

Withdrawal/Redaction Sheet

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DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. cable	re: Omani Bilats: U/S Tarnoff, A/S Pelletreau, and FM Alawi.... (12 pages)	10/28/1995	P1/b(1) KBH 11/6/2025

COLLECTION:

Clinton Presidential Records
NSC Cables
Jan 1995-Dec 1996 ([255311])
OA/Box Number: 510000

FOLDER TITLE:

[10/28/1995]

2021-0139-M

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RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

Cable

PREC: PRIORITY
CLASS: ~~CONFIDENTIAL~~
LINE1: PAACZYUW RUEHCAA5311 3010829-CCCC--RHEHAAA.
LINE2: ZNY CCCCC ZZH
LINE3: P 280818Z OCT 95
LINE4: FM SECSTATE WASHDC
OSRI: RUEHC
DTG: 280818Z OCT 95
ORIG: SECSTATE WASHDC
TO: RUEHMS/AMEMBASSY MUSCAT PRIORITY 7710
INFO: GULF COOPERATION COUNCIL COLLECTIVE PRIORITY
 RUEKJCS/SECDEF PRIORITY 4468
 RUCNDT/USMISSION USUN NEW YORK PRIORITY 2873
 RUEAIIA/CIA WASHDC PRIORITY 3398
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 RUEATRS/TREASURY DEPT PRIORITY 0044
 RUCPDOG/USDOC WASHDC PRIORITY 8379
 RUCJACC/USCINCENT MACDILL AFB FL PRIORITY
 RUETLAA/NSA FT MEADE MD
SUBJ: OMANI BILATS: U/S TARNOFF, A/S PELLETREAU AND FM
 ALAWI DISCUSS BOSNIA, IRAQ, IRAN, PEACE PROCESS, ECONOMIC
 COOPERATION AND REGIONAL SECURITY

DECLASSIFIED
PER E.O. 13526

2021-0139-M (1.01)

KBH 10/3/2024

TEXT: ~~CONFIDENTIAL~~ SECTION 01 OF 07 STATE 255311

E.O. 12356: DECL: 10/06/05
 TAGS: PREL, ETRD, MARR, MU, IZ, IR, BK, IS
 SUBJECT: OMANI BILATS: U/S TARNOFF, A/S PELLETREAU AND FM
 ALAWI DISCUSS BOSNIA, IRAQ, IRAN, PEACE PROCESS, ECONOMIC
 COOPERATION AND REGIONAL SECURITY

1. (S) SUMMARY. THE U.S.-OMAN BILATERALS WERE HELD ON OCTOBER 6. IN THE FIRST SESSION U/S TARNOFF WELCOMED OMANI MINISTER OF STATE FOR FOREIGN AFFAIRS ALAWI, NOTING THE CLOSE RELATIONSHIP BETWEEN THE U.S. AND OMAN. TARNOFF THEN PROVIDED AN UPDATE ON THE SITUATION IN BOSNIA, TO WHICH ALAWI EXPRESSED APPRECIATION FOR THE U.S. ROLE IN THE NEGOTIATIONS. TARNOFF DISCUSSED THE IMPORTANCE OF MAINTAINING IRAQI SANCTIONS, PARTICULARLY IN LIGHT OF THE RECENT REVELATIONS OF IRAQ'S WEAPONS OF MASS DESTRUCTION (WMD) PROGRAM BY HUSSEIN KAMIL. ALAWI NOTED THE GCC'S CONCERN FOR THE FUTURE OF IRAQ AND ITS AFFECT ON SECURITY IN THE REGION.

2. (S) THE SECOND SESSION HAS LED BY NEA A/S PELLETREAU. IO OAS MELINDA KIMBLE OPENED THE SESSION WITH AN OVERVIEW OF UPCOMING ISSUES DURING OMAN'S REMAINING MONTHS ON THE SECURITY COUNCIL. FOLLOWING HER DEPARTURE, PELLETREAU THEN DISCUSSED PEACE PROCESS FOLLOW-UP AND FUTURE INITIATIVES,

POST-CIVIL WAR YEMEN, ECONOMIC COOPERATION FOLLOWING THE CLOSURE OF THE OMANI-AMERICAN JOINT COMMISSION, AND REGIONAL SECURITY. ALAWI PROVIDED BACKGROUND ON OMAN'S DECISION TO OPEN THE TRADE REPRESENTATION OFFICE WITH ISRAEL. HE ALSO DISCUSSED OMAN'S INITIATIVES TOWARDS YEMEN. PELLETREAU AND PM DAS MICHAEL LEMMON BRIEFED ALAWI ON THE PROPOSAL TO TEMPORARILY DEPLOY U.S. AIR FORCE AIRCRAFT TO BAHRAIN. LEMMON ALSO DISCUSSED THE POSSIBILITY OF OMAN ACCEPTING A SANCTIONS BUSTING SHIP UNDER THE MIF. ALAWI NOTED THAT OMAN HAS WILLING TO PROVIDE MILITARY ASSISTANCE AS NECESSARY. END SUMMARY.

3. (C) THE U.S. SIDE INCLUDED U/S TARNOFF, NEA A/S PELLETREAU, NEA DAS ARTHUR HUGHES, IO DAS MELINDA KIMBLE, PM DAS MICHAEL LEMMON, AND NEA/ARP DIRECTOR JOHN CRAIG. ALAWI HAS ACCOMPANIED BY AMBASSADOR ABDULLA AL DHAHAB; SAYYID BADR HAMOUD AL BUSAIDY AND SALIM AL RAWAHI OF THE MFA; AND ALI AL KATHIRY OF THE EMBASSY.

