

Confidential Filing

Visits of King Khalid of Saudi Arabia in June 1987 ~~and~~  
~~Subsequent~~

SAUDI  
ARABIA

S  
807

March 1987

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
<del>3-3-87</del>							
<del>14-4-87</del>							
<del>18-5-87</del>							
<del>10-6-87</del>							
<del>12-6-87</del>							
<del>17-6-87</del>							
<del>24-6-87</del>							
<del>3-8-87</del>							

PREM 19/901

Briefing for mtg — Incorporated  
in folder at review  
attached.



Foreign and Commonwealth Office  
London SW1A 2AH

Telephone 01- 233-3982

UNCLASSIFIED

*Saudi  
Arabia*

Mr M O'D B Alexander *Egy.*

Your reference

10 Downing Street

Our reference

Date 3 August 1981

*Dear Alexander,*

STATE VISIT OF KING KHALED OF SAUDI ARABIA

- / 1. I enclose a reply from King Khaled to the Prime Minister's letter of 16 June.
- / 2. Also enclosed is a translation made by our Embassy in Jedda.

*Yours on  
C M J Segar.*

C M J Segar  
Middle East Department

Foreign and Commonwealth Office  
London SW1A 2AA

Telephone 01-275 3711



4 AUG 1981

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BOX



SUBJECT.

Unofficial translation

**PRIME MINISTER'S  
PERSONAL MESSAGE  
SERIAL No. T 103 A/81**

MA

In the name of Allah the Merciful, the Compassionate

cc. Market set  
ops.

The Rt Hon Mrs Margaret Thatcher  
Prime Minister of the United Kingdom and Northern Ireland

We have received Your Excellency's letter dated 16 June 1981 and thank you for your kind sentiments and the generous warmth we met with from you and from those whom we met during the official visit we paid to your country; and for the wish we perceived for the strengthening of relations and for the understanding of our common causes in particular and international issues in general. We hope that this will increase and strengthen good relations based on mutual respect and shared interests to the good of our two countries and peoples. We wish Your Excellency abundant health and happiness and the British people continued progress and prosperity.

Accept my sincerest respect and regard.

Khaled bin Abdul Aziz Al Saud

Taif, 7 Ramadan 1401  
Corresponding to 8 July 1981

دولة السيده مارجريت تاتشر

رئيسة وزراء المملكة المتحدة وويلندا الشماليه

تلقينا رساله د ولتكم المؤرخه في ١٦ يونيه ١٩٨١م ، شاكرين لكم مشاعركم الطيبه ،  
والحفاوة الكريمه التي لقيناها منكم ، ومن أولئك الذين التقينا بهم خلال الزياره الرسميه  
التي قمنا بها لبلادكم ، وما أدركناه من رغبه في توثيق العلاقات ، وتفهم لقضايانا  
المشتركة بصفه خاصه ، والقضايا الدوليه بصفه عامه ، راجين أن يزيد ذلك  
من تعزيز العلاقات الطيبه القائمه على الاحترام المتبادل والمصالح المشتركه  
لما فيه خير بلدنا وشعبينا ، متمنين لد ولتكم موفور الصحه والسعاده وللشعب  
البريطاني د وام التقدم والأزدهار .

وتقبلوا أخلص التحيه والتقدير .،،،

خالد بن عبدالعزيز آل سعود

الطائف ٧ رمضان ١٤٠١هـ

الموافق ٨ يولييه ١٩٨١م



① Copy to No.10.  
② Secretary of State

Scudi Arabia

Despatch with pm for w/e box  
lm  
29/6

NBS 397/1

Mr Miers  
Mr Moberly  
Sir J Graham  
PS/Mr Hurd  
PS

KING KHALID'S STATE VISIT

1. I submit Sir James Craig's despatch on King Khalid's visit. It was drafted by the Ambassador last week and signed in his absence since he is now in the USA.
2. A copy has been forwarded to Mr Gray in Jedda. I shall copy this submission with a copy of the despatch to Protocol and Conference Department in case they decide to send an advance copy to Buckingham Palace.
3. The despatch has been sent for printing as a Diplomatic Report.

*C M J Segar*

C M J Segar  
Middle East Department

24 June 1981

cc: PS/PUS  
Mr du Boulay, PCD

*J. du Boulay*  
24/6

*J. du Boulay*  
26. vi

Good. All of credit goes to Sir James Craig himself  
who?



who is generous in ~~his~~ thanks to others. I  
like "an albatross at the feast" — surrounded  
on most of these occasions by penguins.

J. W. G. G. G.  
26/G.



*MST*

## THE STATE VISIT OF KING KHALID OF SAUDI ARABIA TO LONDON

## SUMMARY

1. King Khalid visited London from 9 to 12 June 1981. Contrast between the visit now and Saudi resentment a year ago. (Paragraph 1)
2. The visit was highly successful. The King was delighted by the efficient arrangements, the splendid ceremonies and the warm welcome, especially from the public. He found the Guildhall impressive and invited the Lord Mayor to visit him. Some lighter moments. The British press behaved well. (Paragraphs 2-4)
3. The political content was thin, as foreseen, and made more so by the absence of the Foreign Minister. But Prince Sultan had useful talks with Lord Carrington and Mr Nott, and HMG's reaction to the Israeli raid on Baghdad was welcomed. (Paragraph 5)
4. The Ambassador is grateful for the efforts made by everyone to ensure a cordial reception; and for the Saudi party's unusually discreet and flexible behaviour. A year of struggle has ended with success. (Paragraphs 6 and 7)



BRITISH EMBASSY

JEDDA

Ref: 397/1

22 June 1981

The Rt Hon The Lord Carrington KCMG MC  
etc etc

My Lord

## THE STATE VISIT OF KING KHALID OF SAUDI ARABIA TO LONDON

I have the honour to report that His Majesty King Khalid of Saudi Arabia paid a State Visit to London from the 9th to the 12th of June 1981. It was hard to imagine, as the King rode down the Mall in the Irish State Coach between cheering crowds, or circumnavigated the great dining room at the Guildhall, manifestly moved by the applause of 700 guests, that only a year before he had been deeply upset by a British television film, had sent me packing from his Kingdom and had imposed a boycott on British firms. That episode is now happily behind us, and the King's visit was the final seal on a reconciliation which has not only restored our relations but made them probably warmer than ever before.

2. The visit was successful beyond my most optimistic expectations. The King's health is frail and his upbringing insular. I had feared that, tired by the ceremonial and perplexed by foreign ways, he would be something of an albatross at the feast. In the event, though he did grow weary at times and could never be described as merry or even light-hearted, he was far more interested and outgoing than usual. He was impressed by the meticulous organization (and was, astonishingly, always dead on time himself) fascinated and touched by the traditional and resplendent ceremonies and

/genuinely



genuinely delighted by the warmth of the welcome. His younger brother, Prince Sultan, altogether a tougher character, remarked to me that, while the Saudis had always been confident that they would be received by the Royal Family and Her Majesty's Government with great courtesy and kindness, they had been surprised and greatly pleased by the smiles and waves of the British public, who they had been led to believe were quiet and reserved. I was surprised too: perhaps it was the glamour of the Arab robes but it may have been also that something of the King's natural goodness came through. At any rate, in Madrid the next week King Khalid, in a striking gesture, summoned the British Ambassador to confirm his gratification at the cordiality of the reception given to him and to inquire about The Queen's well-being after the incident in the Mall.

3. The King found the ancient dignities of the Guildhall banquet particularly impressive; so much so that, quite impromptu (as the Chief of Royal Protocol assured me) he invited the Lord Mayor to visit Riyadh. The Lord Mayor hopes to take up the invitation before the end of his year in office. The King was also closely interested in his trip to the National Stud. The only difficulties that day lay in establishing the precise direction of Mecca from Newmarket so that the Saudi party could say their prayers, and in translating some of the more technical equine phrases. "Fetlock" and "snaffle" are no doubt words which rise easily to the lips of horsemen; but the King's interpreter did not know what they meant; nor did I know the Arabic for them, even when they had been explained. The presence of the King's adviser on religious affairs among the Saudi party was a curiosity. Presumably the King wished to reassure the Moslem divines, whose influence is important in Saudi Arabia, that

/their



their views would be respected even in partibus infidelibus. The old sheikh had a difficult time, surrounded at most events by a variety of sinfulness: music, elegant women, strong drink and even soldiers in skirts. But in the end even his calvinist lips were broken by the occasional wintry smile.

4. The British press behaved unexpectedly, almost suspiciously well. There were several serious and sensible articles in the weightier papers before the visit began, including one by Mr Heath in the Times which particularly pleased the Saudis. Only one nasty piece of gossip was printed - luckily after the King had left. The press and television in Saudi Arabia gave wide and favourable coverage to the visit and to Britain.

5. It was never intended that there should be a substantial political content to the visit; and the absence of the Foreign Minister, diverted by the consequences of the Israeli raid on Baghdad, meant that there was no-one in the party who could hold serious discussions on international affairs. The King himself is not a politician, and in his talks with the Prime Minister he did not rise above the superficial and platitudinous. But Prince Sultan had useful, if not very weighty, meetings with Your Lordship and with the Secretary of State for Defence, and the Prime Minister's robust condemnation of the Israeli raid was warmly received. In general, the Saudis, as well as being gratified by the cordiality of their reception, were pleased with our political stance on the issues which concern them, though no doubt they will continue to ask for more. You made the point to Prince Sultan that it is time the warmth of our reconciliation was marked by some more tangible success - a large contract or some new field of cooperation, for example. Prince Sultan gave an evasive reply but the message will have gone home.



6. We have much to be grateful for, above all to The Queen and other members of her family for the courtesy and attention which they devoted to an unusual guest; but also to the whole of the Royal Household for their exemplary arrangements. The Saudis were unorthodox visitors, both in quantity and in quality, with their coffee-makers and their incense-burners; and some of their habits and their improvisations must have imposed a strain, even though by the standards of Riyadh they were paragons of restraint and discretion. We should also thank the Prime Minister and members of her Cabinet for giving up their time in order to assure a high level of reception, and many officials of Your Lordship's Department for their preparatory work before the visit and for the admirable corps of interpreters who pleased and impressed those visitors who were monoglot. Not least, I hope we can appreciate the effort made by the Saudis who, despite the remoteness of their history and their culture from our own, adapted themselves to our ways with courtesy and flexibility. On the previous Saudi State Visit in 1967 the late King Faisal walked out of a dinner because of an imagined slight.

7. So ends, in grace and splendour, a year of struggle by both sides to overcome what might have been an absurd disaster, seriously damaging to Britain and to Saudi Arabia alike.

8. I am sending a copy of this despatch to the Chargé d'Affaires at Jedda.

I have the honour to be,

My Lord,

With the utmost truth and regard,

Your Lordship's most humble and  
obedient Servant,

A handwritten signature in dark ink, appearing to be 'J. Craig', with a long horizontal line extending to the right.

for (James Craig)

1209 JUN 1987

10 12 1 2 3 4  
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CONFIDENTIAL

file

10 June 1981

King Khalid

I enclose a copy of the record of the conversation between the Prime Minister and King Khalid of Saudi Arabia which took place here earlier today.

MICHAEL ALEXANDER

Francis Richards, Esq.,  
Foreign and Commonwealth Office

CONFIDENTIAL

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Saudi  
Ordn

GPS 200A

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RESTRICTED

FM MADRID 171033Z JUNE 81

TO PRIORITY FCO

TELEGRAM NUMBER 198 OF 17 JUNE 1981

INFO PRIORITY JEDDA

INFO SAVING PARIS

MT

VISIT BY KING OF SAUDI ARABIA.

AT HIS RECEPTION LAST NIGHT FOR THE DIPLOMATIC CORPS DURING HIS STATE VISIT TO SPAIN, THE KING OF SAUDI ARABIA SINGLED ME OUT FIRST FOR ATTENTION AMONG THE AMBASSADORS PRESENT. HE ASKED ME TO THANK YOU FOR THE ARRANGEMENTS MADE FOR HIS STATE VISIT TO BRITAIN. HE SAID HE HAD GREATLY ENJOYED THE WHOLE PROGRAMME. HE WAS GRATEFUL FOR THE WARM WELCOME GIVEN TO HIM BY THE QUEEN AND MEMBERS OF THE GOVERNMENT AND ALSO APPRECIATED THE FRIENDLY RECEPTION ON THE PART OF THE BRITISH PUBLIC. HE HAD BEEN VISITING THE UNITED KINGDOM FOR MANY YEARS AND THIS HAD COME AS A CULMINATION OF HIS FRIENDSHIP WITH BRITAIN.

2. THE KING ALSO EXPRESSED DEEP CONCERN ABOUT THE INCIDENT WHICH TOOK PLACE NEAR THE QUEEN DURING THE TROOPING OF THE COLOUR. HE ASKED AFTER HER HEALTH AND ALSO ENQUIRED IN DETAIL ABOUT THE INCIDENT ITSELF AND THE ARRANGEMENTS FOR THE QUEEN'S SAFETY. THE KING'S WHOLE MANNER WAS EXTREMELY CORDIAL.

FCO PLEASE PASS SAVING TO PARIS

PARSONS  
STANDARD  
MEL  
SED  
WED  
RID  
MAEI

COPIES SENT TO  
No. 10 DOWNING STREET

[PASSED AS REQUESTED]

RESTRICTED



Saudi  
MORSA

~~SECRET~~

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SUBJECT

cc Master + Op



~~File~~

10 DOWNING STREET

THE PRIME MINISTER

16 June 1981

Your Majesty,

It was a very great pleasure to welcome you here on Wednesday. I found our discussions together in the Cabinet Room and over lunch most rewarding. I know that many others involved in your splendidly successful State Visit were similarly gratified to have had the opportunity of meeting you.

Thank you for a further magnificent gift. I shall value it greatly.

Yours sincerely

Margaret Thatcher

His Majesty King Khalid bin Abdul Aziz bin Abdulrahman  
Al Faisal Al Saud, G.C.B.

*[Handwritten mark]*



*File*

*RH*

*Saudi  
Arabia*

10 DOWNING STREET

THE PRIME MINISTER

12 June 1981

Your Excellency

I would like to thank you most sincerely for the magnificent banquet you gave last night in honour of His Royal Highness King Khalid. It was all beautifully arranged and we both enjoyed it enormously.

It was a wonderfully successful State Visit - we were all delighted.

Yours sincerely

MT

His Excellency Sheikh Nasser H Almanqour

jfh

**CONFIDENTIAL**

**SUBJECT**

ce master

RECORD OF A CONVERSATION BETWEEN THE PRIME MINISTER AND  
KING KHALID OF SAUDI ARABIA AT NO. 10 DOWNING STREET ON  
10 JUNE 1981 AT 1205 HOURS

Present:

Prime Minister	King Khalid of Saudi Arabia
Foreign and Commonwealth Secretary	His Royal Highness Prince Sultan bin Abdul Aziz
Secretary of State for Defence	Dr. Rashad Pharaon
The Hon. Douglas Hurd MP	Sheikh Mohammed Al-Nuwaisser
Sir James Craig	His Excellency Sheikh Nasser Almanqour
Sir John Graham	His Excellency Ambassador Mamoon Qabbani
Mr. M. O'D. B. Alexander	His Excellency Dr. Mizar Madani

\* \* \* \* \*

Arab/Israel Dispute

After an exchange of courtesies, in the course of which King Khalid said that the friendship between Saudi Arabia and the United Kingdom went back more than 70 years, the Prime Minister commented that we lived in particularly troubled times. A serious new problem had arisen following the Israeli attack on the nuclear installation in Iraq. Almost all Governments had condemned the Israeli action in the strongest terms. She herself had done so in the House of Commons the previous day. Virtually the entire House had joined in condemning what was an unprovoked attack. A number of Members of the House had argued that the incident had shown the need for as many Governments as possible to sign the Non Proliferation Treaty. She had pointed out in response that Iraq was already a signatory to the Non Proliferation Treaty and that the Iraqi nuclear installation had been inspected by the International Atomic <sup>Energy</sup> Agency as recently as January.

/ The Prime Minister

**CONFIDENTIAL**

CONFIDENTIAL

- 2 -

The Prime Minister said that of course the country with most influence on Israel was the United States. She had been much encouraged by the robust U.S. condemnation of the Israeli attack. The matter had now been referred to the Senate because of the possibility that Israel had contravened the terms of her defence sales agreement with the United States. King Khalid commented that F 15 and F 16 aircraft had carried out the raid. The air raids had been the result of the growing co-operation between the Gulf States. Israel did not like this and hoped through the attack to pave the way for super-power intervention in the area. The statements of the State Department spokesman in Washington had not been good. The Prime Minister said that it would be very depressing if King Khalid's analysis proved to be accurate. This would be the worst interpretation of what had happened. However, assuming this was the Israeli plan, she doubted whether it would succeed. The United States Government had demonstrated during the Iran/Iraq conflict how anxious they were to contain hostilities. They had made a similar effort to contain the crisis in the Lebanon. It was to be hoped that Mr. Habib would continue to succeed in confining the differences within the negotiating process. King Khalid agreed, but added that the Israelis were so inflexible that it was impossible to deal with them. They were never satisfied with anything.

