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FOLLOWING REPEAT SENT INFO ALL NATO CAPITALS CAIRO FRANKFURT EUROPEAN POLAD COLLECTIVE APRIL 3
QUOTE:
C O N F I D E N T I A L STATE 094420

FOLLOWING REPEAT SENT ACTION JAKARTA APRIL 3
QUOTE:
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FOR AMB FAIRBANKS
FOLLOWING REPEAT SENT ACTION USUN NEW YORK INFO BAGHDAD CANBERRA TEL AVIV JERUSALEM JEDDAH KHARTOUM MUSCAT STRASBOURG AMBASSADOR COUNCIL CAPITALS MARCH 30
QUOTE:
C O N F I D E N T I A L STATE 094420

E.O.: 12356 DECL QADR
TAGS: PREL PARR UNSEC IR 17
SUBJECT: CHEMICAL WEAPONS MEETING WITH IRAQI CHARGE

REF: STATE 91994
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1. CONFIDENTIAL ENTIRE TEXT

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2. (SUMMARY) IRAQI CC' KIZAR HAMDOON CALLED ON L.EA. DAS PLACKE MARCH 29 TO PRESENT IRAQI VIEWS ON UNSC CONSIDERATION OF CW USE IN IRAN-IRAQ WAR. HE SAID IRAQ WOULD PREFER UNSC PRESIDENTIAL STATEMENT TO RESOLUTION AND LISTED THREE ELEMENTS IT SHOULD CONTAIN. PLACKE SAID USG COULD ACCEPT IRAQI ELEMENTS AND PRESIDENTIAL STATEMENT IF THAT WAS CONSENSUS OF UNSC. PLACKE INFORMED HAMDOON THAT ON MARCH 30 USG WOULD IMPLEMENT LICENSING REQUIREMENTS ON EXPORTS TO BOTH IRAN AND IRAQ OF FIVE CHEMICALS THAT COULD BE USED IN CW PRODUCTION. (END SUMMARY.)

3. UNSC DRAFT RES ON CW: HAMDOON EXPRESSED STRONG IRAQI PREFERENCE FOR STATEMENT BY PRESIDENT OF SECURITY COUNCIL RATHER THAN UNSC RESOLUTION. IRAQIS BELIEVED THAT RESOLUTION WOULD BE SUBJECT TO MANY COMPROMISES AND WOULD CAUSE "BALOO" ABOUT CW ISSUE, WHILE PRESIDENTIAL STATEMENT COULD BE CLEARLY DRAFTED AND COULD INCLUDE CW AS ONE OF THREE OR FOUR ELEMENTS. IRAQ BELIEVED PRESIDENTIAL STATEMENT SHOULD INCLUDE: 1) MENTION OF FORMER UNSC RESOLUTIONS ON THE WAR, INCLUDING RES 540; 2) STRONG CALL FOR PROGRESS TOWARD ENDING WAR THROUGH CEASEFIRE OR NEGOTIATIONS; 3) REFERENCE TO CW WITHOUT MENTIONING ANY SPECIFIC COUNTRY. ON LATTER POINT, HAMDOON REFERRED TO REPORT OF UN MISSION TO IRAQ AS PRECEDENT IN NOT MENTIONING IRAQ. HAMDOON SAID STATEMENT SHOULD TREAT CW AS "UNQUALIFIED ISSUE" AND MAKE GENERAL POINT OF ATTEMPTING TO STOP SPREAD OF CW USE. IRAQ WOULD NOT BE HELD RESPONSIBLE FOR CONTINUING THE WAR OR SPECIFICALLY BLAMED. HAMDOON COMMENTED THAT IRAQ FELT CONFIDENTIAL CONFIDENTIAL

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THIS APPROACH WAS NOT FAR FROM PRESENT UNSC EFFORTS.

