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PRIME MINISTER
MEETINGS ON THE GULF

You have meetings on the Gulf tomorrow and Thursday. There is quite a full agenda tomorrow: please see inside cover of the folder. The Cabinet Office brief deals extensively with the issues, most of which you are already familiar with.

There is only one issue which I would mention, and which might be considered under discussion of the Current International Situation. That is the position of the Israelis. Although Shamir was quite calm with you, I saw the Israeli Deputy Foreign Minister yesterday and found him distinctly more agitated (he is pretty hawkish at the best of times). He took the line that the US and UK were about to funk dealing properly with Iraq's military capability: and by guaranteeing Iraq would not be attacked if it withdraw from Kuwait, we would in effect be giving Saddam Hussein immunity behind which to develop nuclear weapons with the purpose of destroying Israel. Israel might in such circumstances have to do whatever was necessary to protect its own security.

One has to lay off a bit: he tends to talk for effect. But if Iraq withdraws from Kuwait, I think we have to recognise that the risk of an Israeli pre-emptive attack on Iraq's missiles, chemical weapons, etc. will grow: they will want to do it while the Americans are still in Saudi Arabia, so that they get dragged in too.

What would stop them? Possibly nothing. But the best chance is clear evidence that we intended to take severe action to constrain Iraq in future, and compel it to dismantle at least the most dangerous parts of its arsenal. That would not be at all easy to achieve, even though it would be in the interests of the Gulf States just as much as Israel. We shall need to give some very serious thought to how we might hold the Israelis off: and it is one of the subjects you will need to discuss with the President at Camp David.

C.D.P.

CHARLES POWELL

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