The Prime Minister said that she was concerned that the result of the Israeli raid might be condemnation but nothing more. She hoped that the attempts to resolve the Arab/Israeli dispute would now take on a new urgency. The British Government intended to do everything possible during their Presidency of the European Community to see that this happened.

Unfortunately there was reason to fear that Mr. Begin might win the forthcoming election in Israel. King Khalid agreed that this seemed to be the case, particularly in the light of the raid. The Prime Minister asked what effect the raid was likely to have on the attitudes of the PLO.

CONFIDENTIAL

/ King Khalid

CONFIDENTIAL

- 3 -

King Khalid said the PLO were liable to escalate their efforts to liberate Palestine. They might well launch new attacks. The Foreign and Commonwealth Secretary said that Israel's action had made the task of finding peace in the area more difficult. It had increased Arab distrust of Israel and this was bound to have a negative effect on the efforts of those who wished to move towards a settlement. King Khalid agreed.

The Foreign and Commonwealth Secretary asked for King Khalid's view on how the Europeans could best carry forward their initiative in the next six months. King Khalid said that the best thing the Europeans could do would be to persuade all parties concerned to attend a conference in Geneva. The Foreign and Commonwealth Secretary asked whether the Soviet Union should attend. King Khalid said that he thought the Soviet Union could play a useful role in Geneva unless there was already a tacit agreement between the United States and the Soviet Union that the problem should not be solved. Perhaps the Europeans could bring pressure to bear on the United States to solve the problem without involving the Soviet Union? The Prime Minister observed that this might be a better approach. There was a need to have matters more fully worked out before going to Geneva. The Europeans would be trying to persuade the United States to influence Israel in the direction of negotiation. A major international conference should only be convened when the parties involved were on the brink of a settlement. King Khalid agreed.

The Foreign and Commonwealth Secretary commented that one excuse given by Israel and by Israel's friends for resisting movement towards negotiation was that the PLO's Covenant envisaged the destruction of Israel. Was there any chance that the PLO would be prepared to offer conditional recognition of Israel's right to exist? King Khalid said that there should be direct negotiations with the PLO aimed at convincing them of the validity of this approach. Although the PLO had observer status at the United Nations, many countries, including some in Europe, refused to talk with the PLO.

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/ The Foreign

CONFIDENTIAL

- 4 -

The Foreign and Commonwealth Secretary asked whether the Saudi Government would be prepared to try to persuade the PLO of the advantages to themselves of action along the lines he had proposed. King Khalid replied that the PLO represented the Palestinians. The Palestinians had a legitimate right to have their territory back. The Saudi Government did not back them because they were Moslems - many of them were Christians - but because they had a just cause and were entitled to a fair solution. The Prime Minister observed that PLO conferences were liable to result in communiques calling for the destruction of Israel. Each time they did so, Israel was able to respond by saying, in effect, "We told you so". King Khalid said that in his view only Palestinian extremists envisaged the destruction of Israel. There were moderates and they should be listened to. Unfortunately the Israelis went on building settlements on the territories they had occupied in 1967. It was not surprising that the Palestinians were obstinate.

The Prime Minister said that the British Government had repeatedly condemned the policy of the Israeli Government on settlements. They recognised the legitimate rights of the Palestinians. She herself had told the Israelis that most Arab States recognised the right of Israel to exist and that therefore the destruction of Israel was not a real issue. Prince Sultan commented that Israel had still not delimited its borders. They claimed the right to further territories, including some in the Arabian Peninsula. It would be helpful if Resolution 242 could be modified so as to recognise the rights of the Palestinians. Action in this direction, which would be consistent with the Venice Declaration, would be welcomed by all Arabs.

/ Afghanistan

CONFIDENTIAL

CONFIDENTIAL

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Afghanistan

The Foreign and Commonwealth Secretary said that, as the Saudi Government was aware, the situation in Afghanistan remained unacceptable. Unfortunately, despite the efforts of the Islamic Conference, of the Non Aligned Movement, and of the United Nations, no progress had been made towards a solution that would enable the Soviet Union to withdraw. The British Government now wished to propose a two-stage conference. The first stage would be attended by the permanent members of the Security Council and some other obvious countries. It would discuss the external aspects of the affair and its international repercussions. It would be followed by a second stage in which the Afghan people and the internal parties would be represented.

This proposal had already been discussed with a number of friendly countries and had been warmly received. It was hoped that it would shortly be endorsed by the other members of the European Community and would become a European initiative. We should then be approaching the Governments of India, of the Soviet Union and of China. None of these Governments were yet aware of the new proposal. We would shortly be spelling out our proposal in more detail to Jedda. It was hoped that the Saudi Government would be able to support the proposal. In the meantime it was important that there should be no publicity about the initiative. King Khalid said that the initiative described by the Foreign and Commonwealth Secretary sounded very promising and useful. During the discussions in Jedda, the British representative would be brought fully up to date with information available to the Saudi Government about the situation in Afghanistan.

The discussion ended at 1250.

*And*

10 June 1981

CONFIDENTIAL

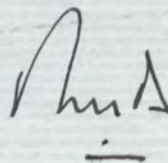
10. R.  
PRIME MINISTER

TALK WITH KING KHALED

As you are aware, King Khaled may not have a great deal to say for himself this morning. You may, I fear, have to make most of the running.

The main points to cover seem to me to be as follows:-

- (a) Arab/Israel: The Israeli attack on the Iraqi nuclear plant underlines the need for progress towards a solution of the dispute. So does the situation in the Lebanon. The UK will try to advance matters during our Presidency of the European Community. But don't expect too much. Increasing likelihood of Mr. Begin's re-election will not help. The need for the Arabs, and in particular the PLO, to show flexibility - despite the obvious difficulties.
- (b) Gulf Co-operation: Welcome further progress. The Co-operation Council has an important role to play.
- (c) Defence Co-operation: Glad to learn of Saudi interest in P110. Would the King like a presentation? Note interest in Nimrod but early delivery would be difficult to arrange. Hope for substantive negotiation soon on extension of air defence project.
- (d) General International Scene: Numerous causes for concern. Situation in Poland giving rise to particular anxiety at present. Need to maintain pressure on the Soviet Union for a solution in Afghanistan: we have ideas.
- (e) International Economic Issues: Welcome Saudi policy on oil prices. Stability essential to chances of improving world economic situation. Looking forward to keeping in touch with Saudi Arabia in the run-up to, and at, the Cancun Summit in October.



10 June 1981



019



Foreign and Commonwealth Office  
London SW1A 2AH

Telephone 01- 233-3982

*Letter submitted  
to R Thatcher.*

*Amel*

M O'D B Alexander Esq  
10 Downing Street

Your reference

Our reference

Date 9 June 1981

~~J 29/6/81~~

*Dear Alexander,*

LETTER FROM KING KHALED TO MR THATCHER

- / 1. I enclose a letter we have just received from our Embassy in Jedda which was passed to them by the Ministry of Foreign Affairs.
- / 2. To save time, I have prepared a translation straightaway, which I also enclose.

*yours ever  
Christopher Segar.*

C M J Segar  
Middle East Department

RECEIVED  
MIDDLE EAST DEPARTMENT  
9 JUN 1981

Foreign and Commonwealth Office  
London SW1A 2AA



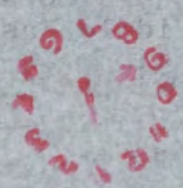
Telephone of

Number of  
Country  
Date

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5 MAR 1961

PRIME MINISTER

Lunch for the HM King Khaled of Saudi Arabia  
Wednesday, 10 June

I attach the list of guests attending the  
lunch tomorrow together with an up-to-date copy  
of the seating plan.

Sue Goodchild

---

9 June 1981

c.c. Mr. Denis Thatcher

REVISED

I: Interpreters

LIST OF GUESTS ATTENDING THE LUNCHEON TO BE GIVEN BY THE PRIME MINISTER AND MR. DENIS THATCHER IN HONOUR OF HIS MAJESTY KING KHALED OF SAUDI ARABIA ON WEDNESDAY, 10 JUNE 1981 AT 1.00 PM FOR 1.15 PM

---

The Prime Minister  
and Mr. Denis Thatcher

I His Majesty King Khaled bin Abdul Aziz bin Abdul Rahman Al Faisal Al Saud  
Saudi Suite

I His Royal Highness Sultan bin Abdul Aziz Minister of Defence and  
Aviation

His Excellency Dr. Rashad Pharaon Private Adviser to the King

I His Excellency Sheikh Mohammed Al-Nuwaisser Chief of the Royal Court

His Excellency the Ambassador of Saudi Arabia  
and Mme Almanqour

His Excellency Sayed Ahmed Abdul Wahab Chief of Royal Protocol

I His Excellency Sheikh Naser Al-Shathri Counsellor in the Royal Court

His Excellency Dr. Fazal Rahman King's Private Physician

I His Excellency General Abdulla Al-Busaili Commander of the Royal Guard

British Suite

The Lord Somerleyton Lord-in-Waiting

Sir James Craig HM Ambassador to Saudi Arabia

Squadron Leader Adam Wise Equerry in Waiting

HM Government

The Rt. Hon. Lord Carrington

The Rt. Hon. John Nott, MP

The Rt. Hon. Patrick Jenkin, MP

The Hon. Douglas Hurd, MP

Labour Party

Mr. Eric Deakins, MP

Secretary, Anglo-Saudi  
Parliamentary Group

Conservative Party

The Rt. Hon. Edward du Cann, MP

The Rt. Hon. Julian Amery, MP

Mr. Dennis Walters, MP

Mr. Alastair Goodlad, MP

Conservative Party (continued)

Mr. Peter Tapsell, MP

Mr. Stephen Hastings, MP

Mr. John Browne, MP

Industry, Trade, and Finance

Sir Frank Taylor	President, Taylor Woodrow
Sir Austin Pearce	Chairman, British Aerospace
The Lord McAlpine of Moffat	Sir Robert McAlpine & Sons
The Rt. Hon. Lord Shackleton	Deputy Chairman, RTZ
Sir John King	Chairman, British Airways
Sir Robert Telford	Managing Director, GEC-Marconi Electronics Ltd.
Mr. Ian MacGregor	Chairman, British Steel
Mr. Robin Leigh-Pemberton	Chairman, National Westminster Bank Ltd.
Mr. Eric Sharp	Chairman, Cable and Wireless
Mr. Nigel Broackes	Chairman, Trafalgar House Ltd.
Mr. C.L. Pollard	Hamard Catering Ltd., Cardiff
Mr. D.J. Pepper	Deputy Chairman, Rolls Royce

Medical

Sir John Charnley operated on His Majesty in 1977

Notable Women

Miss Daphne Park	Principal, Somerville College, Oxford
Mrs. Doreen Ingrams	Writes books on the Middle East

Universities

The Lord Annan	Vice Chancellor, University of London
Professor F.G.T. Holliday	Vice Chancellor, University of Durham
Professor R.B. Serjeant	Sir Thomas Adams's Professor of Arabic, Faculty of Oriental Studies, Cambridge

Journalism

Mr. Charles Douglas-Home	The Times
Mr. Andrew Knight	The Economist
Mr. Geoffrey Owen	Financial Times

Sport

Captain John Macdonald-Buchanan

Senior Steward of The Jockey Club  
who are entertaining the King

Mr. Michael Bramwell

Director, The National Stud

Mr. T.A.M. Jack

President, British Falconers Club

Others

Sir Peter Scott

Artist, Naturalist

Mr. John Burgh

Director General, British Council

Mr. Algernon Asprey

Interior Design and Jewellery

Mr. Robert Gibbons

Fox & Gibbons

Ministry of Defence

General Sir Edwin Bramall

Brigadier P.E. de la C. de la Billiere

Officials

Sir John Graham

Foreign and Commonwealth Office

Sir Antony Acland

Foreign and Commonwealth Office

Sir Donald Maitland

Department of Energy

Sir Frank Cooper

Ministry of Defence

10 Downing Street

Mr. Ian Gow, MP

Mr. Michael Alexander

Mr. Tim Lankester

PRIME MINISTER

SEATING PLAN FOR LUNCH ON 10 JUNE 1981

HIS MAJESTY KING KHALED BIN ABDUL AZIZ  
AL SAUD

HRH Prince Sultan bin Abdul Aziz

MR. DENIS THATCHER

Rt. Hon. Lord Carrington

HE Dr. Rashad Pharaon

HE Sheikh Mohammed Al-Nuwaisser

Rt. Hon. John Nott

Rt. Hon. Patrick Jenkin

HE Sayed Ahmed Abdul Wahab

Rt. Hon. Lord Shackleton

Rt. Hon. Edward du Cann

HE The Ambassador of Saudi Arabia

The Hon. Douglas Hurd

Madame Almanqour

HE Sheikh Naser Al-Shathri

The Lord McAlpine of Moffat

HE General Abdulla Al-Busaili

Sir Frank Taylor

Sir John King

The Lord Somerleyton

Rt. Hon. Julian Amery

The Lord Annan

Sir Frank Cooper

HE Dr. Fazal Rahman

Sir Austin Pearce

Sir Peter Scott

Sir James Craig

Sir John Charnley

General Sir Edwin Bramall

Mr. Nigel Broackles

Professor F.G.T. Holliday

Sir Robert Telford

Mr. Ian MacGregor

Sir Donald Maitland

Miss Daphne Park

Mr. Eric Sharp

Mr. Geoffrey Owen

Mrs. Doreen Ingrams

Sir John Graham

Mr. Robin Leigh-Pemberton

Mr. Algernon Asprey

Professor R.B. Serjeant

Mr. Andrew Knight

Mr. Peter Tapsell

Captain John Macdonald-Buchanan

Mr. Eric Deakins

Mr. Dennis Walters

Sir Antony Acland

Mr. Stephen Hastings

Mr. Charles Douglas-Home

Mr. Michael Bramwell

Mr. D.J. Pepper

Mr. John Burgh

Mr. John Browne

Mr. C.L. Pollard

Mr. Alastair Goodlad

Brigadier P.E. de la C. de la  
Billiere

Mr. Robert Gibbons

Mr. Ian Gow

Mr. T.A.M. Jack

Mr. Michael Alexander Squadron Leader Adam Wise

Mr. Tim Lankester

ENTRANCE



The National Archives

LETTERCODE/SERIES ..... <i>PREM 19</i> .....	Date and sign
PIECE/ITEM ..... <i>901</i> ..... (one piece/item number)	
Extract/Item details:  <i>Draft speech by HM The Queen at State Banquet, 9 June 1981</i>	
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Foreign and Commonwealth Office

London SW1A 2AH

9 June 1981

Dear Michael,

It is just possible that King Khaled will raise the question of PLO observer status at the IMF/IBRD at his talks with the Prime Minister tomorrow.

/ I enclose a short brief.

Yours ever,

(F N Richards)  
Private Secretary

M O'D B Alexander Esq  
10 Downing Street



PRIME MINISTER'S MEETING WITH KING KHALED, 10 JUNE:  
PLO OBSERVER STATUS AT THE IMF/IBRD ANNUAL MEETINGS

*Handwritten initials in red ink, possibly 'G' or 'S'.*

POINTS TO MAKE (Only if raised)

1. PLO important for prospects of Middle East peace settlement. No question of hostility to them. But we have reservations about whether they are appropriate as observers at financial institutions. Should avoid politicising Fund and Bank.
  
2. Welcome Saudi support for IMF and World Bank. US role in these Organisations also essential. Concerned that presence of PLO would prevent US Congress from approving contributions. Failure to replenish IDA would hit directly at LDCs. Must take account of American difficulties if Fund and Bank are to play full role in recycling and in supporting developing countries.
  
3. Our own preference would be for a compromise but recognise the difficulties.



## ESSENTIAL FACTS

1. The Arabs have been trying to obtain observer status for the PLO in the IMF and World Bank since 1979. If they are successful, the US Congress will be loath to vote more funds for IMF or World Bank activities. This would be critical to the future of both institutions. On the other hand, both institutions are looking for help from the OPEC surplus countries of the Gulf. The Saudis have already made a large loan to the IMF (SDR 4 billion a year for two years at least and possibly a third).
  
2. An open row on the subject was averted with difficulty at the 1980 Annual Meetings. The Americans introduced a procedural device to keep the PLO out. But the Arabs were angry, the more so because they thought that the rules of the Fund and the Bank had been manipulated against them. Our aim since then has been to push the Americans to work out a compromise with the Arabs in order to avoid an open row at this year's Annual Meetings.
  
