IMMEDIATE SEMIAL No. 7187 261630Z SEP 80 SECRET FROM CABINET OFFICE LONDON TO WHITE HOUSE DEAR MR PRESIDENT 1. I WAS GLAD TO RECEIVE YOUR LETTER OF 24 SEPTEMBER, ADDRESSING A QUESTION THAT HAS INDEED BEEN ON MY MIND THESE PAST FEW DAYS. I ENTIRELY AGREE THAT OUR OVERRIDING OBJECTIVE IS THAT THE FIGHTING SHOULD STOP, AND WE WILL CONTINUE TO DO ANYTHING WE CAN TO HELP. BELIEVE THAT IT WOULD BE USEFUL TO OUR TWO GOVERNMENTS, AND THE FRENCH AND GERMANS AS WELL, TO CONSULT CONFIDENTIALLY ON I BROAD POLITICAL AND INTERNATIONAL IMPLICATIONS OF THIS MATTER, AND THAT THE BEST FORUM FOR THIS IS THE QUADRIPARTITE ONE, AT LEAST AS A FIRST STEP. YOU WILL PROBABLY HAVE HAD AN ACCOUNT OF THE DISCUSSION OF QUADRIPARTITE MACHINERY THAT TOOK PLACE AMONG THE FOUR FOREIGN MINISTERS AT DINNER ON 24 SEPTEMBER. 3. I SHARE YOUR PARTICULAR CONCERN ABOUT THE SAFETY OF SHIPPING IN THE GULF AND THE CONSEQUENCES OF ITS DISRUPTION. WE DO NOT AT THIS MOMENT HAVE ROYAL NAVY SHIPS NEAR THE GULF AND THE EARLIEST DATE BY WHICH ANY COULD REACH THE AREA IS 7 OCTOBER. I HAVE INSTRUCTED THAT TWO SHIPS BE DETACHED IMMEDIATELY FROM A TASK FORCE WHICH IS NOW IN HONG KONG, AND MOVE TO THE AREA. THIS IS THE MAXIMUM THAT WE CAN DEPLOY AT ONCE WITHOUT ATTRACTING PUBLICITY, WHICH WE BELIEVE IT IMPORTANT TO AVOID AT THIS STAGE. WE ALSO HAVE SHIPS IN A TASK FORCE WHICH WILL REACH THE MEDITERRANEAN ON 30 SEPTEMBER. THEY ARE DESTINED FOR AN EXERCISE IN THE EASTERN MEDITERRANEAN BUT COULD BE DIVERTED TO THE GULF IF NECESSARY. THESE AND OTHER DISPOSITIONS CAN BE DISCUSSED IN THE NAVAL STAFF TALKS ABOUT WHICH YOUR DEFENCE PEOPLE ARE ALREADY IN TOUCH WITH OURS. IN MY VIEW IT WOULD BE PEOPLE ARE ALREADY IN TOUCH WITH OURS. IN MY VIEW IT WOULD BE USEFUL FOR THE FRENCH, WHO ALREADY HAVE A SIGNIFICANT NAVAL FORCE IN THE AREA, TO JOIN THESE TALKS FROM THE OUTSET. 4. I AGREE ALSO WITH YOU THAT THERE IS AN URGENT NEED TO REASSURE SHIPPERS AND INSURERS, AND TO LIMIT THE IMPACT OF THE IRAN/IRAQ HOSTILITIES ON THE PRICE OF OIL AND INSURANCE RATES. IT WOULD INDEED BE USEFUL FOR OUR OFFICIALS - AND THOSE OF OTHER NATIONS
PRINCIPALLY CONCERNED - TO MEET TO TAKE STOCK OF THE PROBLEMS FOR
SHIPPING AND TO CONSIDER POSSIBLE SOLUTIONS, ALTHOUGH WE SHALL
HAVE TO BEAR IN MIND THAT SHIPPING INSURANCE RATES ARE THE RESULT
OF MARKET DECISIONS OVER WHICH OUR GOVERNMENTS HAVE LITTLE DIRECT
INFLUENCE. MY OFFICIALS COULD ATTEND A MEETING IN WASHINGTON IN THE NEAR FUTURE. 5. I SHARE YOUR ASSESSMENT THAT THE CONFLICT BETWEEN IRAN AND IRAQ IS DANGEROUS FOR US ALL, WITH MANY POTENTIAL RISKS BOTH FOR OTHER STATES IN THE AREA AND FOR OIL CONSUMING COUNTRIES. NEVERTHELESS, AS YOU HAVE SAID IN YOUR STATEMENT OF 24 SEPTEMBER, BY GOOD FORTUNE AND GOOD MANAGEMENT WE HAVE AMPLE STOCKS OF OIL AND THIS DOES GIVE US SOME ROOM FOR MANOEUVRE. I THINK IT IS IMPORTANT THAT IN ANYTHING WE DO WE CARRY WITH US THE GOVERNMENTS OF THE REGISTRANCE OF THE POSSIBILITY OF OBTAINING SOME FORM OF U.N. COVER FOR ANY ACTION THAT WE MAY UNDERTAKE. 6. FINALLY, LIKE YOU, I AM VERY CONSCIOUS OF THE NEED TO AVOID SETTING AT RISK THE LIVES OF AMERICAN HOSTAGES, AND INDEED OF OUR OWN CITIZENS IN IRAN, PARTICULARLY THOSE IN DETENTION. THIS MUST BE CONTINUALLY IN OUR MINDS AS OUR CONSULTATIONS GO FORWARD. MNNN