OPENING REMARKS

4. (C) U/S PETER TARNOFF OPENED THE OCTOBER 6 BILATS BY WELCOMING OMANI MINISTER OF STATE FOR FOREIGN AFFAIRS YUSIF BIN ALAWI AND NOTING THE ANNUAL MEETINGS PRESENTED AN OPPORTUNITY TO REINFORCE THE SENSE OF CLOSENESS AND FRIENDSHIP BETWEEN THE TWO COUNTRIES. HE EXPRESSED RELIEF AT THE SULTAN'S RECOVERY FROM HIS INJURIES AND OFFERED CONDOLENCES ON THE DEATH OF QAIS ZAWAWI, WHOM TARNOFF HAD MET IN NOVEMBER 1994. TARNOFF NOTED THE UPCOMING TWENTY-FIFTH ANNIVERSARY OF THE SULTAN'S ACCESSION TO THE THRONE AS AN IMPORTANT AND HISTORIC EVENT FOR OMAN. HE SAID HE HAS PLEASED THAT ALAWI HAD BEEN ABLE TO PARTICIPATE IN THE SIGNING CEREMONY AT THE WHITE HOUSE ON SEPTEMBER 28. TARNOFF MENTIONED /ZNT AS ENCOURAGING FOR CONTINUED PEACE PROCESS EFFORTS.

5. (C) ALAWI EXPRESSED HIS APPRECIATION FOR THE U.S. CONTRIBUTION TO THE BILATERAL RELATIONSHIP AND TO REGIONAL SECURITY AND STABILITY. ACCORDING TO ALAWI, THE SULTAN HAD INSTRUCTED THE MFA TO KEEP THE U.S.-OMAN RELATIONSHIP ON THE RIGHT TRACKS A RESPONSIBILITY ALAWI TOOK SERIOUSLY. ALAWI THEN DISCUSSED THE UPCOMING TWENTY-FIFTH ANNIVERSARY AND OMAN'S HOPES FOR CONTINUED U.S. SUPPORT FOR THE NEXT TWENTY-FIVE YEARS. HE SAID OMAN REALIZED THE IMPORTANCE OF MAINTAINING REGIONAL PEACE AND STABILITY, THE KEY TO WHICH

WAS DEVELOPING GOOD BILATERAL AND MULTILATERAL RELATIONS. ALAWI NOTED THAT REGIONAL STABILITY WAS AN IMPORTANT FACTOR FOR OMAN'S ECONOMIC DEVELOPMENT.

BOSNIA

6. (C) TARNOFF PROVIDED AN UPDATE ON THE SITUATION IN BOSNIA. HE NOTED THE IMPORTANT ROLE THE OIC HAS PLAYED IN

THE PEACE NEGOTIATIONS. TARNOFF SAID THE PARTIES APPEARED
~~C O N F I D E N T I A L~~ SECTION 02 OF 07 STATE 255311

E.O. 12356: DECL: 10/06/05

TAGS: PREL, ETRD, MARR, MU, IZ, IR, BK, IS

SUBJECT: OMANI BILATS: U/S TARNOFF, A/S PELLETTREAU AND FM
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COOPERATION AND REGIONAL SECURI

BETTER DISPOSED TO A PEACEFUL SOLUTION AT THIS TIME, SINCE
THERE WAS RELATIVE PARITY IN TERMS OF TERRITORIAL CONTROL.
HE ADDED THAT ONLY EAST SLOVENIA WAS STILL IN SERB HANDS.
TARNOFF SAID THAT GREATER MILITARY PRESSURE FROM NATO WERE
A RESULT OF THE AIRSTRIKES. THE FRENCH AND BRITISH DID NOT
WANT AN INDEFINITE COMMITMENT TO UNPROFOR. TARNOFF
OUTLINED THE NEXT STEPS IN THE PROCESS, ARRANGING TALKS
AMONG THE THREE SIDES AT A SITE IN THE U.S. FOLLOWED BY A
PEACE CONFERENCE IN PARIS. FOLLOWING SUCCESSFUL RESOLUTION
OF THE INITIAL PHASE, CONTRIBUTIONS OF PERSONNEL AND FUNDS
FOR IMPLEMENTATION OF BOTH THE MILITARY AND CIVILIAN
EFFORTS WOULD BE NEEDED TO ESTABLISH AND MAINTAIN THE
PEACE.

7. (C) ALAWI EXPRESSED OMAN'S APPRECIATION FOR THE U.S.
ROLE IN BOSNIA. HE EXPRESSED CONCERNS ABOUT BOSNIA,
INCLUDING RUSSIAN INVOLVEMENT IN THE PROCESS, SETTLEMENT
OF THE REFUGEE ISSUE, AND THE NEED FOR POPULAR
PARTICIPATION IN DECIDING THE FUTURE LEADERSHIP OF BOSNIA.

8. (C) TARNOFF RESPONDED THAT RESOLUTION OF THE PROBLEM WAS
IMPORTANT TO YELTSIN AND THAT THE RUSSIANS HAD BEEN
SUPPORTIVE OF THE RECENT CONTACT GROUP DECISIONS. THE MAIN
ISSUE WAS THE RUSSIAN ROLE IN IMPLEMENTATION OF THE PEACE
PROCESS, SINCE IT MIGHT BE DIFFICULT FOR THE RUSSIANS TO
WORK WITHIN THE NATO CHAIN OF COMMAND. TARNOFF FELT THERE
WERE OPPORTUNITIES FOR RUSSIAN PARTICIPATION, BUT THE
IMPORTANT FACTOR WAS THE INCLUSION OF THE RUSSIANS IN THE
PROCESS. ON THE REFUGEE ISSUE, TARNOFF ACKNOWLEDGED THAT
WHILE THE THREE SIDES HAD AGREED IN PRINCIPLE TO THE RIGHT
OF RETURN, THE REALITY WAS MUCH MORE COMPLICATED. IT WAS
LIKELY THAT MANY REFUGEES WOULD NEVER RETURN TO THEIR
HOMES. TARNOFF ADDED THAT SOME THOUGHT WAS GIVEN TO A
COMPENSATORY REGIME, WHEREBY REFUGEES WOULD BE OFFERED
PROPERTY REIMBURSEMENT AND FINANCIAL SUBSIDIES TO START A
NEW LIFE. FINALLY, TARNOFF AGREED WITH ALAWI'S ASSERTION
THAT DEMOCRATIC ELECTIONS SHOULD BE HELD AND FELT IT WAS