3. The IBRD and IMF Executive Boards meet on 11 and 12 June respectively to discuss a report to the Governors on observers, and the powers of the Chairman of the Annual Meetings. A Governors' resolution of last September commissioned this report as part of the US procedural device last year which froze the list of observers to those invited in 1979. US now propose an indefinite postponement of Executive Board discussion and have strongly urged all Western partners to support them.



4. UK concerned that a clumsy procedural device of this kind will antagonise the Arabs not only in relation to the IMF but more generally. We are not convinced Americans have fully explored possible compromise formulae. We are seeking to persuade them to move more carefully in the Boards and not to abandon search for compromise (see telegram to Washington attached).

5. The Saudis themselves may privately understand the Americans' dilemma but certainly feel obliged to support the PLO in such a dispute. They would regard a public rebuff by the IMF as extremely unwelcome and their co-operation with the Bank and Fund is likely to be affected, at least for some time.

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FM FCO 091715Z JUN 81

TO IMMEDIATE WASHINGTON

TELEGRAM NUMBER 876 OF 9 JUNE

INFO E C POSTS, OTTAWA, CANBERRA, TOKYO, KUWAIT, JEDDA, ABU DHABI,  
TEL AVIV.

YOUR TELNO 1707: PLO OBSERVER STATUS AT IMF AND IBRD ANNUAL  
MEETINGS

1. THE AMERICANS HAVE FOLLOWED UP RASHISH'S APPROACH TO YOU WITH A 'POSITION PAPER' HANDED TO THE LORD PRIVY SEAL BY THE US AMBASSADOR ON 3 JUNE. THEY SENT A FURTHER DEMARCHE ON 6 JUNE GIVING THEIR ACCOUNT OF THEIR LOBBYING EXERCISE AMONG DEVELOPED COUNTRIES.
2. REPLIES TO OUR OWN SOUNDINGS (FCO TELNO 491 TO EC POSTS) INDICATE THAT ONLY THE FRENCH ARE, AT PRESENT, FIRMLY COMMITTED TO THE AMERICAN LINE. MOST OF THE OTHERS ARE UNEASY ABOUT THE PROSPECT OF A FURTHER CONFRONTATION ON THE IMF/PLO ISSUE.
3. WHILE WE SHARE THE AMERICAN OBJECTIVE OF EFFECTIVELY EXCLUDING THE PLO, WE HAVE DOUBTS ABOUT THEIR TACTICS. THEIR CURRENT APPROACH MAKES A HEAD-ON COLLISION INEVITABLE AND MAXIMISES THE REPERCUSSIONS IN THE MIDDLE EAST. FURTHERMORE, IT DOES NOT (NOT) DISPOSE OF THE PROBLEM SINCE IT WOULD BE OPEN TO ANY MEMBER COUNTRY TO RAISE THE ISSUE AGAIN AT THE ANNUAL MEETINGS. (WE ACCEPT THAT, IN SUCH CIRCUMSTANCES, IT WOULD BE THE ARABS WHO WOULD HAVE TO FIND A QUORUM AND A MAJORITY, BUT THEY COULD STILL KEEP THE ISSUE VERY MUCH ALIVE).

4. WE THEREFORE FAVOUR FURTHER EFFORTS TO REACH A COMPROMISE SOLUTION WHICH , AT THE LEAST, WILL SHOW THE MODERATE ARABS THAT AN EFFORT HAS BEEN MADE AND WHICH WOULD, PERHAPS, SOFTEN THE IMPRESSION OF WESTERN COUNTRIES SEEKING TO DOMINATE THE IMF AND IBRD.

5. GRATEFUL, THEREFORE, IF YOU WOULD SPEAK TO THE AMERICANS AT AN APPROPRIATE LEVEL ALONG THE FOLLOWING LINES:

(A) WE FULLY UNDERSTAND THE IMPORTANCE OF THIS PROBLEM IN CONGRESS AND WE HAVE TAKEN NOTE OF THE PRESIDENT'S INTEREST.

(B) WE VERY MUCH SHARE THE AMERICAN OBJECTIVE THAT THE PLO ISSUE SHOULD NOT DISRUPT THE WORK OF THE IMF AND IBRD.

(C) WE ARE, HOWEVER, DOUBTFUL ABOUT THE AMERICAN TACTIC OF FORCING THE ISSUE TO A HEAD THIS WEEK. THIS WOULD MAXIMISE RESENTMENT IN THE MIDDLE EAST AND ELSEWHERE, ESPECIALLY IN THE AFTERMATH OF THE ISRAELI RAID ON IRAQ, AND WOULD NOT SUCCEED IN DISPOSING OF THE PROBLEM.

(D) SOUNDINGS OF OUR WESTERN PARTNERS (COPIED TO YOU) SHOW THAT A NUMBER OF THEM SHARE OUR CONCERN ABOUT THE LIKELY EFFECT OF THE AMERICAN PROPOSALS.

(E) WE SUPPORT EXTENDING THE DEADLINE FOR A REPORT BY THE BOARDS TO THE GOVERNORS BY NOTIFYING THEM THAT CONSULTATIONS ARE CONTINUING. BUT WE BELIEVE THAT THIS SHOULD BE INITIALLY FOR A MONTH OR TWO RATHER THAN SINE DIE AS THE AMERICANS HAVE SUGGESTED.

(F) THIS BREATHING SPACE WOULD ALLOW FURTHER CONSULTATIONS TO SEE WHETHER A SOLUTION ON THE SPECIFIC QUESTION OF PLO COULD BE ACHIEVED. YOU COULD TRY OUT THE SUGGESTION IN PARAGRAPH 6 OF FCO TELNO 491. YOU COULD POINT OUT THAT, EVEN UNDER THE GOVERNORS' RESOLUTIONS OF LAST YEAR FREEZING OBSERVERS, THE PLO WOULD BE ABLE (IF THE ARABS WISHED) TO ATTEND THE MEETINGS AS MEMBERS OF A DELEGATION OF ONE OF THE ARAB ORGANISATIONS INVITED IN 1979, (ASSUMING THAT THESE ORGANISATIONS WERE AGAIN INVITED BY THE URUGUAYAN CHAIRMAN). THERE WOULD THEREFORE BE NOTHING TO LOSE, IN PRACTICE, BY OFFERING THIS TO THE ARABS AS A COMPROMISE. NOR WOULD THIS SUGGESTION INVOLVE OFFERING OFFICIAL STATUS TO THE PLO. WE REALISE THAT SUCH A

SOLUTION WOULD BE LESS THAN IDEAL FOR BOTH AMERICANS AND ARABS.  
BUT IT WOULD SURELY BE PREFERABLE TO A HEAD ON COLLISION.

(G) WE HOPE THAT THE AMERICANS WILL RECONSIDER THIS POSSIBILITY  
VERY CAREFULLY. IF, HOWEVER, THEY COME TO THE CONCLUSION  
THAT THEY CANNOT ACCEPT A FURTHER DELAY FOR THIS PURPOSE  
YOU HAVE DISCRETION TO SAY THAT WE WOULD, WITH SOME  
RELUCTANCE, JOIN THE REST OF THE G10 COUNTRIES IN SUPPORTING  
AN AMERICAN PROPOSAL FOR INDEFINITE POSTPONEMENT.

6. WE WILL SPEAK ON SIMILAR LINES TO THE US EMBASSY HERE.

CARRINGTON

DISTRIBUTION

MONETARY

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M E D

P S/MR HURD

SIR J GRAHAM

MR MOBERLY

MR BRAITHWAITE

COPIES TO:

SIR R ARMSTRONG, CABINET OFFICE.



10 DOWNING STREET

Prime Minister -

*mt*

The Saudis have so far not indicated that they would like to arrange a tête-à-tête to-morrow. We are therefore proceeding on the basis that there will not be one.

There will be no speeches.

As you may have learned earlier in the day, Prince Saud has gone to <sup>a</sup> ~~the~~ Foreign Ministers' meeting in Baghdad - hastily summoned in the aftermath of the Israeli raid we assume.

*mt*



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PM seen  
in mtg folder



Foreign and Commonwealth Office

London SW1A 2AH

9 June 1981

Home Minister

Dear Michael,

Must

New YAR Naval Base

The Prime Minister will wish to know the current position on the YAR naval base in case this is raised by the Saudis during King Khaled's visit. Your letter of 28 April to Brian Norbury refers.

Sir James Craig, who has returned for the visit, has advised that we should not ourselves initiate discussion. The Saudis have got the message that we would welcome their financial involvement and have indicated a readiness to contribute: it would be better not to press further at this stage - particularly since the YAR government have still not made any formal approach to Saudi Arabia or the UAE.

President Saleh has confirmed that the new base is to be built at Al Jabanah, to the north of the existing facilities at Hodeidah. Sir William Halcrow & Partners visited the YAR last month to present their technical proposals for a feasibility study. They now await the Yemenis' reaction. If their proposals are accepted Halcrows expect to carry out the study later this year. It will cost about £250,000 (more if there are delays through adverse weather conditions). The Royal Navy may be able to undertake the associated hydrographic survey.

Departments have considered how HMG might be able to meet Prince Sultan's expectation of a British contribution to the cost. Neither the FCO, Ministry of Defence or Department of Trade have any available resources. We are therefore approaching the Treasury for special provision. This would cover the cost of the feasibility study, the training in this country of a cadre of artificers to run the new base and advisory visits by MOD personnel to the YAR. All this would involve an expenditure of something like £1.3 million, though not, of course, all within one

/financial

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financial year. We have also reminded the YAR Government that they themselves must now start to take the lead in discussion with prospective donors.

If the Saudis raise the subject, the Prime Minister could say that we are continuing our discussions with the YAR and await their decision on the feasibility study. In the meantime we are considering how we may be able to contribute financially to the project.

I am copying this letter to Brian Norbury, MOD.

*Yours ever,*

*James Dick*  
(F N Richards)  
Private Secretary

M O'D BAlexander Esq  
10 Downing Street

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MR. GOW

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2 JS

I have discussed Mr. Grant's letter with the Department of Trade. They confirm my own feeling that this would not be a suitable question for the Prime Minister to raise with King Khalid. It seems to me unlikely in the extreme that King Khalid would be aware of a matter such as this.

I have, however, arranged for Mr. Norman Parkinson, who is leaving for a visit to Saudi Arabia later this week, to be briefed about the contract.

*Ant*

9 June 1981



10 DOWNING STREET

From the Private Secretary

9 June 1981

Dear Catherine,

PRITCHARD SERVICES GROUP LIMITED

We spoke a few moments ago about the suggestion made by Mr. Anthony Grant MP that the Prime Minister should mention to King Khalid the tender made by the Pritchard Services Group for a cleaning contract in Jeddah. We agreed that it would not be appropriate for the Prime Minister to mention this but that Mr. Parkinson might usefully be briefed on the matter before his departure later this week for Saudi Arabia. I enclose a copy of the note which Mr. Grant sent to the Prime Minister.

I will arrange for Mr. Grant to be informed that the Prime Minister will not be raising the matter but that the Minister of State has been briefed.

Yours sincerely

Richard Alexander

Mrs. Catherine Capon,  
Department of Trade.

From: Anthony Grant, M.P.



HOUSE OF COMMONS  
LONDON SW1A 0AA

Urgent

8th. June 1981

*Dear Ian*

Further to our conversation today I enclose a hasty aide-memoire for the Prime Minister in the profound hope that she has an opportunity to breathe a word in the King's ear.

He may well be informed of much of this even though not prepared to reveal his knowledge. I believe he would be impressed if he knew the Prime Minister was interested in view of her highly successful visit to Saudi.

I will gladly talk and supply more information if need be.

*Anthony Grant*

Ian Gow Esq. MP  
PPS to the Prime Minister

*Ting*

From: Anthony Grant, M.P.



HOUSE OF COMMONS  
LONDON SW1A 0AA

8th. June 1981

Pritchard Services Group Ltd. is a large British public company (turnover approximately £150 million). It is the foremost cleaning and maintenance company in UK and its activities are worldwide.

In particular, in recent years it has acquired an expertise in operating in the Middle East. It has spent the last four years carrying out a five year contract to clean Riyadh. The contract is worth 850 million ~~regis.~~ <sup>Saudi</sup> Riyals [about £200m].

A contract of approximately the same size is becoming available in respect of the city of Jeddah. A consortium of Pritchards, their US partner, and their Saudi partner have submitted the lowest bid. On this basis and <sup>in</sup> view of Pritchard's extremely successful conduct of the Riyadh contract and their reputation in the Arab world generally one would expect the consortium to be awarded the Jeddah contract. However there seems a possibility that a French consortium which has Renault involved (and therefore is in effect a nationalised concern with French Government money behind it) might be favoured.

The reasons are obscure but it is odd in view of the sympathies the new French President is said to have with Israel.

It would be very helpful, and in Britain's trade interests, if the Prime Minister could find an opportunity to express the hope to King Khalid during his visit that a partnership involving a British firm of proven ability may be granted this important contract.

also copied to  
Middle East  
Defence Sales  
CF. bk



ce: MOD  
FCO

VB

10 DOWNING STREET

THE PRIME MINISTER

8 June 1981

Dear Sir Austin

Thank you very much for your letter of 2 June 1981 about King Khalid's visit. As I am sure you are now aware, Lord Trenchard called a meeting, on 3 June 1981, of officials and your representatives, including Sir Frederick Page, to discuss the P.110 project and the line that should be taken during King Khalid's visit. I understand that the meeting was in full agreement in this respect and I can assure you that I will take the fullest opportunity to express our support for the project and our willingness to enter into discussions over possible collaboration in it.

I shall also be prepared to speak about the Nimrod AEW aircraft if this subject is raised.

Yours sincerely

Raymond Stelter

Sir Austin Pearce, C.B.E.

885



10 DOWNING STREET

Prime Minister

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Re your query :-

(a) we need all our own Nimrods & would be unable to replace any we gave to the Saudis for a considerable time ;

(b) the avionics in them are too sophisticated for release to the Saudis & in any case

(c) are designed for use over sea rather than land. They would therefore have to be replaced - at the cost of a considerable delay (though this might be less than the 3½ (4 years involved in restarting the production line.)

Ant 8/6





Foreign and Commonwealth Office

London SW1A 2AH

8 June 1981

*Dear Michael,*

State Visit of King Khalid  
of Saudi Arabia

Please refer to Francis Richards's letter of 8 June.

/ I enclose a supplementary brief about our proposal for an initiative on Afghanistan.

*yours ever*  
*Rodric Lyne*

(R M J Lyne)  
Private Secretary

M O'D B Alexander Esq  
10 Downing Street



R. JUN 1987

VISIT OF KING KHALID OF SAUDI ARABIA AND FOREIGN MINISTER  
PRINCE SAUD: 9-12 JUNE

AFGHANISTAN

POINTS TO MAKE

1. International pressure must be maintained. Islamic and non-aligned movement meetings in January and February showed that there is no weakening of resolve, but grain embargo decision a set-back. We have ideas for an initiative on Afghanistan, developing Giscard's earlier idea of an international conference. The basis of this is that a conference should be held in two stages. Lord Carrington will discuss the matter in more detail with Prince Saud.

2. Until we have taken our consultations further, and have worked out the details of the proposal we shall not publicise the proposed initiative. At this stage, we have only discussed it with a very small number of people, and we have asked them to treat the matter in confidence.

## ESSENTIAL FACTS

Basic Concept of UK Initiative

1. The Prime Minister may wish to mention the initiative briefly to King Khalid.
2. The Secretary of State may wish to give a slightly fuller account to Prince Saud. We are, however, concerned that the Saudis may not accord any information given to them adequate security protection. For this reason it is probably preferable to say little until we ask Jedda to brief the Saudis in detail just before the initiative is launched.
3. Our proposal envisages a two stage conference on Afghanistan. Stage one would deal with external factors relating to a settlement. The membership would include the permanent members of the Security Council, leading countries in the region, the Secretary-General of the Islamic Conference, and possibly the UN Secretary-General. A second stage would then bring in representatives of Afghan opinion and would aim to reach agreement on the proposals emerging from Stage one and all other matters designed to assure Afghanistan's future as an independent and non-aligned state.
4. We have mentioned the idea to the Pakistanis who welcome the proposal.

Consultations

5. We are consulting few countries at this stage. We hope that the Ten will announce the proposal after the meeting of the Ten Foreign Ministers on 22 June. In the meantime we are limiting knowledge of the proposal to prevent/

prevent leaks.

Situation within Afghanistan

6. Resistance seem to be doing better now than for many months past. Recently they have been active in the cities, particularly Kandahar, Herat and Jalalabad. They have maintained notably high levels of activity in the south-east (particularly Pakhtia) and the north-west provinces. Much of central Afghanistan is in the hands of the Resistance. No sign that Russians are making military progress.

