH DEVELOPMENTS IN DUTCH/SAUDI AND AMERICAN/SAUDI RELATIONS OVER THE NEXT FEW DAYS CLOSELY: BUT I DO NOT THINK THAT THERE IS ANY BASIS AT PRESENT FOR RECONSIDERING OUR TACTICS AND I LOOK FORWARD SOON TO INSTR-UCTIONS TO APPROACH THE MFA WITH OUR PACKAGE. DEPARTMENTAL DISTRIBUTION ADDITIONAL DISTRIBUTION MED MAED ANGLO-SAUDI SPECIAL NENAD ES & SD FRD NAD TRED UND ECON DEPT THIS TELEGRAM EESD CONS DEPT ECD WAS NOT WED CONS EM UNIT CABINET OFFICE ADVANCED