We have recently received additional information confirming Iraqi use of chemical weapons. We also know that Iraq has acquired a CW production capability, primarily from Western firms, including possibly a U.S. foreign subsidiary. In keeping with our policy of seeking to halt CW use wherever it occurs, we are considering the most effective means to halt Iraqi CW use including, as a first step, a direct approach to Iraq. This would be consistent with the way we handled the initial CW use information from Southeast Asia and Afghanistan, i.e., private demarches to the Lao, Vietnamese and Soviets.

As you are aware, presently Iraq is at a disadvantage in its war of attrition with Iran. After a recent SIG meeting on the war, a discussion paper was sent to the White House for an NSC meeting (possibly Wednesday or Thursday this week), a section of which outlines a number of measures we might take to assist Iraq. At our suggestion, the issue of Iraqi CW use will be added to the agenda for this meeting.

If the NSC decides measures are to be undertaken to assist Iraq, our best present chance of influencing cessation of CW use may be in the context of informing Iran of these measures. It is important, however, that we approach Iraq very soon in order to maintain the credibility of U.S. policy on CW, as well as to reduce or halt what now appears to be Iraq's almost daily use of CW.