IMPORTANT TO MONITOR SUCH ELECTIONS, POSSIBLY USING THE
OSCE. TARNOFF NOTED SOME QUESTIONS WOULD HAVE TO BE
RESOLVED PRIOR TO THE ELECTIONS, INCLUDING THE ELIGIBILITY
FOR OFFICE OF INDIVIDUALS WHO HAD BEEN INDICTED AS WAR
CRIMINALS.

IRAQ

9. (C) THE DISCUSSION THEN TURNED TO IRAQ. TARNOFF
EXPRESSED APPRECIATION FOR THE TENOR OF THE GCC FOREIGN

MINISTERS COMMUNIQUE ON IRAQ AND THE NEED TO MAINTAIN SANCTIONS. HE SAID THE SANCTIONS REGIME REMAINED THE BEST VEHICLE TO FORCE IRAQ TO COMPLY WITH THE UNSC RESOLUTIONS. TARNOFF NOTED HUMANITARIAN CONCERN FOR THE IRAQI PEOPLE, BUT ADDED THAT UNSCR 986, WHICH THE U.S. AND OMAN HAD DRAFTED TOGETHER, REMAINED THE APPROPRIATE MECHANISM TO PROVIDE ASSISTANCE TO THE IRAQI PEOPLE. ALTHOUGH SADDAM HAD REJECTED UNSCR 986, IT REMAINED ON THE TABLE.

10. (X) TARNOFF THEN DISCUSSED THE RECENT REVELATIONS OF IRAQ'S BW CAPABILITY FOLLOWING THE DEFECTION OF HUSSEIN KAMIL. THE LATEST INFORMATION CONFIRMED PREVIOUS CONCERNS REGARDING IRAQI COMPLIANCE WITH UNSCOM. A/S PELLETTREAU ADDED THAT HUSSEIN KAMIL'S DEFECTION HAS USEFUL AS AN INFORMATION SOURCE AND IN PROVOKING ADDITIONAL IRAQI REVELATIONS TO EKEUS, HE RODEQ FURTHER THAT THE U.S. DID NOT SEE KAMIL AS HAVING A LARGE ROLE IN THE FUTURE AND DID NOT BELIEVE KAMIL HAS POPULAR WITH THE OTHER OPPOSITION PARTIES IN IRAQ. TARNOFF BRIEFLY NOTED THE ROLE OF JOROAN IN THE DEFECTION AND THE NEED FOR OMAN AND THE GCC TO REINFORCE JORDAN'S POSITION.

11. (X) ALAWI SAID OMAN'S ANALYSIS OF THE IRAQ SITUATION HAS IDENTICAL TO THAT OF THE U.S. HE FELTS HOWEVER, THAT IT HAS TIME TO CONCENTRATE ON THE FUTURE OF IRAQ, AN ITEM WHICH WOULD BE INCLUDED ON THE GCC SUMMIT AGENDA. ALAWI NOTED INTERNATIONAL CONCERN FOR THE SUFFERING OF THE IRAQI PEOPLE, BUT ADDED THAT, SINCE SAODAM DID NOT ACCEPT UNSCR 986, IT HAS TIME TO PUSH AHEAD AND PUT PRESSURE ON THE IRAQI GOVERNMENT. HE DISCUSSED THE POSSIBILITY OF USING THE U.N. HUMAN RIGHTS COMMISSION TO PRESSURE IRAQ, BUT FELT THE PROCESS WOULD TAKE MONTHS OR YEARS BEFORE ANY TANGIBLE RESULTS APPEARED. ALAWI NOTED REGIONAL INTEREST IN IRAQ'S FUTURE AND ITS EFFECT ON THE SECURITY OF THE REGION. HE SAID IT HAS RISKY TO IGNORE THE INTERNAL SITUATION. ALAWI
~~C O N F I D E N T I A L~~ SECTION 03 OF 07 STATE 255311

E.O. 12356: DECL: 10/06/05
TAGS: PREL, ETRD, MARR, MU, IZ, IR, BK, IS
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FEARED THAT INSTABILITY IN IRAQ COULD LEAD TO A SPLINTERING

OF THE COUNTRY AMONG THE THREE MAIN GROUPS (SUNNIS, KURDS, AND SHIFTS), ADMITTEDLY WITH OUTSIDE HELP FROM IRAN AND SYRIA. ALAWI FELT IT WAS IMPORTANT TO CONTINUE THE SANCTIONS REGIME TO ENSURE IRAQ HAD NO CAPABILITY TO POSE A FUTURE THREAT. ALAWI ASKED FOR THE U.S. ASSESSMENT OF THE FUTURE FOR IRAQ.