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Foreign and Commonwealth Office

London SW1A 2AH

8 June 1981

*Dear Michael,*

State Visit of King Khalid of Saudi Arabia

King Khalid of Saudi Arabia is calling on the Prime Minister at 12 noon on 10 June for an hour of talks before the Prime Minister's lunch. He will be accompanied by the Defence Minister, Prince Sultan, and the Foreign Minister, Prince Saud Al Faisal.

I attach a brief covering the main topics.

Given that the talks are scheduled to last for just an hour (including time for interpretation) Lord Carrington thinks that they should be kept fairly general. The main objective is to continue with the Saudis the discussions on world issues which the Prime Minister had with Saudi leaders in Riyadh in April. They include Arab/Israel, Lebanon, and Gulf Security and Co-operation. There are no particular bilateral political issues which the Prime Minister need raise. But included in the Background is a note on the current position in the Joint Cultural Committee.

We had expected that the State Visit would be largely ceremonial, the seal on our efforts over the last months to establish a particularly close and friendly relationship with Saudi Arabia and a demonstration of the importance which we attach to that relationship with them. However, we have had indications from the Saudis through unofficial, as well as official channels that they are expecting substantial discussions in the field of defence co-operation. In particular we understand that they are looking for an indication of the degree of the Government's interest, or otherwise, in collaboration in producing an advanced fighter aircraft for the end of the 1980s. This and other defence and defence-related issues are the subject of a separate brief being provided by the Ministry of Defence. Lord Carrington also thinks that the talks might provide a suitable opportunity to tell the Saudis a little about our proposed initiative on Afghanistan, but the precise way in which this should be presented will await the result of an internal meeting he is having here today.

I am copying this letter to Brian Norbury (MOD), John Rhodes (DOT) and David Wright (Cabinet Office).

*Yours ever*

(F N Richards)  
Private Secretary

M O D'B Alexander Esq  
10 Downing Street

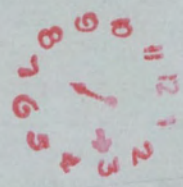
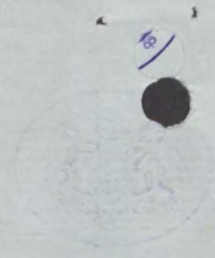
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*attached  
(you have already  
seen)*

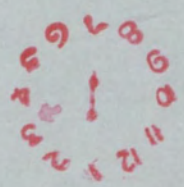
*attached,*

THE UNIVERSITY OF CHICAGO

PHYSICS DEPARTMENT



- 8 JUN 1981



- 8 JUN 1981



PRIME MINISTER'S TALKS WITH KING KHALED OF SAUDI ARABIA :  
WEDNESDAY 10 JUNE AT 10 DOWNING STREET

POINTS TO MAKE :

1. Delighted to welcome King to London. An opportunity to return hospitality so generously afforded by Saudis recently to visiting Ministers. Clear recollections of Prime Minister's visit 19-21 April.

Gulf Co-operation Council

2. Pleased to hear of further progress on establishment of Co-operation Council. Convinced it has a most important role to play in maintenance of stability in the Gulf region.

Lebanon

3. Very concerned at the continuing crisis, particularly Syrian/Israeli tensions. Fully support Habib's efforts. Grave risks if he fails.



4. How is the Arab League Follow-Up Committee progressing? Progress towards reconciliation on the ground in Lebanon could help defuse the present crisis and in the longer-term provide the best means of forestalling Israeli interference.

5. Accept that the internal affairs of Lebanon are an Arab affair. Do not want to interfere. We see our role as supporting the legitimate Government there. If anything arises in the Follow-Up Committee's deliberation which suggests practical and effective support which we can give, grateful to be informed.

#### Arab/Israel

6. Europe determined to make a contribution if possible, but too much should not be expected from the UK Presidency. Europeans can do little without a move from the Arabs, ie a PLO sign of conditional readiness to accept Israel. Can the Saudis help?

7. US policy still unclear. Hope they can move on to a wider process. But if US views are to be influenced, again demonstration of goodwill needed from the Palestinians. Importance of US role should not be doubted.

#### Afghanistan

8. [Briefing to be submitted following Lord Carrington's meeting on 8 June].

#### Defence Collaboration and Sales

9. [See separate brief by MOD].

ESSENTIAL FACTS :

1. King Khaled in London 9 - 12 June on State Visit in return for royal tour of Eastern Arabia February 1979 (initially proposed for last year but postponed because of 'Death of a Princess'). Ministers' visits to Saudi Arabia have been frequent recently : Mr Hurd in February, Mr Nott at the end of March and the Prime Minister in April. Mr Parkinson (Minister for Trade) will be visiting Saudi Arabia from Saturday 13 June.
  
2. Rulers of Saudi Arabia, Kuwait, Bahrain, Qatar, the UAE and Oman met in Abu Dhabi on 25 May to promote the establishment of the Gulf Co-operation Council to cover co-ordination of economic, legal and social policies, and, though not stressed, collaboration on internal and collective security. Secretariat will be established in Riyadh and headed by Abdullah Bishara, former Kuwaiti representative to the UN. There are rumours of divergence, particularly between Kuwait and Oman, about the wider defence policy remit of the Council, but it is nevertheless confirmation of a very positive step forward (doubtless largely shepherded by Saudi Arabia) for the smaller Gulf states. Following the first announcement on 4 February at Riyadh, the Prime Minister sent private messages of support (one to Prince Fahd attached). The Council is due to meet again at summit level in November.

/Lebanon

Lebanon

3. Mr Habib visited Saudi Arabia on 17/18 May and succeeded in involving the Saudis in his search for a settlement of the missile crisis. Although the Saudis have spoken up strongly in public in support of Syria, we believe that privately they have been urging restraint on President Assad and appear to have agreed to resume Saudi payments to Syria for the ADF in Lebanon as an inducement.

4. Partly at least at Saudi instigation, the so-called Arab League Follow-Up Committee on Lebanon (formed in 1976 at the same time as the ADF was mandated by the Arab League and now comprising Saudi Arabia, Kuwait, Lebanon and Syria) is to meet soon, probably in Beirut on 6 June. Its discussions are likely to concentrate on forwarding the process of political reconciliation in Lebanon. But these discussions could, if they lead to, for example, agreement on the replacement of Syria troops on the heights above Zahleh, prove helpful for Habib's mission.

5. At any event, the Arab involvement has helped Habib buy time. Habib returned to Washington for consultations on 28 May and the Americans have told us that his intention was to wait and see whether any useful progress was made at the Follow-Up Committee's meeting. He is expected to return to the area after that meeting takes place.

/6.

6. Mr Begin has again spoken of limits to the time that can be allowed for a negotiated settlement, without specifying what these are. Mr Haig, too, has publicly spoken of time being limited. We continue to believe that Israel will not attack the Syrian missiles while the Habib mission remains in being. But if no solution is in sight by the Israeli elections on 30 June, he will be under strong electoral pressure to take out the missiles.

7. In a press interview on 21 May, Prince Fahd reiterated Saudi support for Syria against Israel and said that if Israel attacked Syria, all the Arabs would fight alongside Syria. He added that Lebanon was one of the principal points of weakness in the Arab position and the restoration of normalcy there was vital. This could only be achieved by supporting the efforts of the Lebanese and Syrian governments to bring about a national accord between the parties in Lebanon and by supporting Lebanese legitimacy as represented by the President of the Republic.

8. A special meeting of the Arab League Council on 22/23 May was attended by all Foreign Ministers (including Jordan and Iraq). It unanimously called for an immediate ceasefire in Lebanon and for national reconciliation. It blamed the missile crisis on Israeli aggression and offered Syria all possible support, including that of Arab armed forces.

The situation on the ground (as at 4 June)

9. There have been sporadic outbreaks of fighting in Beirut and Zahleh. In the week since Habib returned to Washington, Israel has mounted several raids against Palestinian positions in South Lebanon and near Beirut (including one on SAM missile

/site

site allegedly manned by Libyans). These are in line with Israel's longstanding policy of pre-emptive strikes against the PLO and have not so far prompted a Syrian (or Palestinian) reaction. The US government has asked Israel to practice restraint in this respect also, to keep temperatures down; but Begin believes he has strong internal support for continued attacks on Palestinian positions and is unlikely to resist.

#### Recent action by the UK

10. In advance of the Arab Follow-Up Committee meeting, we have spoken informally to the Saudis, Syrians, Kuwaitis and Lebanese on the lines of paragraph [3] of the points to make. The Syrian and Kuwaiti reactions were encouraging. The Saudi official concerned was not fully briefed and merely took note. We are now considering urgently within the Department what practical support we can offer Lebanon, eg by way of helping to build up the Lebanese army.

#### Arab/Israel

11. Saudi expectations from the UK Presidency are unrealistically high, although they see Europe's importance more as a channel to the Americans than as an independent peace making force. Our efforts to impress upon the Saudis and other Arabs the importance of a move by the PLO towards conditional acceptance of Israel have so far not resulted in commitments to press the PLO in this direction. Their response is that the PLO cannot make a move without being offered something substantial in return and that it is for the US to change its policy. The Americans themselves are awaiting the outcome of the Israeli elections before making any further move and increasingly fear that Mr Begin will be re-elected. If he is they may have little choice but to stick to existing policy, however little faith they may have in Mr Begin's negotiating flexibility, at least until the final Israeli withdrawal from Sinai the next spring.

Afghanistan

12. [Briefing to be submitted following Lord Carrington's meeting on 8 June].

Anglo/Saudi Relations

13. There has been no movement on the Joint Committee on Cultural Relations since we briefed the Prime Minister for her visit to Riyadh : we still await the Saudi response to our proposed terms of reference for the Committee and for a London-based media adviser. Thanks to the efforts of the helpful and influential Saudi Ambassador, consultations with the Saudis on individual media cases are close, viz. the BBC's proposal to screen the TV film 'The Pirates' during the State Visit. FCO Ministers brought to the BBC's attention the Saudi Ambassador's (and our) concern at the effect this would have on Anglo/Saudi relations. The BBC (which had independently had second thoughts) decided not to show the film this week.

8 June 1981

MIDDLE EAST DEPARTMENT

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CONFIDENTIAL  
FM FCO 161558Z FEB 81  
TO PRIORITY JEDDA  
TELEGRAM NUMBER 89 OF 16 FEBRUARY  
AND TO PRIORITY MUSCAT, DUBAI  
INFO ABU DHABI

NR021/2	
RECEIVED IN REGISTRY NO. 95	
17 FEB 1981	
NR OFFICER	RECEIVED
PA	

MESSAGE FROM PRIME MINISTER ON GULF CO-OPERATION

1. FOLLOWING IS THE TEXT OF A MESSAGE FROM THE PRIME MINISTER TO PRINCE FAHAD, THE SULTAN OF OMAN AND SHAIKH RASHID, FOLLOWING THE OUTCOME OF THE GULF FOREIGN MINISTERS' MEETING IN RIYADH ON 4 FEBRUARY. SIMILAR BUT SEPARATE MESSAGES ARE BEING SENT TO SHAIKH ZAID, TO THE AMIR OF QATAR AND TO THE PRIME MINISTERS OF KUWAIT AND BAHRAIN.

see 46.

I WAS VERY PLEASED TO LEARN OF THE SUCCESSFUL OUTCOME OF THE MEETING OF GULF FOREIGN MINISTERS IN RIYADH ON 4 FEBRUARY. THE ESTABLISHMENT OF AN ARAB GULF CO-OPERATION COUNCIL IS THE CULMINATION OF DISCUSSIONS IN WHICH I KNOW THAT YOUR HIGHNESS (YOUR MAJESTY) HAS TAKEN A CLOSE INTEREST. I AM CONFIDENT THAT IT WILL PLAY A VALUABLE ROLE IN CONFRONTING THE DANGERS TO WHICH THE GULF REGION HAS BEEN EXPOSED.

THE STABILITY AND SECURITY OF THE GULF IS OF VITAL INTEREST TO US ALL. I LOOK FORWARD TO DISCUSSING THIS SUBJECT WITH YOUR HIGHNESS (YOUR MAJESTY) DURING MY VISIT IN APRIL AND TO REVIEWING WITH YOU APPROPRIATE WAYS IN WHICH BRITAIN MIGHT BE ABLE TO CONTRIBUTE TO THE MAINTENANCE OF STABILITY. MEANWHILE, PLEASE ACCEPT MY VERY BEST WISHES FOR THE FUTURE OF THE CO-OPERATION COUNCIL.

2. GRATEFUL YOU HAVE MESSAGE DELIVERED. THERE WILL BE NO (NO) SIGNED COPY.

CARRINGTON

[COPIES SENT TO NO 10 DOWNING STREET]

LIMITED  
MED  
PCD  
PLANNING STAFF  
PS  
PS/LPS  
PS/MR HURD  
PS/PUS  
SIR J GRAHAM  
MR J C MOBERLY

CONFIDENTIAL

PRIME MINISTER'S TALKS WITH KING KHALED OF SAUDI ARABIA :  
WEDNESDAY 10 JUNE AT NO 10 DOWNING STREET

ISRAELI ATTACK ON IRAQI NUCLEAR INSTALLATION

POINTS TO MAKE :

1. We have condemned the attack in the strongest terms, and made it clear that this is a grave breach of international law which could have the most serious consequences.
2. Recognise the problems this creates for the moderate Arabs. But this sort of incident does not weaken the case for a comprehensive peace. On the contrary it strengthens it.
3. The Security Council is to debate the incident. Frankly only the US can bring pressure to bear on Israel. Note that they have condemned the attack. And they have said that the use of US equipment apparently breached agreements with Israel and would be reported to Congress.



ESSENTIAL FACTS :

1. The US Ambassador in Damascus has told us in confidence that the Saudi Government protested to the US Government on 7 June about the overflight of Saudi Arabia by Israeli aircraft. The Saudis had not known at the time what the purpose of the flight was, but had claimed to the Americans that the pilots identified themselves as Jordanian.
2. He also said that the Americans were worried about the implications of this for Habib's mission (in which the Saudis have been closely involved). Habib was due to meet Prince Saud in Geneva on 8 June to be briefed on the outcome of the Arab League Follow-up Committee's meeting on Lebanon from 7-8 June, (though as far as we know Prince Saud has not reached Geneva and may not come to London after all because of the imminent Arab Foreign Ministers' meeting in Baghdad).
3. The State Department have also told us, as a first reaction, that they are worried at the implications for the Saudis' decision on AWACS, the supply of which was linked to other defence-related understandings of importance to the US.
4. The Iraqis asked on 8 June for an urgent meeting of the Security Council. The Arab League are reported to have called for an emergency meeting of the League this week.

CF

FILE

DG



10 DOWNING STREET

8 June, 1981

THE PRIME MINISTER

Dear Julian,

Thank you for your letter of 4 June about King Khalid's visit next week. Your thoughts on how to handle the visit are most helpful.

Yours

Raymond

The Rt. Hon. Julian Amery, M.P.

RH

*Copied to  
Middle East  
Defence  
Sales*



CONFIDENTIAL

MINISTRY OF DEFENCE  
MAIN BUILDING WHITEHALL LONDON SW1  
Telephone 01-~~938 2022~~ 218 2111/3

MO 5/3/3

5th June 1981

*Letter to type for P.M.'s signature*

*Am*

*Dear Michael,*

VISIT OF KING KHALID

Thank you for your letter of 2nd June 1981.

We are well seized of the necessity to raise the subject of the P.110 project during King Khalid's visit. A meeting was held here last night by Lord Trenchard which was attended, *inter alia*, by the Managing Director of the Aircraft Group, BAE (Sir Frederick Page), to agree the line we should recommend the Prime Minister, and other Ministers, to take in discussions with the Saudi delegation. It was agreed that we should take a positive line to encourage discussions on a possible collaborative venture with the Saudis on the P.110, and a brief is being prepared accordingly. Mr Nott has asked me to add that there is at present no financial provision for P.110 in MOD's budget; a collaborative venture with the Saudis would have to be funded either by industry or by additional MOD resources.

The separate subject of the Nimrod AEW to which Sir Austin Pearce also alludes in his letter, and on which you have received a separate letter dated <sup>2nd June</sup> 1981 from the Managing Director of Marconi Avionics, is a little more difficult. It is true that the Saudis have expressed interest in the Nimrod AEW aircraft because of the difficulties that have arisen in the US Congress over the supply of AWACS aircraft. How far this is genuine and how far it is bluff directed at the US is speculative. Taking it at its face value, however, our problem in responding to this interest is that the Nimrod is out of production and the system we would offer is an adaptation of the Nimrod AEW system which is as yet unproven. We will, of course, respond to the Saudi interest (and indeed Marconi intend to make a presentation in Riyadh soon) but the delivery time is probably not attractive to the Saudis (though re-opening of the Nimrod line could have advantages for us). In view of the uncertainties (e.g. the final attitude of Congress) we do not believe the subject should be positively raised by the Prime Minister. But, if the subject is raised, our brief will recommend that the Prime Minister responds along the lines that we would be glad to discuss the requirement and what would be possible as regards delivery.