4. PLACKE EMPHASIZED FIRM USG OPPOSITION TO USE OF CW. HOWEVER, WE AGREED ON DESIRABILITY OF CONTINUING TO CALL WORLD ATTENTION TO TRAGEDY OF THE WAR AND WOULD SUPPORT DUTCH DRAFT, INCLUDING THREE POINTS MADE BY IRAQ. USG WOULD LIKE TO SEE SOMETHING CONSTRUCTIVE COME OUT OF THIS UNSC EFFORT; IF CONSENSUS DEVELOPED IN FAVOR OF PRESIDENTIAL STATEMENT, WE COULD ACCEPT IT AS WELL. OUR VIEW IS THAT IT IS IMPORTANT TO TAKE A POSITION ON FINDINGS OF MISSION IN IRAQ. SINCE THE EXPERTS DID NOT
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TAKE A POSITION ON SOURCE, WE WOULD NOT PRESS FOR THAT.

5.HAMDOON CLAIMED THAT IRANIANS WERE UPSET ABOUT ENVIRO\NMENT AT UN AND FELT THAT ALL THE FORCES IN THE WORLD WOULD LIKE TO SEE IRAN DEFEATED. IT WAS THEIR PURPOSE TO PUNISH IRAQ AND NOT TO TALK OF CEASEFIRE OR NEGOTIATIONS. PLACKE SAID IRAN SHOULD TAKE SOME SATISFACTION FROM THE FACT THAT ITS COMPLAINT WAS ACKNOWLEDGED AND THAT INTERNATIONALLY-RECOGNIZED EXPERTS HAD PRODUCED RESPECTABLE FINDINGS. HAMDOON FELT IRANIANS WOULD NOT BE SATISFIED WITH ANYTHING BUT MILITARY VICTORY. PLACKE COMMENTED THAT THIS WOULD NOT PRODUCE VICTORY FOR ANYONE -- ONLY SUFFERING.

6. U.S. CHEMICAL LICENSING REQUIREMENTS: PLACKE DELIVERED U.S. POSITION ALONG LINES OF KEFTEL. HE INFORMED HAMDOON THAT ON MARCH 30 USG WOULD BE IMPLEMENTING LICENSING REQUIREMENTS ON CERTAIN CATEGORIES OF CHEMICALS FOR EXPORTS TO BOTH IRAN AND IRAQ. THE REQUIREMENTS WOULD BE PUBLISHED IN FEDERAL REGISTER ON APRIL 2. THESE WOULD COVER FIVE CHEMICAL COMPOUNDS WE HAVE DEFINED AS THOSE MOST LIKELY TO BE USED IN PRODUCTION OF CW, PARTICULARLY NERVE GAS. WE ABSOLUTELY RESIST BEING SOURCE OF SUPPLY FOR ANYTHING THAT COULD CONTRIBUTE TO PRODUCTION OF CW. PLACKE MENTIONED TWO CONFIDENTIAL CONFIDENTIAL

INSTANCES IN WHICH IRAQI SHIPPING AGENTS HAD SOUGHT TO PURCHASE SUCH CHEMICALS AND WE HAD STOPPED THE SALE. PROCEDURALLY, THE FIVE CHEMICALS WOULD BE REMOVED FROM NO-CONTROL CATEGORY AND PUT UNDER LICENSING REQUIREMENTS FOR BOTH IRAN AND IRAQ. PLACKE NOTED THAT SAME INFORMATION SHOULD ALREADY HAVE BEEN COMMUNICATED TO IRAQI MFA.

