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We must not discard any objectives. We ^{still} have to obtain them

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Foreign and Commonwealth Office

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London SW1A 2AH

13 November 1990

all 'though I understand the need for prisoners - not

Time Review

Dear Charles

I am not sure we can pick a choice between these objectives. We want to leave them all.

Gulf crisis: UK objectives following total Iraqi withdrawal from Kuwait

CDP 13/XI

The Foreign Secretary has been looking in the context of Jim Baker's visit at our longer term objectives. He sees a danger that, as the crisis develops, we may find that our leverage to obtain all our objectives is reduced and we shall have to concentrate on those objectives which are of the first importance for our national interests.

Our first priority after Iraqi withdrawal and restoration of the legitimate Kuwaiti Government must be the release of any remaining hostages. A voluntary Iraqi withdrawal from Kuwait would probably prevent the MOD from mounting operations to rescue the hostages. If withdrawal took place after a land battle in Kuwait, we would probably still be faced with a prospect of several hundred hostages being held in Iraq by Saddam Hussein or another hostile Iraqi leader. Saddam Hussein may well be tempted to trade the release of the hostages against the lifting of the sanctions which we shall want for other reasons to maintain - see below. Public opinion might shift towards the view that we should do whatever was necessary to get the hostages home. We will let you have some thoughts on how we would deal with this potentially difficult issue.

Our second priority should be controlling Iraq's offensive and particularly NBC capacity, which otherwise will constitute a continuing threat to regional and international security. The military option may provide the opportunity to destroy Iraq's capabilities, though we should beware of assuming that their destruction is a foregone conclusion: NBC plants are targets which it will be difficult and potentially costly to take out.

In the event of voluntary withdrawal, we will need to maintain maximum pressure on Iraq through the Security Council to accept the immediate dismantling of her weapons of mass destruction through the continuation of the general embargo under Security Council Resolution 661 or, since it may not be practical to retain this much beyond Iraq's withdrawal, more probably through a new resolution imposing a more selective embargo.

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Controlling Iraq's offensive capacity is of course connected with the objective of establishing a regional security system. The requirement in SCR 660 that Iraq and Kuwait begin intensive negotiations for the resolution of their differences provides a peg, and it is helpful that some of the non-aligned are talking in New York of the need for international arrangements under UN supervision for arms and armed forces reduction in the region. But the problems are considerable. The Kuwaitis and others may argue with some justice that, without a Western presence on the ground, a security system would be worthless since Arab participation could not be relied on. But the financial and political problems of a long-term Western presence on the ground could be formidable: a sea and air presence would be more manageable.

The Foreign Secretary regards the settlement of other Middle Eastern issues, including Arab/Israel, as a lower priority, not because it is less desirable but because he is sceptical about the possibility of achievement. But clearly in public statements we must continue to state our readiness to address these issues when the crisis is over. In his minute of 8 November to the Prime Minister the Foreign Secretary suggested how we might proceed, though Mr Baker showed himself reluctant last week.

United Nations Security Council Resolution 674 dealt with the Iraqi obligation to pay compensation to Kuwait for losses resulting from the illegal invasion and occupation. The same resolution envisages nationals and corporations of other countries also being compensated. We have given the Iraqis formal notice that we reserve all our rights. We have to recognise however that Iraq was hugely indebted before the crisis, perhaps to the tune of \$80-100 billion (compare with oil earnings in 1989 of about \$15 billion) and the chances of the international community getting anything are not great. The Foreign Secretary is convinced that it would not be in our interest to inflict penal reparations on Iraq comparable to those imposed on Germany after the First World War. To do so would guarantee a legacy of bitterness which would work against longer term security in the region. Compensation for Kuwait might be a different matter. We are looking at the possibility of hypothecating a percentage of Iraq's oil revenue post-crisis for the reconstruction of Kuwait.

Finally, there is the question of the individual responsibility of Iraqis and possible war crimes trials. UNSCRs 670 and 674 reaffirm that the Fourth Geneva Convention applies to Kuwait and that Iraq is bound to comply with its terms. We are looking at the practicality of bringing individual Iraqis to book. Much would depend on the circumstances. We do not want to make specific proposals

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which would consolidate Army and Party support for Saddam Hussein. We are working up a further resolution on individual responsibility and war crimes which will avoid echoes of Nuremburg.

Yours,
Stephen Wall

(J S Wall)
Private Secretary

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From the Private Secretary

14 November 1990

Dear Stephen

GULF CRISIS:
UK OBJECTIVES FOLLOWING TOTAL IRAQI WITHDRAWAL FROM KUWAIT

Thank you for your letter of 13 November setting out our principal objectives in the wake of Iraqi withdrawal from Kuwait. The Prime Minister would take the view that all those listed in your letter are important and we cannot discard any of them, although we shall have to settle priorities. She agrees with the Foreign Secretary's judgement that settlement of other Middle Eastern issues, including Arab/Israel, will have to have lower priority since the prospects of progress are not at all bright.

Yours sincerely,

Charles Powell

Stephen Wall, Esq.,
Foreign and Commonwealth Office.

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