1

M O'D B Alexander Esq

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/ A draft reply to Sir Austin Pearce is attached, together  
/ with the reply which I have sent to Mr Pateman on my Secretary  
of State's instruction.

I am copying this letter to Francis Richards (FCO).

*Yours sincerely*

*J D S Dawson*

(J D S DAWSON)

DRAFT LETTER FROM THE PRIME MINISTER TO SIR AUSTIN PEARCE CBE  
CHAIRMAN, BRITISH AEROSPACE, BROOKLANDS ROAD, WEYBRIDGE, SURREY

Thank you very much for your letter of 2nd June 1981 about King Khalid's visit. As I am sure you are now aware, Lord Trenchard called a meeting, on 3rd June 1981, of officials and your representatives, including Sir Frederick Page, to discuss the P.110 project and the line that should be taken during King Khalid's visit. I understand that the meeting was in full agreement in this respect and I can assure you I will take the fullest opportunity to express our support for the project and our willingness to enter into discussions over possible collaboration in it.

I shall also be prepared to speak about the Nimrod AEW aircraft if this subject is raised.



MINISTRY OF DEFENCE  
MAIN BUILDING WHITEHALL LONDON SW1  
Telephone 01-~~200~~202X 218 2111/3

MO 5/3/3

4th June 1981

*Dear Mr Pateman,*

Thank you for your letter of 29th May 1981 to the Prime Minister, about the Nimrod AEW aircraft.

I understand you have already been advised that King Khalid's programme is too tight to permit a visit to Borehamwood and Radlett. However, we have heard from several sources of the interest of the Saudi Government in the alternative UK system to the AWACS aircraft, and we do expect this subject to be raised during the visit of King Khalid. If so you can be assured that we will take the opportunity to encourage the interest and to offer a presentation and discussions on the UK system to the Saudi MOD and Air Force.

*Yours sincerely*  
*Janet Dawson*

(J D S DAWSON)  
Private Secretary

J E Pateman Esq



- 5 JUN 1991

010  
From: Colin Balmer, Private Secretary

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MINISTER OF STATE FOR DEFENCE

WHITEHALL LONDON SW1A 2HB

Telephone 01-218 6621 (Direct Dialling)  
01-218 9000 (Switchboard)

D/MIN/TT/19/6

4<sup>th</sup> June 1981

Dear Michael

We have agreed with the Foreign Office that I should submit direct the briefs on the Defence Sales issues for King Khalid's visit.

We recommend that the Prime Minister only takes the initiative in respect of the P 110 and responds, if the subject is raised, on Nimrod AEW. The remainder of the briefs which have been prepared for the Secretary of State for Defence are included as background material only.

Yours etc

Colin

Michael O'D B Alexander Esq.,  
10 Downing Street

Could we let 2  
of our own Nimrod?  
for S.A.?

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POINTS TO MAKECOLLABORATION: MILITARY AIRCRAFT: P.110

1. Collaboration on high technology import. Glad to learn of your interest in P.110. Would like to see dialogue continue on possibilities for joint development with our British Aerospace Company of this new high-performance aircraft to meet both our needs at the end of the decade and beyond. Would you like a presentation?

DefensiveThe German Problem

The P.110 will be a British led project. Some German components will be used but we do not expect difficulties with the Germans, as on Tornado. The rights to sell will lie with the participating countries.

DefensiveUse by RAF

Cannot be definite at this stage. The Prince will be aware of the current review of our future defence equipment programme. The P.110 is being studied in that context. Considerable interest, particularly if we can establish a collaborative programme and a wider market. Need to get together to discuss operational requirements, programme funding, timing, etc between our staffs.

BACKGROUNDMilitary Aircraft: P.110

1. At a recent meeting with BAe, Prince Sultan expressed a strong interest in the P.110 (See Annex) but not Tornado. This follows the Prime Minister's initiative in raising the matter during her recent visit.

Prince Sultan has indicated that he would raise the matter with the Prime Minister during the State visit and would be looking for a positive sign of interest from her in collaborating with Saudi Arabia on the development of the aircraft.

2. This direction of interest towards the P.110 is welcome and the way we would wish to continue the dialogue, at least until the difficulties with the Germans are (hopefully) resolved over Tornado sales. There is little prospect of that until towards the end of the year. The Saudis understand this problem from their talks with Chancellor Schmidt in April.

[ At the lower levels in the Air Force there is still interest in Tornado and we have been asked to complete a questionnaire on the aircraft at the direct request of the Saudi Air Force and through a US firm of consultants. We intend to play both horses at both levels.]

3. Prince Sultan has made it clear to BAe that he would only be prepared to consider collaboration on a joint basis with UK and perhaps other countries (he mentioned France); the implication being we would have to fund a

substantial share ourselves. This begs the question of the RAF interest which may arise. The defensive note is as far as the Prime Minister is recommended to go at this point.

4. There are many factors which Ministers will need to consider - the place in our own programme, security, guarantees of continued supply in times of crisis, sales to third countries, etc, before we can enter into any commitments with the Saudis on collaboration. But it is important to continue the dialogue with the Saudis and to keep their interest alive. The offer of a presentation of the P.110 would be a positive signal to the Saudis.

5. Although it is unlikely to be mentioned, the Prime Minister should be aware that the conference of Arab Air Force Commanders, held in Jordan last week to consider their advanced aircraft requirements, was attended by Oman, UAE, Iraq, Kuwait and Qatar, but, significantly, not Saudi Arabia. The conclusion was to seek a common aircraft and to consider the French Mirage 4000, and the UK Tornado IDS/P.110 options. For the reasons referred to above, we shall try to centre attention on the P.110. Why Saudi Arabia did not attend is unclear; one reason may be not to compete with Iraq in the project, who will be the major country, with Jordan, in carrying out the evaluation. For the time being we need to play both interests quite separately.

1. The P.110 project makes use of a very large proportion of the combat aircraft R&D activity which has been in progress in the UK and Europe. In total some £40M has been spent in the Warton Division of BAe alone on theoretical studies, wind tunnel testing, other testing and the manufacture of demonstrator programmes.

2. The overall configuration of the P.110 in particular has evolved during recent detailed studies and in our experience has the largest technology base of any military aircraft previously developed in the UK or Europe.

3. The P.110 is a highly manoeuvrable combat aircraft with outstanding air-to-air performance. The high thrust to weight ratio and low wing loading give acceleration, rate of climb and turn rate better than any existing aircraft type. This performance is derived from the advanced Rolls Royce RB199 engine which is technologically superior to any other military engine type in Europe and a match for the very best from the US, together with the advanced airframe technology which has been developed. The advanced technology of the engine, airframe and systems has been carefully studied to ensure that fundamental principles of cost effectiveness and minimum risk are maintained. The P.110 programme enables maximum advantage to be taken from new materials such as

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carbon fibre composites and from the use of micro-processors in the aircraft system. These in turn permit superior aero-dynamic characteristics in all phases of the aircraft use.

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## PRIME MINISTER'S BRIEF

NIMROD AEWLINE TO TAKE

1. There is no need to raise this subject.

(If raised by the Saudis)

We note the Saudi interest but production problems would prevent early delivery. However we will look into this and arrange for a presentation on the system if requested.

BACKGROUND

2. The Saudis are known to be apprehensive that their purchase of Boeing AWACS aircraft, to which the US Administration has agreed, will be thwarted by Congress and there have been strong indications that Prince Sultan may ask whether we would be prepared to supply the Nimrod AEW. There would be no insuperable security difficulties over this. It has already been agreed that sanitised versions of the avionics could be developed although this equipment has not yet been fully developed for overland use. However the Nimrod production line has been closed and BAe are reluctant to reopen it unless a sufficient number of firm orders - estimated at 6 - 8 - were in prospect to make this economically viable. Even so, the first aircraft would not be available from a reopened production for 2.7 years. If the AWACS sale does not go through, the Saudis will only be interested in Nimrod AEW if we can promise early delivery.

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3. It is therefore recommended that Saudi interest should be encouraged but they should be warned that production problems rule out early delivery. If they wish, we will certainly look into these problems and arrange for a detailed presentation in due course.

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ADDITIONAL  
SPEAKING NOTES FOR SECRETARY OF STATE FOR DEFENCE

EXTENSION TO THE AIR DEFENCE PROJECT (MOU 3)

LINE TO TAKE

Understand that a dedicated project officer (Colonel Edrees) has been appointed to negotiate extension. Express hope that he will be able to complete his evaluation quickly leading to substantive negotiations and an early signature.

BACKGROUND

In 1980 and again during Secretary of State's visit, Prince Sultan indicated his approval to a second 3 year extension of the MOU first concluded in 1973. Detailed negotiations commenced in March with some success. In April, General Sabri, Commander RSAF, who seems to be anti-British, replaced the existing RSAF negotiator (General Toaimy, Director of Logistics) with his own nominee (Colonel Edrees). Since then progress has slowed to a crawl and previously agreed arrangements have been questioned. There is much animosity between the pro-British Logistics Staff and the Sabri faction. The timescale is not yet desperate but this is not a satisfactory situation and we may eventually have to appeal to Prince Sultan for reason and fair treatment. Secretary of State should indicate that he is aware of developments but should stop short of a formal complaint.



## SECRETARY OF STATE'S BRIEF

HAWKLINE TO TAKE

Understand that visit of a specialist RAF flying training team was a success and hope that further cooperation in this sphere will be possible.

BACKGROUND

During Secretary of State's visit, Sultan gave approval to a visit by a team of RAF flying training specialists. Overt reason was to describe RAF's streamed training system but covert reason was to highlight capabilities of Hawk. The visit was low key but successful; the RSAF being impressed by the professionalism of our team and its product. RSAF requirement for Hawk is emerging as longer term, geared to construction of new academy in mid-'80s. Necessary to keep interest in Hawk alive but 'hard sell' at this stage could be counterproductive. Secretary of State should indicate his interest in developments.

MAIN BATTLE TANKS FOR SAUDI ARMYLINE TO TAKE

1. Should the subject of Main Battle Tanks be raised by either the King or Prince Sultan, the offer of an in-country presentation should be made.

[ But as far as Prince Sultan is concerned no reference should be made to the National Guard interest (Prince Abdullah) or our reactions to it.]

BACKGROUND

2. The Saudi Army is reported to possess approximately 300 French AMX 30 tanks and 170 American M60s delivered or on order.

3. Recent reports indicate Saudi concern over the level of protection provided by the M60s. Adverse references to the poor performance of the AMX 30s date back to the Mosque siege and recently include a report of an Army exercise being abandoned because of the inability of the French tanks to cope with rough terrain.

4. Saudi interest in Leopard II MBTs has presumably been dented by Schmidt's recently reported statement to Crown Prince Fahd that "sales to the Middle East were highly controversial and that the difficulties could not be overcome at present".

5. Attempts over the last few months by Defence Attache staff in Jedda to arrange MOD discussions with the Saudi Army, Director of Armour have failed (known Saudi approaches to the FRG may have restricted a normal willingness to receive visitors from the UK). and a recent offer of a presentation in Riyadh on UK MBTs was not taken up (possibly because we were there primarily to brief the National Guard).

6. Given reported dissatisfaction with both French and American tanks, and the response so far from the FRG, there appears to be an real opportunity for UK MBTs (up to 500) which should not be missed. The offer of an in-country presentation must be our next step similar to that given to the National Guard (Vickers Valiant and Challenger).

SECRETARY OF STATE'S BRIEF

FH70

LINE TO TAKE

1. There is no need to raise this subject.

(If raised by the Saudis)

Very pleased to see Saudi interest in this advanced gun, and express hope for successful outcome of current negotiations.

BACKGROUND

2. The Saudis have expressed a strong interest in purchasing FH70, a 155mm towed gun produced jointly by UK, FRG and Italy. Although FRG has well known reservations to arms sales to 'areas of tension' such as the Middle East, Chancellor Schmidt confirmed to the Prime Minister last November that he would not object to the sale of HF70 to Saudi Arabia. This aspect has to be handled with some caution since it seems probable that German agreement would not be forthcoming if the question was posed now.

3. Initial negotiations conducted by International Military Services have indicated a requirement for some 72 guns, an order, which with associated ammunition and ancilliary equipment, would be worth over £100M.

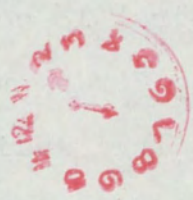
4. The first 18 of these guns have been requested within 60 days of contract signature and it has been agreed that each of the 3 partner nations would make available 6 guns

from their reserves. Detailed contractual negotiations are now taking place in Saudi Arabia and the chances of winning this order are believed to be very good.

5. For a number of reasons (including the request for early delivery) there has been some concern that the ultimate destination of the guns might not be to Saudi Arabia, and indeed that the first 18 could even be for Iraq, which could not be permitted during the current hostilities. It is understood that the Saudis have now accepted a normal end-user provision which states that the guns cannot be re-exported without UK authorisation; nevertheless, close watch will be kept on developments.



1891/10/15





FROM: THE RT. HON. JULIAN AMERY, M.P.

112, EATON SQUARE.

SWIW 9AA

TEL: 01-235 1543  
01-235 7409

4th June, 1981.

*Personal + kept - Trial*  
*Dear Margaret,*

May I offer a few thoughts on how the forthcoming talks with King Khalid and his delegation might best be handled.

1. I believe we should be wise to emphasise the importance we attach to our friendship with the Al Saud, rather than with Saudi Arabia. The dynasty is very worried about its future and wants to be reassured that we are backing them. To put it crudely they don't care very much about their own country. They want support for themselves as a family.

The Al-SAud have of course a distinguished tribal background going back to the 18th century but the India Office picked up King Abdul Aziz virtually out of the gutter when he was an exile in Kuwait. The dynasty owe their position largely to us and, during world war II, we payed for the revenue they lost from the pilgrimage by giving them 5000 gold sovereigns a year as a subsidy. I took one of the subsidies there myself and well remember the warmth with which I was received by the King personally on bringing it.

It would be particularly appropriate for the Queen to emphasise our friendship for the Al-Saud dynasty.

2. The biggest preoccupation of the dynasty is probably about internal security. Anything we can tell Prince Sultan about what we are doing in Northern Ireland or about the SAS in general should be of great interest to him.

3. I believe the SAudis were much opposed to the decision of the Arab League to expel Egypt. Prince Fahad indeed only attended the Bagdad meeting, where the decision was taken, on the understanding that there would be no mention of Egypt's expulsion. The Saudis in their hearts would like to renew relations with Sadat. He, Sadat, is not particularly anxious to press on with the reconciliation just now. It would have to be negotiated and might restrict his immediate freedom of movement. All the same, I believe that to speak well of Egypt and Sadat would not be unwelcome to King Khalid and his advisers. Sadat's declaration that he would not join in a Syrian-Israeli war means that the Lebanese crisis is in some ways less dangerous than it looks, unless, of course, the Soviets are ready to raise the ante above what has so far seemed likely.

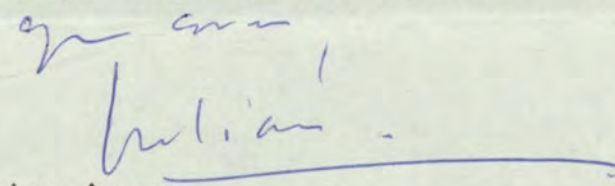


2.

4. I understand that Reshad Pharoan, King Faisal's ageing Syrian adviser, may be in the delegation. He speaks excellent French, is flexibly minded and probably exercises a good deal of influence over the older Saudi Princes. He was probably the late King Faisal's most trusted adviser.
5. The Saudis are only too well aware of the commercial interests of the West European countries in cultivating their good will. While it would be natural for appropriate ministers to stress commercial matters in any detailed talks on bilateral relations the emphasis at the top level should perhaps be more on the general international situation with a particular emphasis on the threat of Soviet Imperialism.
6. You and other colleagues will probably have to listen to routine arguments on the Palestinian problem and also to many interesting perceptions on the Lebanese crisis. I believe, however, that we shall score runs if we show keen awareness of the threat from South Yemen and the Horn of Africa.
7. The formation of the Council of Gulf countries is, of course good news. All of them are very rich. No doubt there is some room for a division of labour between them where projects such as industry and airlines are concerned. But it may be worth asking what is the use of cooperation on economics unless there is agreement on security and defence. I am told that the Saudis were quite favourable to talks on defence but did not want to disagree with the Kuwaitis who have adopted a more neutralist line.

I send these thoughts for what they may be worth and no doubt the Foreign Office can correct me where I am wrong.