7. WE WOULD ASK GOI'S COOPERATION, PLACKE CONTINUED, IN AVOIDING SITUATIONS THAT WOULD LEAD TO DIFFICULT AND POSSIBLY EMBARRASSING SITUATION. WE WILL NOT LICENSE CHEMICALS TO EITHER BELLIGERENT AND BELIEVE IT IS IN BEST INTERESTS OF BOTH USG AND GOI IF IRAQ MAKES NO FURTHER EFFORTS TO PURCHASE THESE CHEMICALS. WE DO NOT WANT THIS ISSUE TO DOMINATE OUR BILATERAL RELATIONSHIP NOR TO DETRACT FROM OUR COMMON INTEREST TO SEE WAR BROUGHT TO EARLY END. PLACKE HOPE HAMDOON WOULD RECOMMEND THAT GOI

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TAKE ACTION ON THESE REQUIREMENTS, SO THAT NO FURTHER CONSIDERATION WOULD BE NEEDED. HAMDOON RESPONDED THAT HE WAS NOT INFORMED ABOUT ANY CHEMICALS PROVIDED BY U.S., BUT BELIEVED IT WAS IN GOI'S INTEREST TO CONSULT TO COOPERATE ON CHEMICALS, ESPECIALLY SINCE IRANIANS HAVE SAID THEY WILL PRODUCE CHEMICAL WEAPONS. PLACKE SAID WE HAVE NOTED IRANIAN STATEMENT AND REITERATED THAT WE WOULD NOT SELL CHEMICALS TO EITHER SIDE.

8. VISIT OF TARIQ AZIZ TO WASHINGTON: IN BRIEF DISCUSSION ON MEETING BETWEEN IRAQI FONMIN TARIQ AZIZ AND AMB. RUMSFELD, PLACKE COMMENTED THAT WE UNDERSTAND POINT MADE BY AZIZ THAT WITHIN CONTEXT OF THE WAR IT WOULD NOT BE APPROPRIATE FOR HIM TO VISIT WASHINGTON UNLESS THERE WERE SOME SPECIFIC MATTER TO BE DEALT WITH THAT WOULD PROVIDE APPROPRIATE JUSTIFICATION. IT WAS OUR INTENTION CONFIDENTIAL CONFIDENTIAL.

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TO UNDERSCORE OUR PARTICULAR INTEREST IN DEVELOPING THE RELATIONSHIP WITH IRAQ, BUT WE HAVE NO SPECIFIC MATTER TO DISCUSS AT THE PRESENT TIME.

9. IRAQI PIPELINE: PLACKE SAID USG HAS JUST MET WITH BECHTEL FOR PRELIMINARY ASSESSMENT OF PROJECT; WE WOULD PROCEED TO SEEK ARRANGEMENTS THAT WOULD MEET IRAQI REQUIREMENTS. ON FINANCING, USG IS LIMITED TO EXPORT FINANCING THROUGH EX-IM BANK, HOWEVER, WE UNDERSTAND BECHTEL HAS SOME IDEAS ON ARRANGING FINANCING, ASSUMING THAT GOI IS PREPARED TO OFFER GUARANTEES. FOR OUR PART, WE WILL ENSURE EX-IM BANK UNDERSTANDS IMPORTANCE USG ATTACHES TO THIS PROJECT AND EXPLORE OTHER POSSIBILITIES. IN LIGHT OF TARIQ AZIZ' COMMENTS WE WILL HAVE TO WORK FURTHER ON THE SECURITY ASPECT WITH ISRAEL, CONSIDERING PROXIMITY OF PROPOSED TERMINAL TO THAT COUNTRY. HAMDOON STRESSED IMPORTANCE OF OUR DISCERNING ISSUE WITH AMB. RUMSFELD IN VIEW OF RUMSFELD'S TALKS IN BAGHDAD. PLACKE SAID HE UNDERSTOOD BECHTEL WOULD BRIEF EX-IM BANK, BUT DID NOT YET HAVE ENOUGH INFORMATION TO APPLY FOR EXPORT CREDIT. WE ARE FOLLOWING UP WITH EX-IM ON REGULAR BASIS. AS TARIQ AZIZ HAD NOTED, MAJOR PROBLEMS ARE FINANCING AND THIRD PARTY GUARANTEES. SHULTZ UNQUOTE SHULTZ UNQUOTE SHULTZ

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