-DECLASSIFIED PA/HO Department of State E.O. 12958, as amended June 21, 2006

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THE SECRETARY OF STATE

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DECLASSIFICATION DATE _

FADRC FOI CASE NO. 5-B

OFFICE

WASHINGTON

RS/R FILES

Attention MRS MULLET

Keep this study together.

December 16, 1971

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THE TAL

MEMORANDUM FOR THE PRESIDENT

Subject: Persian Gulf

The British decision to terminate the protective treaty relationship with the lower Gulf shaykhdoms has now been fully implemented. While the Gulf will continue to present its share of problems, the statesmanship demonstrated to date by the principal parties concerned augurs well for the future evolution of that important region. The independent states of Bahrain, Qatar and the United Arab Emirates have emerged, enjoying United Nations and Arab League membership and the recognition of most countries interested in the area including the United States. Ras al-Khaimah has not yet joined the United Arab Emirates but is likely to do so in the near future.

Successful implementation of the British decision involved dealing with several longstanding and difficult territorial problems: Iran's claim to Bahrain, the dispute between Iran and two Trucial States over three small Gulf islands, and the Saudi boundary dispute with Abu Dhabi. Iran relinquished its claim to Bahrain in the spring of 1970. The dispute over the islands of Tunbs and Abu Musa was resolved as the Trucial States became independent, through

- agreement between Iran and Sharjah with a) respect to the largest island, Abu Musa, and
- Iranian occupation of the sparsely populated b) Tunbs, with the knowledge but not the acquiescence of the Ruler of Ras al-Khaimah.

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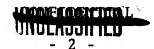
June 21, 2006

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Saudi Arabia is withholding recognition of the United Arab Emirates pending solution of its boundary dispute with Abu Dhabi, but there are indications this problem will be resolved in an atmosphere of friendship.

There has been considerable verbal Arab reaction to the Iranian occupation of the Tunbs. Iraq broke relations with Iran and the United Kingdom over this issue, and the Qadhafi regime used it as a pretext for nationalizing British Petroleum interests in Libya. On balance, however, the transition in the Gulf has taken place in a manner permitting a continuing British role in support of the security of the region and offering reasonably good prospects for the stability of the newly independent political entities.

In these developments we have played a supporting role in close consultation with the British, encouraging their efforts to resolve the problems of withdrawal while urging Iran and the Arab states concerned to approach these problems in a cooperative and flexible As the difficult transitional period in the Gulf ends, Anglo-American cooperation in the area remains unimpaired as do our relations with the littoral We are proceeding to implement your decision to extend our diplomatic representation to the newly independent states. We are also negotiating with Bahrain stationing arrangements to permit the continued presence of the U.S. Navy's Middle East Force in the Persian Gulf and Indian Ocean.

William P. Rogers

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Drafted: NEA/ARP: JWTwinam: sb

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