12. (X) A/S PELLETTREAU ANSWERED ALAWI'S CONCERNS BY NOTING THAT, EXCEPT PERHAPS FOR IRAN, ALL OTHERS AGREED ON THE IMPORTANCE OF MAINTAINING THE UNITY OF IRAQ. PELLETTREAU SAID THE FIRST PRIORITY WAS TO DO SOMETHING ABOUT THE CURRENT REGIME, WHICH WOULD REMAIN A SOURCE OF INSTABILITY, AS EVIDENCED BY ITS WILLINGNESS TO PRODUCE BW AND CW. THE KEY HERE WAS TO MAINTAIN AND POSSIBLY INCREASE THE PRESSURE

OF SANCTIONS. ACCORDING TO PELLETREAU, KING HUSSEIN NOW HAD COME TO THAT CONCLUSION, ALTHOUGH THIS WAS NOT TRUE OF ALL ELEMENTS OF JORDANIAN SOCIETY. PELLETREAU ADDED THAT THE ABILITY TO PRESS SANCTIONS DEPENDED ON HOW FAR JORDAN WAS WILLING TO GO, AND WHAT ECONOMIC ALTERNATIVES JORDAN HAD IN THE REGION. WHILE JORDAN-GCC RELATIONS WERE MOVING TOWARD RECONCILIATION, PELLETREAU URGED THAT THEY MOVE MORE QUICKLY AND WITH MORE ECONOMIC CONTENT.

13. (e) PELLETREAU ADDED THAT ANY CHANGE IN IRAQ WOULD HAVE TO INITIATE FROM INTERNAL ACTION; ONLY THEN COULD OUTSIDERS REACT IN A COORDINATED AND UNIFIED WAY. ANY NEW GOVERNMENT WOULD NEED TO BE RESPONSIVE TO ALL GROUPS IN IRAQI SOCIETY. ONLY WHEN THAT WAS ACHIEVED COULD THE INTERNATIONAL COMMUNITY MOVE TO LIFT SANCTIONS.

14. (e) PELLETREAU INFORMED ALAWI THAT THE LATEST EKEUS REPORT WOULD BE VERY NEGATIVE. EKEUS ALREADY FOUND INCONSISTENCIES BETWEEN THE MOST RECENT INFORMATION AND WHAT THE IRAQIS HAD TOLD HIM EARLIER. PELLETREAU SAID THE MAIN OBJECTIVE WAS TO DESTROY BOTH THE EXISTING BW AND CW, AS WELL AS IRAQ'S ABILITY TO RESTART THOSE PROGRAMS. TARNOFF ADDED THAT EVEN AFTER OMAN FINISHED ITS TERM ON THE U.N. SECURITY COUNCIL, IT WAS IMPORTANT TO MAINTAIN GCC SOLIDARITY ON THE SANCTIONS ISSUE AND TO CONTINUE TO COORDINATE EFFORTS IN THE DIFFERENT CAPITALS.

SECURITY COUNCIL ISSUES

15. (e) A/S ROBERT PELLETREAU OPENED THE SECOND SESSION OF THE BILATS BY INTRODUCING IO DAS MELINDA KIMBLE, WHO DISCUSSED UPCOMING ISSUES DURING OMAN'S REMAINING TENURE ON THE U.N. SECURITY COUNCIL. KIMBLE OFFERED AMB. ALBRIGHT'S CONGRATULATIONS FOR THE GOOD WORK THE OMANI DELEGATION, LEO BY AMB. AL-KHUSSAIBY, HAD DONE WHILE ON THE SECURITY COUNCIL, ESPECIALLY THE COOPERATION ON THE SANCTIONS ISSUE. ON UPCOMING ISSUES, KIMBLE NOTED CONTINUING IRAQI AND LIBYAN SANCTIONS, THE UNRWA MANDATE RENEWAL, THE NEED FOR REFORM OF THE U.N. SYSTEM, THE NEED TO STABILIZE THE SITUATION IN BURUNDI AND RWANDA, AND THE TRANSITION IN HAITI. ALAWI SAID OMAN WOULD CONTINUE TO WORK WITH THE U.S. ON THESE ISSUES. KIMBLE BRIEFLY EXPLAINED THE U.S. BUDGET SITUATION VIS-A-VIS OUR INTERNATIONAL OBLIGATIONS, SAYING IT HAS UNCLEAR IF OUR APPROPRIATION WOULD BE SUFFICIENT TO MEET OUR OBLIGATIONS. ALAWI RESPONDED THAT OMAN ALSO FACED BUDGET SHORTFALLS AND AGREED WITH THE NEED TO PUSH FOR A MORE EFFECTIVE, EFFICIENT U.N. ORGANIZATION. KIMBLE, PELLETREAU, AND ALAWI ALSO DISCUSSED LIBYA'S CANDIDACY FOR A SEAT ON THE SECURITY COUNCIL. ALAWI SAID EGYPT WOULD STEP IN, ALTHOUGH HE DID NOT KNOW WHEN.

PEACE PROCESS

16. (X) PELLETREAU AND ALAWI DISCUSSED CONTINUED OMANI EFFORTS ON THE PEACE PROCESS. PELLETREAU CONGRATULATED ALAWI ON THE RECENT TRAOE AGREEMENT WITH ISRAEL AND HOPED OMAN WOULD TAKE ADVANTAGE OF THE AMMAN SUMMIT BY SENDING A STRONG PRIVATE AND PUBLIC SECTOR DELEGATION. HE COMMENDED OMAN FOR ENDING THE SECONDARY AND TERTIARY ASPECTS OF THE BOYCOTT AND ENCOURAGED OMAN TO TAKE THE NEXT STEP TO END THE PRIMARY BOYCOTT.

