No Objection to Declassification in Full 2013/08/07: LOC-HAK-17-5-31-3 3338 0

THE WHITE HOUSE

WASHINGTON

CONFIDENTIAL

October 16, 1971

MEMORANDUM FOR

THE SECRETARY OF STATE

SUBJECT:

Diplomatic Relations in the Persian Gulf

In response to the two memos of October 5 -- "Diplomatic Relations with the Trucial States Federation" and "Diplomatic Relations with Oman" -- from the Acting Secretary, the President has:

- 1. Approved in principle at the appropriate time the recognition of the Trucial States Federation and the establishment of diplomatic relations by accrediting our ambassador in Kuwait to the Federation. The exact timing of these steps will be reviewed by the President in light of the circumstances in the Gulf when the Federation becomes formally established as a fully independent entity.
- 2. Authorized (a) informing the Sultan of Oman of U.S. readiness to establish diplomatic relations with the Sultanate and (b) accrediting our ambassador to Kuwait as non-resident Ambassador to Oman.

Henry A. Kissinger

NSS, DOS Reviews Completed.

No Objection to Declassification in Full 2013/08/07: LOC-HAK-17-5-31-3

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

ACTION October 15, 1971

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CONFIDENTIAL

MEMORANDUM FOR GENERAL HAIG

FROM:

Harold H. Saunders

SUBJECT: Approval of US Diplomatic Presence in the Persian Gulf

If the memorandum I sent on our diplomatic representation in the Persian Gulf is approved today as I suggested at staff meeting this morning, the attached could be the vehicle for decision.

As I said at staff meeting, it would be helpful if this could go to State today because our Consul General in Dahran is leaving Sunday to visit the lower Gulf.

Recommendation: That the attached be signed today.

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MEMORANDUM

THE WHITE HOUSE

WASHINGTON

ACTION

October 14, 1971

33369 33380

CONFIDENTIAL

MEMORANDUM FOR DR. KISSINGER

FROM:

Harold H. Saunders

SUBJECT:

US Relations with Remaining Persian Gulf Entities --

The Proposed Federation and Oman

With reference to a US diplomatic presence in the Persian Gulf, we have recognized both <u>Bahrain and Qatar</u> as they became independent this summer and approved the establishment of diplomatic relations, accrediting our Ambassador in Kuwait as non-resident Ambassador.

As the situation on the ground shapes up, two other entities remain to be dealt with: (1) the proposed federation of the seven "Trucial" states [Abu Dhabi, Dubai, Sharjah, Ajman, Umm al-Qaiwain, Fujairah and Ras al-Khaimah (which has demurred for the moment)] and (2) Oman. A map is attached.

<u>Secretary Rogers is now recommending</u> (Tabs A and B to memo for President) that the President approve:

1. Recognition of the proposed federation as it becomes independent and establishment of diplomatic relations with it by accrediting our Ambassador in Kuwait as non-resident Ambassador. The Secretary points out that this would be pursuant to NSDM 92 which approved in principle the establishment of ties with the lower Gulf states. And it corresponds with the situation which has developed on the ground, namely a federation of seven plus two independents. [Tab A to memo for the President.]

Comment: I would approve this in principle so that our man in the Gulf can take a positive stance if the question is raised, but I would require the Department to check back with us on timing. This could become embroiled in a Gulf Islands imbroglio with Iran.

2. Establishment of diplomatic relations with Oman (which the US has recognized since 1833), approving the accreditation of our Ambassador in Kuwait as non-resident Ambassador. Oman, at the entrance to the Gulf, has substantial oil wealth and a larger population than all nine lower states combined. Through the years it has been independent but has maintained a very close relationship with Britain. It has also had substantial problems with local insurrection in its

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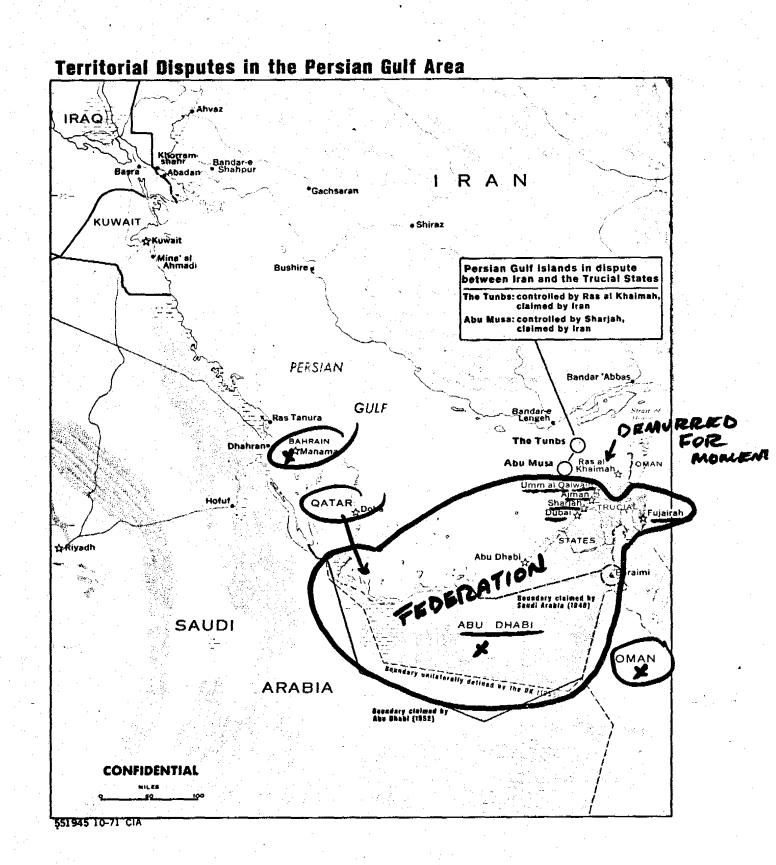
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Dhofar province by radical guerrilla forces supported by Oman's neighbor, radical South Yemen (Aden). The Dhofari rebellion is both a drain on Omani development resources and one of the reasons Oman is looking inward--rather than towards a federation-for the foreseeable future. Nevertheless, since the young Sultan seized power from his father last summer, he has pursued a course of establishing contacts with the outside world. He is in the process of establishing ties with India, Japan and Pakistan, has approached the Soviet Union and has turned to the Arab states and the U.N. The Sultan has now indicated he would welcome a formal indication of US desire to establish diplomatic relations. The Secretary believes that a positive US decision would be compatible with our long-standing friendly relations with Oman and our overall interest in establishing diplomatic ties with the Gulf states. [Tab B to memo for President]