I am copying this letter to Peter Carrington and John Nott.

  
Julian Amery

The Rt.Hon. Mrs. Margaret Thatcher, M.P.





Musafa  
has seen  
Foreign and Commonwealth Office

London SW1A 2AH

3 June 1981

Dear Michael,

Saudi State Visit: Talks at No 10

Further to Clive Whitmore's letter of 20 May, we have consulted the Saudi Ambassador about which members of the official Saudi suite will want to be involved in talks with the Prime Minister.

You will wish to be aware then that our understanding at present is that the King will be accompanied by the two attendant Ministers, Prince Sultan and Prince Saud al Faisal, his Private Advisor Rashad Pharaon and the Saudi Ambassador. Also present of course will be the King's interpreter, and here there has been a change. We have now been informed that for the whole of the visit it will be Mr Abdullah bin Abdul Karim (and not Mr Mansour al Khouraiji as previously listed). That will give us a total of six.

As you know, for the UK side we shall have as interpreter Mr Douglas Galloway who has arranged to be at No 10 at 11.45. We are also arranging for other interpreters as necessary to cover conversations at the lunch, although we shall be waiting for experience of the previous day's functions to gauge precisely how many interpreters we shall need.

Both my Secretary of State and the Secretary of State for Defence are also planning to have tete-a-tete discussions with their opposite numbers, and given the existing timetable of functions for that day the most suitable opportunity will be immediately after lunch at about 2.30. So you should be aware that we are making arrangements for Prince Saud to depart with the Secretary of State for the FCO and Prince Sultan to

/leave



leave with Mr Nott for the Ministry of Defence.

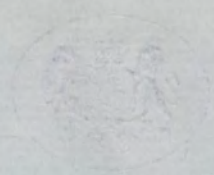
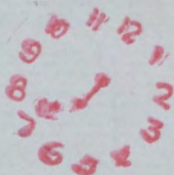
*Yours ever,*

A handwritten signature in dark ink, appearing to be 'F N Richards', written in a cursive style. The signature is positioned below the phrase 'Yours ever,'.

(F N Richards)  
Private Secretary

M O'D B Alexander Esq  
10 Downing Street

1-3 JUN 1981



10

also copied  
to  
Middle East  
Defence Sales.

FILE

BK



MR PATEMAN

Marconi Avionics 23/6

cc FCO

10 DOWNING STREET

*From the Private Secretary*

2 June 1981

I enclose a copy of a letter which the Prime Minister has received from the Managing Director of Marconi Avionics about the possibility of interesting King Khaled in the purchase of Nimrod AEW.

In acknowledging Mr. Pateman's letter, I have said that I doubt whether there would be any possibility of King Khaled visiting Marconi Avionics, but that I would pass his letter on to those concerned in case advantage could be taken of the State Visit in some other way to advance the case for Nimrod AEW. You may like to consider, together with Francis Richards (FCO), to whom I am sending a copy of this letter and its attachment, whether anything can be done. I should be grateful if you would let me have a copy of the letter you send to Mr. Pateman.

M. O'D. B. ALEXANDER

David Omand, Esq.,  
Ministry of Defence.

JE

also copied  
to Defence  
Sales  
Middle  
East

FILE

BK



10 DOWNING STREET

*From the Private Secretary*

2 June 1981

I am writing on the Prime Minister's behalf to thank you for your letter to her of 29 May about the possibility that King Khaled might visit Marconi Avionics to discuss Nimrod AEW. I fear that there will be no possibility at this stage of amending King Khaled's programme. But I am passing your letter on to those concerned in case your suggestion can be pursued in some other way.

M. O'D. B. ALEXANDER

J. E. Pateman, Esq.

COVERING CONFIDENTIAL



Foreign and Commonwealth Office

London SW1A 2AH

*Prime Minister*

2 June 1981

*Dear Michael,*

State Visit of King Khalid

You may wish to see, in advance of King Khalid's State Visit next week, the attached advance copy of a despatch from Jeddah.

A copy has already been sent separately to Buckingham Palace.

*Yours ever,*

*Francis Richards*

(F N Richards)  
Private Secretary

M O D'B Alexander Esq  
10 Downing Street  
LONDON SW1

COVERING CONFIDENTIAL

POSTAL AND CUSTOMS OFFICE

LONDON E.C.1A 9AH

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2 - JUN 1981



18 May 1981

S U M M A R Y  
=====SAUDI ARABIA: THE FORTHCOMING  
STATE VISIT OF KING KHALID

1. Visit postponed from last year because of the row over the TV film. Reconciliation achieved, but the Saudis still do not understand our free press and there may be similar troubles again. There are also other sources of friction, even though (or because) we have closer ties with the Saudis than most other countries enjoy. (Paras 1 - 3).
2. Objects of the Visit:
  - (a) to seal the reconciliation and build up goodwill against future troubles;
  - (b) to demonstrate that we have not lost interest in the Arabian peninsula: quite the contrary;
  - (c) to promote British trade by winning the support of Saudi leaders and by publicising to British business the opportunities available. (Paras 4 - 6)

/3





3. Saudi Arabia is increasingly important: she has enormous oil and financial resources, which have given her a new role and authority in the world, an authority which she is increasingly willing to use. She uses it, so far, in a way friendly to us, supporting the West politically and economically. If the present regime were to go, so would that support. (Paras 7 - 10).
4. What kind of place is Saudi Arabia? Forget Lawrence and the noble nomad: it is now airports and PhD's. But conservative Islam has survived in strength (with the help of some hypocrisy). Important social changes, but in slower time than the physical and mechanical ones. So there are problems. (Paras 11 - 13).
5. The Royal Family rules (though a Cabinet administers). Family solidarity is a source of national stability. A few senior princes take the policy decisions. Several thousand others, of varied ability and education, but none of them poor, are active in all walks of life. King Khalid is perhaps a little dull but pious, decent, conscientious, thoroughly old-fashioned. Prince Sultan, the Minister of Defence, is a bluff King Hal, without modern education, but shrewd. (Paras 14 - 16).
6. The Saudis will be impressed and flattered by the invitation and will gain prestige from it. We must encourage them without patronising. (Para 17).



18 May 1981

The Right Honourable  
The Lord Carrington KCMG MC  
etc etc etc

My Lord,

SAUDI ARABIA: THE FORTHCOMING  
STATE VISIT OF KING KHALID

1. The visit of King Khalid was supposed to take place last year. It had been agreed, but not yet announced, when in April a storm blew up over the television film, Death of a Princess. The Saudis, particularly the Royal Family, were incensed both by the film itself and by the unwillingness of Her Majesty's Government even to try to stop it. I was asked to go home; the despatch of the Saudi Ambassador-designate to London was deferred; and for nearly four months our relations went through a bad patch. Visits to Saudi Arabia by British Ministers were refused; the number of Saudi visitors to Britain, particularly princely ones, was severely reduced; and British firms here met a good deal of prejudice, both private and official, which did damage to our trade to a degree we have not been able to quantify.

2. After four months of effort there was a reconciliation. Those Saudi leaders who had always doubted the wisdom of so fiery a reaction were able to persuade their hot-headed

/brothers

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brothers and cousins that the British had been taught a lesson and that the estrangement was harming both sides. Since August 1980 relations have steadily improved. We have had a series of ministerial visits, culminating in the warm welcome given to the Prime Minister last month. On the whole our policies and the Saudis' march comfortably together. On the whole they like us as well as the next man and occasionally remember old ties with sentiment. English is their second language. They like to visit Britain and they buy houses there for the summer holidays. They send their children to British schools and take their ailments to British doctors. But they are critical of London's growing rapacity and they do not respect our economic record or our industrial performance. Above all, though they have set aside their wrath over the film, they have not forgotten it. How could they when every week there is some disobliging reference in the British press to "Saudi hell-hole jails" or "roly-poly princes"? They do not understand free speech and they do not understand the Government's impotence vis-à-vis the media. Nor will they, till they have learned, what it has taken us centuries to learn - and still occasionally doubt - that censorship is a graver danger to society than damage to our relations with friends and allies, and that the irresponsible utterances of the press are of little importance when set beside the considered statements of

/government



government policy. Meanwhile we live on a knife edge.  
Nervously we scan the British press each day to see what  
new impudence and (to be fair) what perfectly valid  
criticism it may contain.

3. Ironically, I may break off to remark, our close  
personal ties with the Saudis operate in this field to our  
disadvantage. They little heed, they little know, what the  
hacks of Paris, Bonn and Tokyo are writing, however dis-  
obliging. As for America, the press there is regarded,  
unfairly perhaps, as a lost cause; and in any case, while  
they can dispense with us if need be, they cannot do without  
the Americans.

#### Objects of the Visit

4. So the first aim of the invitation to King Khalid must  
be to set the final seal on the reconciliation and to build  
up a store of goodwill which will tide us over future crises  
and misunderstandings. Attention paid by the Sovereign -- for  
whom there is here the highest respect and admiration -- will  
go far to make plain the difference between official policies  
and the views of Grub Street.

5. Next, there is a feeling here that with the decline of  
empire (however welcome that may be in theory to the never-  
colonised Saudis) we have tended to neglect the Arabian  
peninsula. It is only ten years since we virtually ruled  
in the statelets of the Gulf; and, however paradoxically,

/many



many Saudis tend to think that we have incomprehensibly withdrawn our interest from the area just as it was emerging on the international scene with a new and dramatic importance. We need to show that we recognise that importance and that our interest, if temporarily abated, is now fully restored.

6. Finally, we have vast commercial interests in Saudi Arabia which the visit should do much to promote. She has just launched the third of her five-year plans, on which the sum of \$ 235 billion is to be spent and there are splendid opportunities for contracts and sales. She is our second biggest customer outside Europe and North America: our exports last year were worth just over £1,000 million. But our imports (almost entirely oil, to mix with our own crudes) were nearly £2,000 million. So there is a big gap to make up. The attention of our businessmen (who are still, many of them, tepid and slothful) has to be drawn to the prospects in Saudi Arabia; and the goodwill of the Saudi leaders has to be won, in a country where the decisions of individuals count more than elsewhere. This is particularly true in the field of defence sales where increasingly we shall need not only to sell to her but to co-operate with her in the financing and developing of new weapons for our own use as well as hers.

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## The Importance of Saudi Arabia

7. Why is Saudi Arabia so important? First, because of her wealth and her oil. The figures in finance and development are staggering. During the past ten years the gross domestic product grew by nearly 300 per cent; government expenditure by 44 per cent per annum; cargo unloaded rose from less than 2 million tons to 46 million; electricity capacity from 244 megawatts to 6,527. In oil, the picture is no less impressive. Saudi Arabia produces more oil than any other country except the Soviet Union. She exports, at the moment, four times as much oil as any other country in the whole world. She holds a quarter of the world's proved reserves and can go on producing for at least another 60 or 70 years.

8. This oil and this wealth have given Saudi Arabia a new authority in the international community. She is a large contributor to the International Monetary Fund and the World Bank. She is the shepherd of the Gulf States, the leader of the Islamic bloc and a prominent member of the Non-Aligned Movement. Her place in the Arab League, now that Egypt is isolated, is higher than ever before, and her consent and co-operation are indispensable in the search for a solution to the Arab/Israel problem, on which the peace of the world may well depend. Not only has her authority grown: in the past few years she has become more willing to wield it. Not so long ago she was loth to accept the responsibilities which wealth and oil had

/imposed

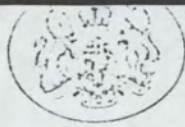


imposed upon her, slow to decide, and ineffective in action. One cannot pretend that her effectiveness yet matches her potential. But she is learning and improving, and more and more she is feeling her oats: she wants, and asks, to be taken seriously as a full partner in the councils of the world.

9. In these circumstances we are lucky that so far she has stayed on the side of the angels. She is firmly committed to the West. "Do not try to test our will to resist the Soviet Union", said her Foreign Minister to me; "it is stronger than yours". She has no diplomatic or commercial relations with the Communist world. Her financial reserves are invested in the West. Her policies on the pricing and the production rates of oil are moderate, and concerned always not to disrupt the Western economic system, despite severe pressure from the extremists in OPEC. The West needs her co-operation politically, economically and perhaps, in the future, militarily in the conflict with the eastern bloc.

10. This co-operation depends on the survival of the present regime; any other would be bound to be less favourable to our interests. There is much talk of Saudi instability, of social decay and princely corruption. I have already reported my view that though Saudi Arabia faces severe problems, many of them inevitable in a society changing so fast, and many of them so far inadequately

/treated



treated, they are not of a nature to produce, as in Iran, an early upheaval. There is time for the government, given encouragement and understanding, to introduce the evolution which must come, which indeed is coming, though perhaps too slowly.

#### The Nature of Saudi Arabia

11. What kind of a place is this strange country, whose King, born and reared in a society of tents and camels and battles by the sword, is about to sleep in Buckingham Palace? The old days of the desert and the nomad are gone for ever. The desert is now by-passed by airlines and long ribbon roads. The nomads are few in number and move about with their flocks in Toyota lorries, saving their camels for the royal races. The old dress has survived, but in a stylised form, and is now worn, not only by the diminishing nomads, but by city merchants with Persian names who would not have been seen dead in it 40 years ago - Alistair Higginbotham in a kilt. The desert still has a nostalgic appeal, like Claymores and Glencoe to a Macdonald brought up in Croydon. For the rest we are in a modern land of air-conditioning, television stations and desalination plants, accountants, chemical engineers and PhD's from Berkeley, California.

12. What has survived in strength is the puritan faith on which the Saud family's empire was founded 250 years ago. Women are veiled and segregated, alcohol is strictly forbidden, the five daily prayer times are (sometimes fiercely) enforced, cinemas and theatres do not exist.

/Of

CONFIDENTIAL





Of course there is hypocrisy, particularly on trips abroad, particularly by the sophisticated; for the temptations are too strong. But the sinners believe, even while they sin. Islam is in everyone's life.

13. Undoubtedly standards are changing. Women are now being educated, even at the universities. There are stewardesses (foreign ones) on Saudi Airlines. There is singing on the television. There is football and ten-pin bowling. But the change is slowed to a crawl by the strong conservatism of public opinion and by the downright obscurantism of a few - the archaic divines whom the Government, made particularly nervous by the rising at Mecca eighteen months ago, feel obliged to humour. So it is three paces forward and two paces back. Inevitably the slowness of social change, combined with the breakneck speed of mechanical and physical change, causes problems which are disturbing. One of them is the excessive reliance on foreigners to do the work.

14. This strange, calvinistic and hypocritical, arrogant and courteous, xenophobic and hospitable people in their barren and luxurious land are ruled by one family, the Al Saud. Certainly, there is a Cabinet, with Ministers of this and that - and able men, many of them are - who build hospitals and licence factories and administer the telephone system. But the policy decisions are taken by half a dozen princes at the top. The armed forces, internal security,

/foreign



foreign relations, economic and oil policy are all firmly in royal hands. And the rest of the Family, 5,000 or so strong, are everywhere: army officers, air force pilots, deputy ministers, provincial governors, owners of trading companies, agents for foreign firms. All of them are rich, though some are much richer than others. Many of them are highly educated, Harvard and Oxford, speaking almost perfect English, quite at home in a dinner jacket. The older ones, who grew up before the oil and the money began to flow, know little more than the three r's and, though they have grown accustomed to modern comforts, are in other respects very much like their forefathers. As in every group of men, some are wise and some are stupid. But all are aware of being different, of being members of the Family. Despite the traditional democracy of the desert, and though there is no word for "commoner" in Arabic, the distinction between His Royal Highness and His Highness is universally recognised and observed: at a state banquet there is no placement for princes, for each one knows exactly where his precedence comes. This hierarchical solidarity is of great political importance when one comes to consider the stability of the regime.

15. King Khalid is one of the older breed. Born in 1911, married and leading warrior bands by the time he was fourteen, he belongs to the days of camel raids and desert encampments, of Curzon and the raj and the pax Britannica.

/He

CONFIDENTIAL



He has adjusted himself remarkably well to the role of constitutional monarch: he is titular Prime Minister but leaves the conduct of affairs largely to Crown Prince Fahd, his younger half-brother. He is pious, shy, kindly and well liked. He cannot conceal his boredom with the long round of official duties and he likes, as often as possible, to escape into the desert for hawking and story-swapping with the bedouin. But he is conscientious: his papers and his boxes go with him.