17. (X) ALAWI SAID OMAN AND ISRAEL HAD AGREED LAST YEAR TO OPEN TRADE REPRESENTATION OFFICES BUT WERE WAITING FOR THE ~~C O N F I D E N T I A L~~ SECTION 04 OF 07 STATE 255311

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TAGS: PREL, ETRD, MARR, MU, IZ, IR, BK, IS

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RIGHT TIME TO MAKE THE ANNOUNCEMENT. ACCORDING TO ALAWI, THEY DID NOT WANT TO "EMBARRASS" OTHER COUNTRIES. OMAN AND ISRAEL PREVIOUSLY DISCUSSED THE USE OF HONORARY CONSULS AS A COVER, BUT NOW NO LONGER NEEDED TO COVER UP THE RELATIONSHIP. ALAWI ANTICIPATED THAT THE OFFICES WOULD OPEN SOMETIME IN EARLY 1996, BUT THE TIMETABLE AND MODALITIES STILL NEEDED TO BE FINALIZED. ALAWI SAID THAT THE BUSINESS COMMUNITIES IN BOTH COUNTRIES WERE EAGER TO BEGIN TRANSACTIONS AND WERE WAITING FOR THE OFFICIAL APPROVAL TO MEET AND CONDUCT BUSINESS DEALS. ALAWI HOPED THAT OTHERS WOULD BE ENCOURAGED BY OMAN'S ACTIONS. WHEN ASKED HOW THE TRADE OFFICES WOULD BE STAFFED, ALAWI SAID SIMILAR OFFICES BETWEEN OMAN AND SOUTH AFRICA HAD BEEN STAFFED BY CHAMBER OF COMMERCE EMPLOYEES. HE THOUGHT,

HOWEVER, THAT GOVERNMENT EMPLOYEES WOULD BE USED WITH ISRAEL, PERHAPS FROM TRADE DEPARTMENTS. HUGHES SAID IT HAS IMPORTANT THAT THE STAFFS COULD ISSUE VISAS.

YEMEN

18. (X) PELLETREAU THEN MOVED TO YEMEN, NOTING YEMEN'S RAPPROCHEMENT TO THE GCC AND EGYPT. HE SAID THE U.S SUPPORTED YEMENI-SAUDI EFFORTS TO RESOLVE THEIR BORDER PROBLEMS. HE NOTED YEMEN'S POSITIVE MOVES ON TERRORISM, INCLUDING EXPULSION OF CARLOS ASSOCIATE JOHANNES WEINRICH AND ERADICATION OF FOREIGN ELEMENTS AT THE TERRORIST TRAINING CENTER AT DIMAJ. AS A RESULT OF YEMEN'S ACTIONS, THE U.S. APPROVED A COMMERCIAL SALE OF F-5 SPARE PARTS FOR PILOT SAFETY, WHICH OPENED A PREVIOUSLY CLOSED DOOR. PELLETREAU ALSO MENTIONED WE WERE CONSIDERING THE POSSIBILITY OF A U.S. NAVY SHIP VISIT TO ADEN.

19. (X) ON THE YEMENI POLITICAL SITUATION, PELLETREAU SAID THAT ISLAAH HAD MADE GAINS AT THE EXPENSE OF THE YEMEN SOCIALIST PARTY FOLLOWING THE CIVIL WAR, CREATING A POLITICAL VACUUM IN THE SOUTH. WE HAD ENCOURAGED SALEH TO PURSUE NATIONAL RECONCILIATION.

20. (X) ALAWI RESPONDED THAT HIS ANALYSIS OF THE SITUATION IN YEMEN REMAINED THE SAME AS BEFORE, DURING AND AFTER THE WAR. YEMEN FACED A GREAT BURDEN, AS THE EXPECTATIONS OF THE PEOPLE COULD NOT BE MET BY YEMEN'S CURRENT ECONOMIC SITUATION. ALAWI SAID THAT OMAN ENCOURAGED THOSE WHO HAD CROSSED THE BORDER TO RETURN TO YEMEN. THE YEMENI PRIME MINISTER HAD TRAVELED TO OMAN TO WORK OUT AN INFORMAL RECONCILIATION BETWEEN INDIVIDUALS. HOWEVER, BECAUSE OF INHERENT DIFFICULTIES, SOME OBSTACLES WERE BEYOND THE ABILITY OF OMAN AND THE YEMENI PRESIDENT.

21. (X) ALAWI NOTED THAT THE POLITICAL SITUATION IN YEMEN HAS INHIBITING ITS ABILITY TO ATTAIN ECONOMIC GROWTH. PRESIDENT SALEH HAS COMMITTED TO REFORM IN THE POLITICAL ENVIRONMENT, BUT NEEDED TO WORK OUT PROBLEMS BETWEEN THE TRIBES AND THE PARTIES. ACCORDING TO ALAWI, OMAN WOULD CONTINUE ITS CLOSE COOPERATION WITH YEMEN. ALAWI NOTED THAT YEMEN'S POPULATION OF FOURTEEN MILLION REPRESENTED A BIG MARKET. HE ADDED THAT YEMEN DESERVED SUPPORT IN ALL ASPECTS, WHICH WOULD ENCOURAGE ECONOMIC DEVELOPMENT IN THE REGION. OMAN HAD, IN FACT, PROVIDED SOME ASSISTANCE TO YEMEN, INCLUDING REPAIR OF A ROAD BETWEEN SALALAH AND YEMEN

AND BUILDING A GRAIN SILO AT ADEN FOR TRADE IN YEMEN. OMAN HAD EXHAUSTED ITS FUNDS BUDGETTED FOR YEMEN PRIMARILY IN SUPPORT OF REFUGEES DURING THE CIVIL WAR, BUT HOPED TO HAVE MORE IN THE NEXT FIVE YEAR PLAN TO CONTINUE TO ASSIST WITH THE OMAN-YEMEN TRADING RELATIONSHIP. ALAWI ADDED THAT YEMEN NEEDED TO REVIEW ITS CUSTOMS DUTIES, WHICH WERE TOO HIGH. HE ALLEGED THAT EIGHTY PERCENT OF THE MATERIAL INTO YEMEN DID NOT PASS THROUGH CUSTOMS.

