Frank opened the discussion by reviewing the shopping list of possible U.S. actions which Dick Murphy had brought over last evening. He said Dennis Ross would be coordinating with Rich Vermage so Frank could brief the President today.

"Cap felt it clearly was time to drop any pretense of even-handedness. We should no longer talk about ending the war "with no winners or losers." Iran is the aggressor in this case, and we should not only be supportive of Iraq, but should be seen to be supportive. This is an opportunity to recoup some of our standing in the region and regain credibility with the Arab states, with regard to accelerating arrival of the CVBG in the IC. Cap pointed out that if we are going to do it, we should take action now, since it will take a while for the battle group to transit. Defense would not want to put the carrier into the Persian Gulf, but having it on station in the Northern Arabian Sea made sense.

discussion of the FY93 debt restructuring issue. The problem is basically a political one, Frank observed. If we provide relief for Egypt and others, our domestic program constituencies will be up in arms, and the heat from the Hill will be intense. Cap commented that there were sound national security reasons from trying to provide Egypt some debt relief. "Egypt is critical to the Middle East process; and in a contingency, we could well require Egyptian cooperation in the matter of bases, or other support. Cap said he intended to raise the FY93 issue with the President, and urge him to direct Baker to be more forthcoming. Even if domestic pressures preclude the doing any more, it would be useful for the administration to be seen (by the Egyptians) as at least attempting to provide greater relief. Frank asked me to obtain talking points for the President to use with Cap. I passed the requirement to Steve Farrar who has provided them to Bob Pearson.) Discussion then returned to the issue of Murphy's shopping list. Frank continued to go through the items, and Cap was generally supportive and reiterated his view that we should not only take action to assist Iraq but ensure that the assistance is visible.

The Iraqis' problem is not lack of weapons, but one of leadership and morale. We need to stiffen them up some way. Frank observed that if we are looking for a symbolic gesture, the sending of a team to discuss their needs with the Iraqis might be a good approach. Cap agreed, and the discussion ended on that note.