16. Prince Sultan, who is to accompany the King to London, is a different kettle of fish. A half-brother, he was born in 1924, too late to take part in his father's desert campaigns which unified the peninsula and formed the state; yet too early to be one of the generation which was sent abroad for education. Bluff, burly and in rude health, he has few doubts about himself and sees things black and white: bonhomous like Henry VIII, but shrewd and not lightly to be crossed. He has been Minister of Defence since 1962, has presided with growing confidence over the expansion of the armed forces

*Passage deleted and closed, 40 years,  
under FOI Exemption. (Wayland, 18 Oct 2012)*

17. The Saudis will be impressed by the grace and pageantry of a State Visit. They will regard it, together with The Queen's visit to Saudi Arabia in 1979, as further evidence that they have emerged on to the world stage, no longer patronised, but needed and respected. They will expect

/to



to gain prestige from it at home and abroad, for they put it in a higher category than the King's visit to Spain, which follows, or to Germany last year. It is for us to encourage them by valuing their achievements and understanding their weaknesses. Perhaps that itself is patronising; if so we must disguise it.

I have the honour to be,

My Lord,

with the utmost truth and regard

Your Lordship's most humble and obedient servant

(James Craig)

JFT

Alan  
Thinks  
KCF  
to note to retain  
for please return to me.  
AGS/b



10 DOWNING STREET

From the Private Secretary

2 June 1981

copied to Middle East  
Defence Sales

Dear Brian,

Visit of King Khalid

Your Secretary of State has received a copy of a letter which the Chairman of British Aerospace has sent to the Prime Minister about King Khalid's visit. Sir Austin Pearce argues that we should take advantage of King Khalid's visit to consolidate an 'understanding' between HMG and the Saudi Government about the P.110 project.

As you will have seen, Sir Austin offers to discuss the matter with the Prime Minister, or any other Minister, in advance of King Khalid's arrival. I should be grateful for early advice and for a draft reply which the Prime Minister might send.

I am sending copies of this letter to Brian Fall (Foreign and Commonwealth Office) and Ian Ellison (Department of Industry) both of whose Ministers have also received copies of Sir Austin Pearce's letter.

Yours sincerely

Richard Alexander

Brian Norbury, Esq.,  
Ministry of Defence.

Pb

*copied to  
Middle East, Defense Sales*

# British Aerospace

PUBLIC LIMITED COMPANY

Brooklands Road  
Weybridge  
Surrey KT13 0SJ

Telephone: Weybridge (0932) 45522  
Telegrams: Britair Weybridge  
Telex: 27111

From the Chairman,  
SIR AUSTIN PEARCE, CBE

The Rt Hon Margaret Thatcher, M.P.,  
Prime Minister,  
10 Downing Street,  
London, SW1.

2nd June, 1981.

*Dear Prime Minister,*

Following your initiatives in January and your subsequent tour in the Middle East, we have been vigorously pursuing sales of Tornado, Hawk and the P.110 project in the Middle Eastern States.

In the light of the very favourable response we have received in Saudi Arabia and other Gulf States on the P.110 project we believe there is a singular opportunity during this visit of King Khaled to consolidate an understanding of interest between our two Governments on this important programme.

HRH Prince Sultan bin Abdul Aziz, the Minister of Defence and Aviation, in a meeting with our Managing Director, Military Aircraft, last week, referred to his meeting with you in Saudi Arabia, where you raised the possibility of a joint venture in the development and production of this advanced combat aircraft. Prince Sultan also mentioned the current competition for Arab funding of the Mirage 4000 with the hint that there might be a possibility of a joint programme with the Franch. For obvious reasons we would not encourage this idea.

Based on our assessments of the future market we visualise an Arab requirement of about 200 aircraft, exports elsewhere of 200 aircraft and, in due course, when funding permits, for the Royal Air Force, possibly somewhere of the order of 100.

As a total programme this could amount to sales of over £5,000M and if there is a substantial Arab contribution towards the launching costs, we envisage an eventual commitment from the Middle East of over £2,500M.

The Middle East States are greatly influenced by the attitude of Saudi Arabia on such matters, because the major part of the funding would emanate there. Moreover, there is a sense of urgency in arriving at a decision since if the P.110 project concept is not followed up during this visit, the opportunity may be lost completely.

/You will be ....

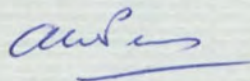
You will be aware of the powerful French Government lobby in promoting the Mirage 4000 for Arab sponsorship. Irrespective of what we in British Aerospace may be able to do by way of promotion, it is essential that HMG is prepared to enter into a friendly and direct relationship with the Arab States, since it is only the Government that will be able to give the necessary inter-governmental undertakings that this kind of collaborative enterprise requires.

If we are successful in this enterprise, it would provide several thousand jobs in other companies as well as in British Aerospace. I have discussed this project with Lord McFadzean since Rolls-Royce are an integral part of the proposal and would benefit as would a significant number of avionics and equipment companies who are pressing for a UK project of this type.

We have also been advised that Prince Sultan might raise with you the subject of the Nimrod AEW aircraft. If it is raised it is likely to be in the context that the Saudis are experiencing some difficulties in acquiring the Boeing AWACS aircraft, largely because of blocking moves by Congress. We in British Aerospace have not been promoting the Nimrod, and although we are always interested in sales, there are reasons why we would prefer to exercise caution at this stage.

If you so wished, I and my colleagues would be very pleased to see you, or any of your Ministers or officials, to discuss matters relating to this most important visit. In view of the short time available I am copying this letter to Lord Carrington, Mr. Nott and Sir Keith Joseph, whose staffs are aware of the background.

Yours sincerely,



cc: Lord Carrington  
Mr. John Nott, MP  
Sir Keith Joseph, MP  
Sir Ronald Ellis, MoD  
Lord McFadzean, R-R



1961 JUN 11 11 11 AM  
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FBI - NEW YORK

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*copied to  
Middle East, Defense Sales*

*l2*

# Marconi Avionics Limited

A GEC-Marconi Electronics Company

The Prime Minister  
10 Downing Street  
LONDON

Airport Works  
Rochester Kent ME1 2XX  
Telephone Medway (0634) 44400  
Telegrams Elliotauto Rochester  
Telex 96333/4

29 May 1981

My Dear Prime Minister

I understand that King Khaled of Saudi Arabia is shortly to visit you.

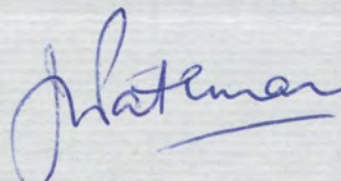
As you are aware Saudi Arabia is currently seeking to purchase 5 AWACS Aircraft (E3A) from the U.S. at an estimated value of \$2B.

This country has an aircraft of no less performance in the form of the Nimrod AEW which carries a Mission Systems Avionic package including all the communications and radar made by my Company, and I should very much hope that during his visit it will be possible for him to visit our establishments at Borehamwood and Radlett to see this equipment and for us to talk to him about its performance.

Congress has not yet approved the sale of AWACS to Saudi Arabia and may well not do so. There is also a growing feeling in the third world (if Saudi Arabia can be so described) that they wish to stay independent of both the U.S. and U.S.S.R. and this can also induce them to look in our direction.

Bearing in mind the sums of money involved and its impact on employment I am certainly prepared to go to considerable lengths to try to secure a sale, and a visit from King Khaled would, I think, be most valuable.

Yours sincerely



J E Pateman  
Managing Director



Marconi Avionics Limited  
is a management company for  
Elliott Brothers (London) Limited  
Registered London No 964493  
Registered Office Marconi House  
New Street Chelmsford Essex CM1 1PL  
Holding Company  
The General Electric Company Limited

CF

BK  
Saudi Arabia

MRS. GOODCHILD

Lunch for King Khalid of Saudi Arabia  
Wednesday 10 June

I have now had an opportunity to discuss the guest list for this lunch with the Prime Minister.

She has decided, in the light of her own experience in Saudi Arabia, that it would not be appropriate to have wives at this lunch (other than the wife of the Saudi Ambassador). Instead she wants to take up the room in the guest list which her decision creates by including as many eminent people as possible who have dealings with Saudi Arabia in the industrial, military, academic and medical fields. We shall need to check with the FCO that this rather basic decision about the guest list is all right and I will do this on Tuesday of next week.

Subject to this the Prime Minister would like to invite the following people in addition to those whom she has already agreed:-

HM Government

Mr. Whitelaw

Conservative Party

Mr. Edward du Cann

Mr. Julian Amery

Mr. Peter Tapsell

Mr. Stephen Hastings

Mr. John Browne (MP for Winchester)

/ Industry, Trade and Finance

Industry, Trade and Finance

Lord McAlpine

The Chairman of Wimpey's

Sir John King

Sir Ray Pennock

Lord McFadzean

Sir Campbell Fraser

Lord Sieff (provided the FCO advise us that it is all right  
to invite a Jew - which I will check with them)

Mr. Robin Leigh-Pemberton

Mr. Walters (the new Chairman of BP)

Mr. K.B. Smale-Adams (Chairman of RTZ - can you check that he  
is the Chairman. I thought the Chairman  
was Lord Shackleton)

The Chairman of Cable & Wireless (this post changed hands  
recently and I cannot remember  
the name of the new man)

Someone senior connected with the ArabSat project ( I will get  
a name)

When the Prime Minister attended the Welsh CBI Dinner in  
Cardiff some months ago the man in charge of the catering  
was also running a major catering project in Saudi Arabia.  
I will try and track him down

Defence

The Commandant of the Royal Military Academy, Sandhurst

The Commandant of RAF Cranwell

The Director General of Army Medical Services (because of the  
SangMed project)

Medical

I will consult the DHSS about the name of a top Doctor who  
has connections with Saudi Arabia.

Universities

Lord Annan

The Vice-Chancellor of either Oxford or Cambridge University  
(Can you remind me who they are at present)

/ Journalism

Journalism

Mr. Charles Douglas Hume of The Times  
Mr. Andrew Knight of The Economist  
Mr. Geoffrey Owen of The Financial Times

Sport

The Earl of March (the owner of Goodwood)  
Mr. Michael Branwell (Director of the National Stud)  
Britain's leading expert on Falconry (identifying this individual will be the supreme test of your ingenuity).

When we have worked at this list and filled in the blanks,  
the Prime Minister would like to see it again.

*KW.*

22 May 1981



bcc Mr. Rylands  
Mr. Taylor  
Mrs. Goodchild

10 DOWNING STREET

Please L/H on  
Wed: 9<sup>th</sup> June  
Cl. 2/6

From the Principal Private Secretary

20 May 1981

*Phil Stephens*

*Yes please*

*Phil 26/5*

*M. Alexander*

*Do you want me  
to help with XP*

*20/5*

*Miss Stephens*

*Mr. Munnery (O/A)*

*To see*

State Visit of King Khaled of Saudi Arabia

You wrote to Michael Alexander on 15 May about King Khaled's visit to No. 10 on Wednesday 10 June.

I have consulted the Prime Minister, and she agrees that those members of the Official Suite who are not involved in the official talks should be looked after at No. 10 while those talks are going on before lunch.

The Prime Minister has also taken note that we should try and bring the lunch to a conclusion at 2.30 p.m. in order to allow the King time to rest during the afternoon and that she should arrive at the return banquet at Claridges after the King and not before him.

CLIVE WHITMORE

F.N. Richards, Esq.,  
Foreign and Commonwealth Office.

MR. WHITMORE /H.  
PRIME MINISTER

Lunch for King Khaled of Saudi Arabia  
Wednesday, 10 June

Ian Gow has seen the draft guest list for this lunch and has made the following comments:

Deletions

Mr. David Crouch, MP  
The Rt. Hon. Dr. David Owen, MP  
Sir Harold Beeley  
Sir George Middleton (from the Reserve List)

Additions

The Rt. Hon. Michael Jopling, MP  
and Mrs. Jopling  
The Rt. Hon. Paul Channon, MP  
and Mrs. Channon  
~~Baroness Airey of Abingdon~~  
Sir Nicholas Cayzer  
and Lady Cayzer  
Professor Hugh Thomas (Lord Thomas)  
Mr. John Biggs-Davison, MP  
and Mrs. Biggs-Davison  
~~The Rt. Hon. Terence Higgins, MP~~  
~~and Dr. Higgins~~  
Mr. Stephen Hastings, MP  
and Mrs. Hastings  
Mr. Antony Buck, MP  
and Mrs. Buck

Ian Gow also dictated the following note:

'It is perfectly true that Peter Tapsell has become very unsound and rather offensively critical over the Government's policies, and notably of Geoffrey.

Nevertheless, I do not think that he is quite beyond redemption.

He was in Riyadh when you were there last month, and has extensive experience of the Arab scene.

It would be an act of magnanimity if you would agree to him and his pretty French wife being invited to the Saudi Lunch.'

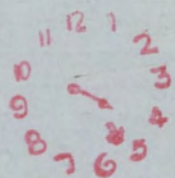
IAN GOW

*Sue Goodchild*

18 May 1981



16 MAY 1981





MR. ALEXANDER

Prime Minister  
And

Lunch for His Majesty King Khaled of Saudi Arabia - Wednesday, 10 June

I attach a draft guest list and list of reserves for the Prime Minister's lunch for the King of Saudi Arabia.

Attached at Flag A is a further *general* list of suggestions for lunches at No. 10 or Chequers. If the Prime Minister wishes to include any of these names, we will have to omit some from the draft list.

David Wolfson has seen the list and Ian Gow will let me have his comments on Monday.

Sue Goodchild

15 May 1981

*Michael*  
*- This is a*  
*ridiculous list - for*  
*too many attendees*  
*to include*  
*2 PM members. We*  
*will discuss*  
*not*

DRAFT GUEST LIST FOR THE LUNCHEON TO BE GIVEN BY THE PRIME MINISTER  
AND MR. DENIS THATCHER IN HONOUR OF HIS MAJESTY KING KHALED OF SAUDI  
ARABIA ON WEDNESDAY, 10 JUNE 1981, AT 1.00 PM FOR 1.15 PM

---

The Prime Minister  
and Mr. Denis Thatcher

His Majesty King Khaled bin Abdul Aziz bin Abdul  
Rahman Al Faisal Al Saud

Saudi Suite

HRH Prince Sultan bin Abdul Aziz	Minister of Defence and Aviation
HRH Prince Saud Al Faisal	Foreign Minister
His Excellency The Ambassador of Saudi Arabia and Mme Almanqour	
HE Dr. Rashad Pharaon	Private Adviser to the King
HE Sheikh Mohammed Al-Nuwaisser	Chief of the Royal Court
HE Sayed Ahmed Abdul Wahab	Chief of Royal Protocol
HE Shaikh Naser Al-Shathri	Counsellor in the Royal Court
HE Dr. Fazal Rahman	King's Private Physician
HE Mr. Mansour Al-Khouraiji	Deputy Chief of Protocol and Interpreter
HE General Abdulla Al-Busaili	Commander of the Royal Guard

British Suite

The Lord Somerleyton	Lord in Waiting
Sir James Craig and Lady Craig	HM Ambassador to Saudi Arabia
Squadron Leader Adam Wise	Equerry in Waiting

HM Government

The Rt. Hon. Lord Carrington  
and Lady Carrington

The Rt. Hon. Sir Geoffrey Howe, MP  
and Lady Howe

The Rt. Hon. John Nott, MP  
and Mrs. Nott

The Hon. Douglas Hurd, MP

Labour Party

The Rt. Hon. Denis Healey, MP  
and Mrs. Healey

29 Mr. Eric Deakins, MP

Secretary, Anglo-Saudi Parliamentary  
Group

Labour Party (continued)  
Mr. David Watkins, MP

~~Chairman, Labour Middle East Council~~

Liberal Party

The Rt. Hon. David Steel, MP  
and Mrs. Steel

Conservative Party

Mr. David Crouch, MP  
and Mrs. Crouch

~~Joint Vice-Chairman, Conservative Middle East Council~~

Mr. Alistair Goodlad, MP  
and Mrs. Goodlad

Treasurer, Anglo-Saudi Parliamentary Group

Social Democrats

The Rt. Hon. Dr. David Owen, MP  
and Mrs. Owen

Industry

Sir Terence Beckett  
and Lady Beckett

Director-General, CBI

The Earl of Limerick  
and the Countess of Limerick

British Overseas Trade Board,  
Director of Kleinwort Benson Ltd.