22. (X) NEA DAS ARTHUR HUGHES NOTED THAT YEMEN WAS IN A TRANSITIONAL PERIOD. PRESIDENT SALEH WAS TRYING TO BUILD A MULTIPARTY SYSTEM AND MOVE TOWARDS AN ELECTION IN 1997. THE U.S. HAD ENCOURAGED ALL PARTIES AND LEADERS TO REACH AGREEMENT WITH THE IMP. HUGHES ADDED THAT A YEMENI-SAUDI BORDER AGREEMENT WAS FUNDAMENTALLY IMPORTANT TO REGIONAL STABILITY. HE SAID THAT REGIONAL PARTIES SHOULD BE ENCOURAGED TO ENGAGE IN ECONOMIC AND OTHER COOPERATION WITH YEMEN TO AVOID YEMEN SEEKING CLOSER TIES WITH IRON AND SUDAN.

~~C O N F I D E N T I A L~~ SECTION 05 OF 07 STATE 255311

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ECONOMIC COOPERATION

23. (X) PELLETREAU NOTED THAT AT LAST YEAR'S BILATS, THE TWO SIDES DISCUSSED THE NEED TO FIND WAYS FOR OUR ECONOMIC COOPERATION TO EVOLVE FOLLOWING THE CLOSURE OF THE OAJC IN

SEPTEMBER 1996. HE LISTED SOME PROGRAMS WHICH WOULD CONTINUE, INCLUDING VARIOUS USIS PROGRAMS AND TRAINING PROGRAMS THROUGH OTHER GOVERNMENT AGENCIES (FBI, FAR, PEA). HE ASKED FOR ALAWI'S THOUGHTS ON THE POSSIBILITY OF FORMING A U.S.-OMAN BUSINESS COUNCIL TO PROVIDE A FORMAT FOR EXPANDING AND ENHANCING BUSINESS CONTACTS IN THE PRIVATE SECTOR.

24. (X) ALAWI RESPONDED POSITIVELY TO THE SUGGESTION AND APPRECIATED OUR KEEPING THIS MATTER ON THE AGENDA. IN RESPONSE TO THE BUSINESS COUNCIL, ALAWI ASKED IF IT WAS POSSIBLE FOR OMAN TO SEND A DELEGATION OF PRIVATE AND PUBLIC SECTOR OFFICIALS TO THE U.S. HE FELT THAT, BEFORE A DECISION COULD BE MADE ON HOW TO STRUCTURE ANY FOLLOW-ON TO THE OAJC, THE OMANIS SHOULD HAVE AN OPPORTUNITY TO EXPLORE U.S. GOVERNMENT AND PRIVATE SECTOR INSTITUTIONS FOR IDEAS ON THE AVAILABLE TECHNICAL AND ECONOMIC INFORMATION. HE SPECIFICALLY REQUESTED THAT THE OMANI DELEGATION EXPLORE FINANCIAL INSTITUTIONS IN THE U.S. PELLETREAU SAID WE WOULD WELCOME THE OMANI DELEGATION. HE NOTED THAT COMMERCE DEPARTMENT SPECIAL ADVISER JAN KALICKI WOULD BE TRAVELING

TO OMAN AT THE BEGINNING OF NOVEMBER AND WOULD DISCUSS THIS ISSUE IN MORE DETAIL.

REGIONAL SECURITY

25. (X) PELLETREAU EXPRESSED APPRECIATION FOR OMAN'S SUPPORT FOR GULF SECURITY AND STABILITY. HE NOTED THAT U.S. MILITARY EXERCISES IN THE REGION WERE NOT DESIGNED TO HEIGHTEN TENSIONS, BUT THAT IRAQ IN RECENT MONTHS HAD TAKEN A NUMBER OF MEASURES WHICH HAD INCREASED ITS CAPABILITY TO DEPLOY RAPIDLY. THE U.S. HAS CONCERNED BY THESE ACTIONS, ESPECIALLY WHEN COMBINED WITH THE REVELATIONS BY HUSSEIN KAMIL. WE FELT IT PRUDENT TO MAINTAIN OUR ABILITY TO DETER ANY RAPID DEPLOYMENT. PM DAS MICHAEL LEMMON DISCUSSED THE DECISION TO DEPLOY AIR CRAFT TO BAHRAIN TEMPORARILY DURING A GAP IN CARRIER COVERAGE IN THE GULF. LEMMON NOTED THE IMPACT OF BUDGET CONSTRAINTS ON THE OPERATION AND MAINTENANCE OF THE CARRIERS, COMBINED WITH DECREASING PERSONNEL RETENTION RATES AND EXTENSIVE DEMANDS FOR CARRIER COVERAGE WORLDWIDE. ALAWI RESPONDED THAT OMAN UNDERSTOOD THE REASONS BEHIND THE REQUEST FOR THE AIRCRAFT DEPLOYMENT AND THE OMANI MILITARY WOULD GIVE ASSISTANCE AS NECESSARY.

26. (X) PELLETREAU AND LEMMON THEN ASKED ALAWI IF OMAN WOULD CONSIDER ACCEPTING A SANCTIONS BUSTING SHIP INTERCEPTED BY THE MULTINATIONAL INTERCEPTION FORCE. ALAWI SAID OMAN AGREED IN PRINCIPLE TO ACCEPT A SHIP, BUT ADDED THAT WHILE OMAN HAD ANCHORAGE FACILITIES, IT DID NOT HAVE THE FACILITIES NECESSARY TO STORE THE OIL. OMAN WOULD ACCEPT A SHIP IF ARRANGEMENTS COULD BE MADE TO STORE THE OIL ELSEWHERE.