Comment: The only reason for thinking twice about this is Saudi reaction. The Saudis have generally been reserved about the developing entities in the Gulf because of some longstanding tribal or territorial rivalries. However, Oman is a member of both the Arab League and the UN now, and the Saudis seem to accept the fact that we will be expanding our diplomatic presence in the Gulf as the British reduce theirs.

RECOMMENDATION: That you seek the President's approval of these steps via the attached memo. [Since our Consul General is leaving for a trip down the Gulf Sunday approval of the Oman relationship by then would be useful.]

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X-- U.S. missions (tentative)

No Objection to Declassification in Full 2013/08/07 : LOC-HAK-17-5-31-3

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

ACTION

33369 33380

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MEMORANDUM FOR THE PRESIDENT

FROM:

Henry A. Kissinger

SUBJECT:

US Relations with Lower Persian Gulf States

With your approval this summer, the US has recognized the independent states of <u>Bahrain</u> and <u>Qatar</u> in the Persian Gulf and is establishing diplomatic relations with them by accrediting your Ambassador in Kuwait as non-resident Ambassador.

This leaves two entities to be dealt with—the proposed Federation of the seven remaining "Trucial" states and our relations with the tenth state, Oman, which will not be joining any federation for the foreseeable future.

Following a review of our Persian Gulf options last year, you approved in principle the establishment of diplomatic relations with the lower Gulf states. Secretary Rogers is now recommending specifically that you:

- --approve US recognition of the proposed Trucial States Federation when it becomes formally independent and the establishment of diplomatic relations by accrediting our Ambassador in Kuwait as non-resident Ambassador [Tab A];
- --approve informing the Sultan of Oman of the US readiness to establish formal diplomatic relations (the US has recognized Oman since 1833) and accrediting our Ambassador in Kuwait as non-resident Ambassador. [Tab B]

Background: The British have been working at an increasing pace to leave behind an orderly pattern of Gulf state relationships when the formal UK treaties terminate at the end of this year. The pattern that has emerged has become one of (a) two independent states (Bahrain and Qatar), (b) a federation of the remaining seven tiny states and (c) Oman, which has been independent through the years.

--The Federation of seven was considered the most viable alternative to the original scheme for nine as Bahraini and Qatari intentions to go it alone became clearer this year. The Trucial state rulers have issued a declaration of "intent" to form a federation but are momentarily holding up formal announcement pending resolution of the dispute between the Shah and two of the states over three small islands at the

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entrance to the Gulf. The negotiations between the British, Iranians and Arab rulers are, incidentally, in the final stages and will hopefully reach some compromise settlement. The Shah has made clear, however, that he will frustrate the formation of any federation until the issue is settled; hence, formal announcement of a federation is being held in abeyance. The British are moving ahead with plans to transfer powers to a budding federation bureaucracy and hope that the new entity can be formalized by mid-December. Your agreement to extend recognition would permit State to be forthcoming on the question of relations, although the timing would be reviewed when the actual circumstances become clear.

-- Through the years, Oman has maintained a very close relationship with the British and always friendly--if limited =- contacts with the US. At the entrance to the Gulf, Oman has substantial oil wealth and a population larger than all nine lower Gulf states combined. With the general awakening of the Gulf area, the Sultan of Oman (who deposed the near-medieval rulership of his father last summer) has begun to develop contacts with the outside world and is in the process of establishing ties with India, Japan and Pakistan. He has approached the USSR and has engaged Arab government and UN support. Finally, he has expressed the desire to have a formal indication of US interest in establishing diplomatic relations. The Sultan has decided to concentrate on domestic priorities for the foreseeable future rather than linking up with other Gulf states, since he is coping with a longstanding insurrection in his Dhofar province fed by radical forces in neighboring South Yemen. The Secretary believes it would be appropriate to round out our development of a diplomatic presence in the Gulf by offering to have ties with Oman.

RECOMMENDATIONS:

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