Mr. Ian MacGregor

Chairman, British Steel

Others

The Rt. Hon. The Lord Mayor of London  
and the Lady Mayoress

*accepted Italian Dinner: 2 June*

Sir Peter Scott  
and Lady Scott

Artist, Naturalist

Professor C. D. Cowan  
and Mrs. Cowan

Director of School of Oriental and African Studies. Taking over responsibility for training of Arabists for FCO

Sir Harold Beeley  
and Lady Beeley

Chairman of World of Islam Festival Trust and of Arab British Centre. Former Ambassador to Saudi Arabia (1955) and UAR

Captain John Macdonald-Buchanan  
and Mrs. Macdonald-Buchanan

Senior Steward of The Jockey Club

Mr. James Burgh  
and Mrs. Burgh

~~Director-General, British Council~~

Mr. David Watt  
and Mrs. Watt

Director, Royal Institute of International Affairs, Chatham House (also writes for The Times on Foreign Affairs)

Chief of the Air Staff

Air Chief Marshal Sir Michael Beetham  
and Lady Beetham

Officials

Sir John Graham ✓  
~~and Lady Graham~~

FCO

Sir Donald Maitland ✓  
~~and Lady Maitland~~

PUS, Department of Energy

Sir Frank Cooper ✓  
~~and Lady Cooper~~

PUS, Ministry of Defence

10 Downing Street

Mr. Ian Gow, MP

Mr. Michael Alexander

RESERVE LIST

Media

Sir Ian Trethowan  
and Lady Trethowan

Director General, BBC

or

Mr. Hamilton Duckworth  
and Mrs. Duckworth

Head of BBC Arabic Service

Industry

Mr. K.B. Smale-Adams ✓  
and Mrs. Smale-Adams

Chairman of RTZ who have mining  
concessions in Saudi Arabia

~~Mr. P.G. Cazalet~~ ✓ *Waller.*  
~~and Mrs. Cazalet~~

Trading Director, British Petroleum

Mr. W.E. Hardiman ✓  
~~and Mrs. Hardiman~~

Chief Executive, Cable and Wireless  
in charge of Saudi Arabian National  
Guard Communications Project

Others

Mr. M. Rice

Director, Michael Rice & Co.  
Prominent in design of Museums for  
Ministry of Defence and Department  
of Antiquities

Sir George Middleton  
and Lady Middleton

Chairman of Bahrain Society.  
Former Ambassador to Lebanon and  
UAR. Political Resident in  
Persian Gulf

Professor R.B. Serjeant  
and Mrs. Serjeant

Sir Thomas Adams's Professor of  
Arabic, Faculty of Oriental Studies  
Cambridge

Mr. Michael Bramwell  
and Mrs. Bramwell

Director, The National Stud

The Lord Mayor of Westminster  
and The Lady Mayoress

Officials

Mr. John Caines  
and Mrs. Caines

Under-Secretary, Chief Executive,  
British Overseas Trade Board

SUGGESTIONS FOR LUNCHESES/DINNERS

Mr. John Le Carre (alias David Cornwell)

Mr. Robert Gibbons  
(suggested by  
Mr. Thatcher)

Senior Partner in Fox & Gibbons. Legal  
Adviser to a number of the Royal Family  
of Saudia Arabia and Middle East Sheiks  
Recently appointed to the Board of the  
newly formed Arabian Monetary Fund

Mr. Robin Ibbs  
and Mrs. Ibbs

CPRS

Sir Hector Laing  
and Lady Laing

Lord Sieff  
and Lady Sieff

The Hon. Sir Clive Bossom  
and Lady Bossom

Lord Vaisey  
and Lady Vaisey

Lord Holderness  
and Lady Holderness

suggested by Ian Gow

Sir Robin Cooke  
and Lady Cooke

" "

Lord McAlpine  
and Lady McAlpine

Lady Aitken

John Profumo

Mr. Ronald Riddell  
and Mrs. Riddell

CAROLINE

10 Downing Street  
Whitehall

When the Guest list for  
the lunch HERE to  
the King of Siam  
we should include

Mr. ROBERT GIBBONS  
Senior Partner in Fox & Gibbons  
2, Old Buckingh'm St.

Gibbons is Legal Adviser  
to a number of the  
Royal Family of Siam

and other Sheiks in  
the Middle East and  
a powerful influence for  
Britain

He has recently been  
appointed to the Board  
of the newly formed  
ARABIAN MONETARY

FUND

£ 14/4



Possible Chequers List

The Rt. Hon. Lord Boyd-Carpenter  
and Lady Boyd-Carpenter

Lady McAdden

Sir John Gilmour  
and Lady Gilmour

Mr. Arthur Jones  
and Mrs. Jones

The Rt. Hon. Lord Renton  
and Lady Renton

The Rt. Hon. Lord Murton  
and Lady Murton

Sir John Betjeman

Mr. Arthur Koestler  
and Mrs. Koestler

The Lord Olivier  
and Lady Olivier

The ~~Lord~~

Sir Charles Villiers  
and Lady Villiers

Mr. Bernard Levin

<sup>Sir</sup>  
~~Mr.~~ Robin Day  
and ~~Mrs.~~ <sup>Lady</sup> Day

Sir Hugh Casson  
and Lady Casson

The Rt. Hon. Lord Cromer  
and Lady Cromer

The Rt. Hon. Lord Harvington  
and Lady Harvington

Sir Robert Mayer

<sup>Lord</sup>  
~~Sir~~ Edwin McAlpine  
and Lady McAlpine

Lady Aitken

The Rt. Hon. John Peyton, MP  
and Mrs. Peyton

Sir Isaiah Berlin  
and Lady Berlin

Sir John Moores

Chequers List

The Rt. Hon. Sir Frederick Lawton  
and Lady Lawton

Lord Dacre (Hugh Trevor-Roper)  
and Lady Dacre

Mr. Pête Murray  
and Mrs. Murray

Mrs. Maudling

The Bishop of Lewes

Mr. Terry Burns  
and Mrs. Burns

The Reverend Dr. Edward Norman Dean of Peterhouse, Cambridge  
Reith lecturer

MPS

The Rt. Hon. Edward du Cann, MP  
and Mrs. du Cann

lunch at No 10  
13/5/81

Mr. Jock Bruce-Gardyne, MP  
and Mrs. Bruce-Gardyne

Mr. Stephen Hastings, MP  
and Mrs. Hastings

Mr. Sydney Chapman, MP MP for Chipping Barnet  
and Mrs. Chapman

Mr. John Gorst, MP MP for Barnet, Hendon  
and Mrs. Gorst

Sir Bernard Braine, MP  
and Lady Braine

The Rt. Hon. Sir Graham Page, MP  
and Lady Page

Mr. John Moore, MP  
and Mrs. Moore

The Rt. Hon. Sir Hugh Fraser, MP

-----  
Diana Powell

Mr. Thompson Editor, Sunday Telegraph  
and Mrs. Thompson

Lord Eccles  
and Lady Eccles

Miss Joan Hall

Lady Macleod

Mr. Basil Feldman

Mr. Bryan Forbes  
and Mrs. Forbes

Mr. Ferdinand Mount

Suggestions for No. 10 Lunches and Dinners

Sir Robin Cooke  
and Lady Cooke

Lord Renton  
and Lady Renton

*came to No. 10  
recently*

Lord Holderness  
and Lady Holderness

~~Adiwa~~

Patente Verhuur offici



10 DOWNING STREET

JS Zle

S. Arabia

DETECTIVES

STATE BANQUET FOR KING KHALID  
OF SAUDI ARABIA: 9 JUNE

I attach the invitation card,  
parking label, entrance card  
for the Prime Minister and  
Mr. Thatcher, and one dinner  
ticket.

I have accepted the invitation  
and the dinner ticket.

CAROLINE STEPHENS

11 May 1981



10 DOWNING STREET

THE PRIME MINISTER

The Prime Minister and Mr. Thatcher present their compliments to the Lord Steward and have the honour to accept the invitation conveyed by command of Her Majesty to a State Banquet at Buckingham Palace on Tuesday 9 June.

11 May 1981



R 115

*The Lord Steward  
has received Her Majesty's command to invite*

*The Prime Minister and Mr Denis Thatcher*

*to a State Banquet to be given by  
The Queen and The Prince Philip, Duke of Edinburgh  
at Buckingham Palace in honour of  
King Khalid of Saudi Arabia  
on Tuesday, 9th June, 1981, at 8.30 p.m.*

*Please reply to the Master of the Household, Buckingham Palace.  
Guests are asked to arrive between 7.50 and 8.10 p.m.*

*Evening Dress, Decorations  
National Dress  
Uniform for Serving Officers*



Saudi Arabia

10 DOWNING STREET

*From the Private Secretary*

28 April 1981

The Prime Minister has asked me to thank you for your letter of 27 April.

This is to confirm that the Prime Minister will be delighted to meet King Khalid of Saudi Arabia on his arrival at Victoria Station at 1230 hours on Tuesday 9 June.

C

Lt. Col. George West.

A





*Chris Stephens.*

LORD CHAMBERLAIN'S OFFICE,

ST JAMES'S PALACE, S.W.1.

27th April, 1981

*Dear Prime Minister,*

State Visit of

King Khalid of Saudi Arabia

Arrival - Tuesday, 9th June, 1981

I have the honour to inform you that The Queen and The Duke of Edinburgh will meet King Khalid of Saudi Arabia upon his Arrival at Victoria Station at 12.30 p.m. on Tuesday, 9th June next.

The Queen wishes you, as Prime Minister, to be present on this occasion and to arrive at Victoria Station, Hudson's Place, by not later than 12.10 p.m.

Day Dress with a Hat will be worn.

I shall be grateful if I may please be provided with the address from which you will start your journey to Victoria Station in order that a route and windscreen label may be provided to facilitate your arrival.

*Yours sincerely*

*George Warr*

The Rt. Hon. Margaret Thatcher, MP.,  
10 Downing Street,  
London S.W.1.



10 DOWNING STREET

*From the Private Secretary*

14 April 1981

*file Kb  
Saudi  
Arabia*

STATE VISIT OF  
KING KHALID OF SAUDI ARABIA

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The Prime Minister has seen your letter to me of 13 April on this subject and has agreed all the recommendations in it.

M. O'D. B. ALEXANDER

F. N. Richards, Esq.,  
Foreign and Commonwealth Office.



Prime Minister

①

Foreign and Commonwealth Office

London SW1A 2AH

Agree A-G below?

13 April 1981

Print - 13/4 Yes not

Dear Michael,

State Visit of King Khalid of Saudi Arabia

Thank you for your letter of 24 December about the state visit of King Khalid. The dates proposed for the King's visit (9-12 June) are acceptable to him; and the formal reply to The Queen's invitation has been received in Jedda.

The Prime Minister will wish to know that King Khalid is expected to arrive at Victoria Station at 12.30 on Tuesday 9 June where Her Majesty will present the principal members of Her Majesty's Government. Arrangements are being coordinated by the Lord Chamberlain's office who have enquired whether, as is usual in such cases, the programme might include a luncheon to be offered by the Prime Minister on behalf of Her Majesty's Government. The date proposed is Wednesday, 10 June, at 1.00 for 1.15 pm.

Lord Carrington would be pleased to attend the luncheon if the Prime Minister so wishes. We also recommend that the Prime Minister should hold official talks with King Khalid. These would perhaps best be arranged immediately before the proposed luncheon. I do not need here to stress the importance to the UK of Saudi Arabia as an export market, a major oil producer and a moderating political force in the Near East and Gulf area - fully witnessed by the recent series of Ministerial visits culminating in the Prime Minister's own to Riyadh planned for 19-21 April.

I should be grateful if you would let me know as soon as possible what the Prime Minister's views are on such talks. If she approves in principle, we would recommend a very brief restricted meeting with only the interpreter and a Private Secretary present, followed by a larger meeting which the Foreign and Commonwealth Secretary would attend, as well as the Saudi Ministers attending the King (probably Prince Sultan - Defence - and Prince Saud Al Faisal - Foreign Affairs). The Prime Minister will also wish to consider including the Secretary of State for Defence at this meeting.

/The Queen



RESTRICTED

- 2 -

✓ F.  
✓ G.  
The Queen will be giving the customary state banquet in King Khalid's honour on 9 June, and the Lord Mayor will be host at a banquet at Guildhall on 10 June. King Khalid is expected to offer a return banquet, probably at the Dorchester or Claridges, on 11 June. It has not been the practice on past state visits for the Prime Minister to attend the Lord Mayor's Banquet, and unless Mrs Thatcher wishes to make an exception on this occasion, we will inform the Lord Chamberlain's Office that the Prime Minister will not attend. For the Return Banquet on the other hand, the Prime Minister has indicated that in principle she is prepared to attend these during state visits, but not visits by Heads of State as Guests of Government (Michael Alexander's letter of 13 January to Roderic Lyne). We assume therefore that the Prime Minister would wish to do so on this occasion (an exception might be difficult to explain) and will so inform the Lord Chamberlain's Office unless you tell us otherwise.

*Yours ever,*

(F N Richards)  
Private Secretary

M O'D B Alexander Esq  
10 Downing Street  
London SW1

RESTRICTED

13 APR 1981



Saudi  
Arabia

NOTE FOR THE FILE

I spoke to Mike Connor in the Foreign Office on 233 5572 about a present for King Khalid. It has been suggested that we should give him a photograph album containing photographs of early British explorers in Arabia. Present not to exceed £300. Mike rang to say that the album would cost £180; the arabic calligraphy £450 and the photographs £60. On advice from Michael Alexander I have cancelled the calligraphy and asked Mike to try and get Smythsons to give us a better price for the album.

27 March 1981



The National Archives

LETTERCODE/SERIES ..... <i>PREM 19</i> .....	Date and sign
PIECE/ITEM ..... <i>901</i> ..... (one piece/item number)	
Extract/Item details:  <i>Draft programme for State Visit of King Khalid (undated, but March 1981)</i>	
CLOSED FOR ..... <i>40</i> ..... YEARS UNDER FOI EXEMPTION	<i>18 October 2012 @Wayland</i>
RETAINED UNDER SECTION 3(4) OF THE PUBLIC RECORDS ACT 1958	
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MISSING	
NUMBER NOT USED	



JS  
Saudi  
Arabia

10 DOWNING STREET

*From the Private Secretary*

3 March 1981

SAUDI STATE VISIT

I am writing to confirm that the Prime Minister would be content for King Khalid to visit this country from 9 to 12 June.

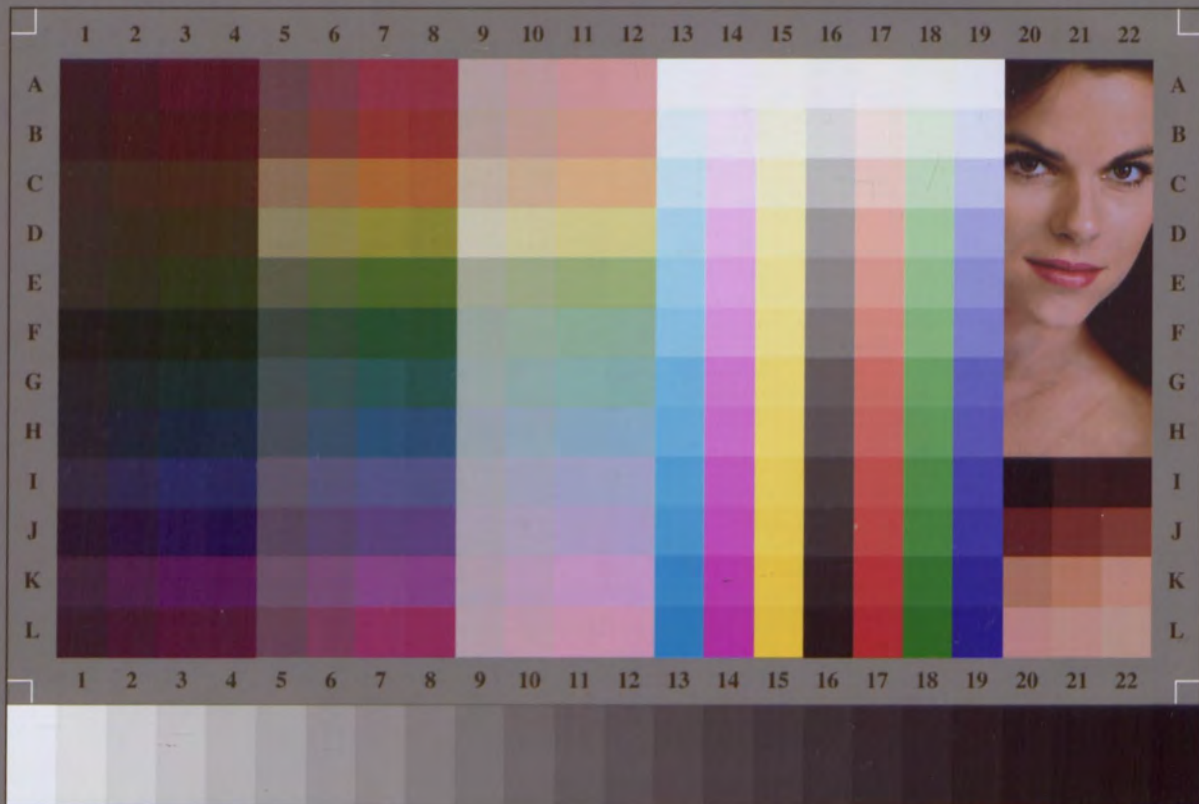
M. O'D. B. ALEXANDER

Francis Richards, Esq.,  
Foreign and Commonwealth Office.



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