DESALINATION RESEARCH CENTER

27. (C) ALAWI REQUESTED U.S. ASSISTANCE IN ADDRESSING WHAT HE CLAIMED WERE NEGATIVE COMMENTS FROM THE WORLD BANK ON CONTRIBUTIONS TO THE REGIONAL DESALINATION RESEARCH CENTER TO BE LOCATED IN MUSCAT. PELLETTREAU SAID WE WOULD ASSIST AND SUGGESTED SAYYID BADR RAISE THIS ISSUE WITH NEA/PPR OFFICE DIRECTOR RICHARD LEBARON.

I RAN

28. (C) AT THE LUNCHEON HOSTED BY U/S TARNOFF, TARNOFF, PELLETTREAU AND ALAWI DISCUSSED THE SITUATION IN IRAN. TARNOFF SAID THE U.S. CONCERN ABOUT IRAN WAS REAL ENOUGH THAT THE U.S. WAS WILLING TO INCUR COSTS, INCLUDING OUR UNILATERAL DECISION TO ENFORCE SANCTIONS AGAINST IRAN, DESPITE THE FACT THAT OTHERS DID NOT JOIN THE SANCTIONS, IT DID APPEAR TO BE HAVING SOME EFFECT ON IRAN. TARNOFF ALSO NOTED THE EFFECT OF POSSIBLE IRANIAN INFLUENCE IN BOSNIA, ~~C O N F I D E N T I A L~~ SECTION 06 OF 07 STATE 255311

E.O. 12356: DECL: 10/06/05
TAGS: PREL, ETRD, MARR, MU, IZ, IR, BK, IS
SUBJECT: OMANI BILATS: U/S TARNOFF, A/S PELLETTREAU AND FM ALAWI DISCUSS BOSNIA, IRAQ, IRAN, PEACE PROCESS, ECONOMIC COOPERATION AND REGIONAL SECURITY
AND THE GOVERNMENT OF BOSNIA'S AWARENESS THAT INCREASED IRANIAN INFLUENCE COULD AFFECT U.S. SUPPORT. TARNOFF SAID THAT EXPORTS OF TECHNOLOGY TO IRAN, ESPECIALLY FROM NORTH KOREA, WERE A SOURCE OF CONCERN TO THE U.S., AND WE HAD RAISED THIS ISSUE WITH THE NORTH KOREANS. THE SECRETARY OF STATE HAD RAISED THE ISSUE OF TECHNOLOGY TRANSFER WITH THE CHINESE, WHO SUSPENDED AN ARRANGEMENT TO SUPPLY NUCLEAR REACTORS TO IRAN. TARNOFF THEN ASKED ALAWI FOR A READOUT OF HIS RECENT TRIP TO TEHRAN.

29. (C) ALAWI GAVE HIS IMPRESSIONS OF HIS RECENT TRIP TO TEHRAN. HE CLAIMED THE IRANIANS FELT THE EFFECT OF THE SANCTIONS AND WERE STARTING TO SEEK WAYS TO BECOME RESPONSIVE TO THE CONCERNS RAISED BY THE U.S. AND OTHERS. ACCORDING TO ALAWI, IRAN WAS REVISITING THREE ISSUES, THE REFUGEE CASELOAD, WHICH THE IRANIANS WANTED TO CLOSE, THE NEED TO CONDEMN TERRORISM, AND THE NEED TO COOPERATE WITH THEIR NEIGHBORS ON INTERNATIONAL MATTERS. ALAWI FELT THAT IRAN COULD NOT REMAIN ISOLATED AND WANTED TO MAKE THE NECESSARY EFFORTS TO RETURN TO THE INTERNATIONAL COMMUNITY. HE CLAIMED THAT PART OF IRAN'S PROBLEMS STEMMED FROM THE FACT THAT DOMESTIC AGENCIES WERE STILL INVOLVED IN FOREIGN POLICY, A FACT OF WHICH THE IRANIAN LEADERSHIP WAS AWARE.

30. (C) ALAWI THEN REPORTED ON A MEETING BETWEEN THE OMANI MINISTER OF THE INTERIOR AND PRESIDENT RAFSANJANI IN WHICH RAFSANJANI SAID THAT UNDER PRESIDENT BUSH, IRAN HAD HELPED GAIN RELEASE OF THE U.S. PRISONERS IN LEBANON, BUT THE U.S. STILL REFUSED TO RELEASE IRANIAN ASSETS. PELLETTREAU SAID THAT SOME OF THE ASSETS HELD BY THE U.S. WERE IN AN ESCROW

ACCOUNT PENDING RESOLUTION OF OUTSTANDING CLAIMS. RETURN OF ARMS MATERIEL THAT THE U.S. WAS HOLDING WAS TO BE DECIDED IN THE HAGUE TRIBUNAL. ALAWI CLAIMED THAT RAFSANJANI REALIZED IRAN HAD TO ADDRESS ITS POLICY OF OPPOSING THE PEACE PROCESS, BUT HIS PRIVATE VIEWS DID NOT REFLECT HIS PUBLIC PERSONA. ALAWI SAID HE TRIED TO CONVINCED THE IRANIANS THAT THERE WOULD BE NO CHANGE IN THE WESTERN RESPONSE TO IRAN UNTIL IRAN MADE A PUBLIC CHANGE IN ITS POLICIES. ACCORDING TO ALAWI, IRAN WAS MUCH MORE

PREPARED NOW TO TAKE POSITIVE STEPS TO RETURN TO THE INTERNATIONAL SPHERE THAN IT HAS A YEAR AGO. ALAWI ATTRIBUTED PART OF THIS WILLINGNESS TO THE FACT THAT THE PEACE PROCESS HAS CONTINUING AND GAINING MOMENTUM. TARNOFF ADDED THAT IRAN WOULD NEED TO SHOW THAT IT HAS NO LONGER PROVIDING SUPPORT TO GROUPS OPPOSED TO THE PEACE PROCESS. ON A SIDE NOTE, ALAWI SAID THAT RAFSANJANI HAS CONSIDERING AMENDING THE CONSTITUTION, IF HE COULD DO SO, SO HE COULD RUN FOR ANOTHER TERM. IF NOT, ALAWI SAID IT HAS UNCLEAR WHO WOULD SUCCEED HIM, PROBABLY THE SPEAKER OF THE PARLIAMENT, BUT THAT RAFSANJANI WOULD SUPPORT WHOEVER HIS SUCCESSOR HAS. ALAWI ALSO BELIEVED THAT RAFSANJANI COULD EASILY ELIMINATE ALL RADICAL ELEMENTS IN IRAN IF HE WANTED.

