

SUBJECT

SUMMARY NOTE OF A CONVERSATION BETWEEN THE PRIME MINISTER AND CROWN PRINCE HAMAD, MINISTER OF DEFENCE IN BAHRAIN, ON 26 SEPTEMBER AT 1530 HOURS

The Prime Minister's discussion with Crown Prince Hamad took place at the Bahrain Defence Force Officers Club. Among those present were:

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| The Prime Minister    | HE Shaikh Hamad bin Isa Al Khalifa        |
| Sir Michael Palliser  | HE Shaikh Mohammed bin Mubarak al Khalifa |
| Mr. Clive Whitmore    | HE Mr. Yusuf Ahmed Shirawi                |
| Mr. David Miers       | Brigadier Khalifa bin Ahmed Al Khalifa    |
| Mr. Ian Gow           | Colonel Abdullah bin Sulmar Al Khalifa    |
| Mr. Peter Jeffs       |   |
| Mr. Michael Copson    |   |
| Mr. Michael Alexander |   |

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Defence Co-operation

Shaikh Hamad told the Prime Minister that he had always considered that British military equipment and British military technology was the best available. It was also valuable that the technical manuals, etc., were produced in English. However, of late there had been problems about delivery times. The Prime Minister commented that she had heard that price was also a problem. Shaikh Hamad did not dissent.

Shaikh Hamad instanced as typical of the problems which he had encountered the case of the Saladin armoured vehicle. The Bahrain Defence Force had had difficulty with spares. In the search for a replacement they were now faced with a Saudi suggestion to buy the Panhard. Mr. Jeffs said that the Saladin replacement for the British Army was the Scorpion which was a tracked vehicle. Shaikh Hamad replied that a tracked vehicle would be unsuitable in Bahrain. Mr. Jeffs commented that we also had wheeled vehicles such as Panga and its GKN range which could be suitable.

The Prime Minister asked Shaikh Hamad about his overall strategy for the defence of Bahrain. Shaikh Hamad said that Bahrain's defence could not be looked at in isolation from that of her neighbours. There was effectively no depth to Bahrain's air space. They needed to use air space of the Emirates, of Qatar and, above all, of Saudi Arabia. As it was, two Phantoms attacking from the direction of Iran could destroy most of what Bahrain had built in recent years more or less without warning.



What was needed therefore was a regional air defence concept. (Shaikh Hamad claimed to have been the originator in the Gulf Cooperation Council of the idea of regional defence.) The concept would have to include communications, radar, and ground to air missiles. It was no use having grandiose ideas until the infrastructure had been created. Shaikh Hamad implied that we would be better off for the moment thinking about these problems rather than about the Tornado and the P110. Even the Tornado, of which only two squadrons were in service, was still a good way in the future for the Arabs.

The cost of setting up a regional air defence system would, of course, be considerable. The AWACS package, for instance, would cost \$8.5 billion. There was a need to think in terms of doing something big, something that would last for 20 years or more. The Prime Minister commented that any such system would have to be consistent with whatever was being done for Saudi Arabia. Shaikh Hamad said that he saw no difficulty over cooperating with the Americans. He commented that if the AWACS deal did not go through, Nimrod would be available and suitable. The Prime Minister confirmed this. Mr. Jeffs said that he was sure there was room for cooperation on an early warning system.

Shaikh Hamad said that he hoped Britain would help in drawing up a regional air defence concept. Mr. Jeffs suggested that General Perkins would be a suitable man. Shaikh Hamad agreed that General Perkins would be admirable. He said however that this would not be a one-man job. It would have to be a team effort. The Prime Minister said that she was delighted that Shaikh Hamad had raised the question. We did not like to intrude unasked. We would certainly be anxious to help with the drawing up of a regional air defence concept and General Perkins would seem to be eminently suitable. Shaikh Hamad said that he hoped the draft could be made available in Arabic as well as English. It would be helpful if it could be ready within two months, in time for the next meeting of the Gulf Cooperation Council. The concept should envisage the joint or licenced production of some of the equipment, e.g. Rapier. Mr. Jeffs pointed out that Rapier was already in production under licence.

/Arab/Israel Dispute

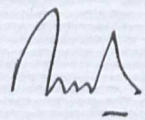


Arab/Israel Dispute

Shaikh Hamad said that he agreed with the view that the Russians were the main threat to the region. But the fact was that the Russians could not get into the area, given the religious and social attitudes of the Arabs, without help from people already in the area. The Palestinian communities in countries such as Kuwait and the Emirates constituted a large group of potential and actual trouble-makers. Bahrain had foreseen this eventual ity and had been careful to keep out Palestinians. There were some 200 Palestinians in Bahrain as opposed to, for instance, 300,000 in Kuwait.

The grievance of the Palestinians had to be removed. The possibility of sending them back from the countries in which they were at present to their own country had to be created. In other words, the first priority was to find a solution to the Arab/Israel dispute. Shaikh Hamad added that an additional reason for finding a solution was that the dispute was at present diverting the attention of the Arabs from more worth-while subjects. At every Arab meeting, the Arab/Israel issue was a dominant topic rather than the more important problem of creating prosperity. Sir Michael Palliser drew a parallel (with which both Shaikh Hamad and Shaikh Mohammed agreed) between the pre-occupation of the Arabs with the Arab/Israel dispute and the previous pre-occupation of the Commonwealth with Rhodesia.

Shaikh Hamad said that the details of possible solutions were a matter for Foreign Ministers. Shaikh Mohammed said that he saw no insuperable difficulties. He made it clear that he did not regard the "Jordanian solution" as a starter. (He drew the conclusion from a statement issued by the State Department the previous evening that the Americans had also rejected this solution.) He added that he saw no reason why a landlocked state should <sup>not</sup> be viable. There were ample precedents, e.g. in Africa. In reply to a question from the Prime Minister, he said that he saw no risk from Communism in a state bounded on one side by Israel and on the other side by Jordan.



26 September 1981