31. (C) THE DISCUSSION THEN TURNED TO IRON'S NUCLEAR PROGRAM AND ITS ATTEMPT TO BUY TRAINING AND TECHNOLOGY FROM THE RUSSIANS TO ESTABLISH A LIGHT WATER NUCLEAR POWER PLANT. ALAWI SAID IT HAS UNCLEAR IF THE IRANIANS HAD THE ABILITY TO PAY THE RUSSIANS. TARNOFF NOTED THAT THE U.S. HAS CONCERNED ABOUT THE TRAINING COMPONENT OF THE PROGRAM, SINCE IT COULD LEAD TO IRANIAN CAPABILITY TO MANUFACTURE NUCLEAR WEAPONS.

32. (C) ALAWI OPENED THE ISSUE OF THE IRAN-UAE BORDER DISPUTE. HE SAID THE IRANIANS WANTED TO SIT DOWN AND DISCUSS THE ISSUE WITHOUT MAKING A COMMITMENT WHILE THE UAE HAS USING PRESSURE AND THREATENING TO GO TO INTERNATIONAL ORGANIZATIONS TO RESOLVE THE ISSUE. IRAN DID NOT ACCEPT THE UAE PROPOSAL TO TAKE THE ISSUE TO ANY COURT.

NON-PROLIFERATION TREATY

33. (C) ON OMAN ACCESSION TO THE NPT, ALAWI SAID THE MFA HAD BEEN TRYING TO CONVINCED THE CABINET OF THE NEED TO ADHERE TO THE NPT. ALAWI THOUGHT ACCESSION HAS GOING TO BE ON THE OMANI CABINET AGENDA, BUT HE DID NOT HAVE THE LATEST UPDATE SINCE HE HAD BEEN TRAVELING.

GCC CHAIR

34. (C) ALAWI DISCUSSED ITEMS WHICH HE THOUGHT WOULD BE
~~C O N F I D E N T I A L~~ SECTION 07 OF 07 STATE 255311

E.O. 12356: DECL: 10/06/05

TAGS: PREL, ETRD, MARR, MU, IZ, IR, BK, IS
 SUBJECT: OMANI BILATS: U/S TARNOFF, A/S PELLETREAU AND FM
 ALAWI DISCUSS BOSNIA, IRAQ, IRAN, PEACE PROCESS, ECONOMIC
 COOPERATION AND REGIONAL SECURITY
 INCLUDED ON THE GCC AGENDA. THESE INCLUDED THE BAHRAIN-
 QATAR AND QATAR-SAUDI BORDER DISPUTES, AND PEACE PROCESS
 AND BEYOND IN THE GCC CONTEXT. HE FELT THERE HAS A

STRONGER POSSIBILITY FOR AGREEMENT IN THE QATAR-SAUDI
 DISPUTE. ALAWI SAID THE HAWAR ISLAND DISPUTE WOULD BE
 MORE DIFFICULT TO RESOLVE. ON THE INTERNAL SITUATION IN
 BAHRAIN, ALAWI SAID THE COB MADE SOME MISTAKES BY EXILING
 SOME OF THE DISSIDENT LEADERS TO EUROPE. HE FELT THE MEDIA
 HAD INFLATED THE SITUATION IN BAHRAIN.

35. (C) PELLETREAU SAID THE MOST POSITIVE INDICATION FOR
 THE PEACE PROCESS WAS THE ATTENDANCE BY ALL SIX GCC MEMBERS
 AT THE SIGNING CEREMONY. HE SAID THERE WAS AN EMERGING
 COALESCENCE OF COOPERATION TO SERVE THE PEOPLE IN THE
 REGION AND NOTED THE GREAT STRIPES IN OVERCOMING A HALF
 CENTURY 1 BRIEF ONE-ON-ONE MEETING, A/S PELLETREAU TOLD
 ALAWI OF THE PROBLEMS WHICH WOULD RESULT FROM CONTINUED
 OMANI INSISTENCE THAT THE U.S. VACATE THE SEEB NORTH
 MILITARY PREPOSITIONING SITE AT MUSCAT. ALAWI RESPONDED
 ONLY THAT THE DECISION IN PRINCIPLE WOULD STAND BUT WITH
 SOME FLEXIBILITY. HE INDICATED SPECIAL CONCERN ABOUT THE
 MUNITIONS.

37. COMMENT. THE BILATS WENT VERY SMOOTHLY, WITH NO
 CONTENTIOUS ISSUES OR MOMENTS. THE OMANIS WERE CONTENT
 WITH OUR AGENDA; ALTHOUGH GIVEN AMPLE OPPORTUNITY THEY DID
 NOT SUGGEST ANY AGENDA ITEMS NOR PROVIDE AN AGENDA OF THEIR
 OWN. ALAWI APPEARED RELAXED AND WILLINGLY ENGAGED IN
 DISCUSSION OF THE ISSUES. HE SEEMED TO BE MOST AT EASE
 DURING THE LUNCHEON, GOING INTO GREAT LENGTH ON HIS
 DISCUSSIONS WITH THE IRANIANS. END COMMENT.

CHRISTOPHER

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