

# From JOHN BROWNE, MSc, MBA, MP

# HOUSE OF COMMONS LONDON SWIA OAA

10th April 1981

The Rt. Hon. Mrs Margaret Thatcher, MP, Prime Minister, 10 Downing Street, London SW1.

Prime Minister,

I have just returned from a high pressure business trip and have, in great haste, put on paper some of my thoughts on the vast subject of Saudi Arabia. I hope only that it is not too long and that it will be of use to you.

In order to present this paper to you at the earliest possible moment, I have introduced some editing changes which have resulted in some imperfections in the physical These I hope you will forgive. I have also presentation. been left no time in which to prepare a summary. This I will do over the weekend and present to you on Monday.

I believe you are embarking upon a great rescue mission for our country. Nationally you have a weak hand as we have lost much credibility in Saudi Arabia. However, personally you are enormously respected and admired and remember that the Arabs still deal with people. They do not really yet understand institutions. I therefore feel you should be frank and bold in your talks, wrapped in subtlety and charm with maximum use of femininity commensurate with national leadership - like a very feminine Queen. I think it will prove to be a 'Knock Out' and that you will succeed in opening the doors. The next challenge will be effective follow-up.

Despite our recent failures, our country still has a great chance of success in Saudi Arabia and in the Gulf. I think you are just what is needed to grasp it.

P.S. all best insher for the success of your great museum.



Le Nous

## PERSONAL AND SECRET

# FOR THE EYES OF THE PRIME MINISTER ONLY

LAND OF THE PROPHET

10th April 1981

VICTRIX



# TABLE OF CONTENTS

	Page
PREFACE	
Warning	1
Assumptions	2
Outline Situation	2
AIM	
MISCELLANEOUS FACTORS ABOUT THE ARABIANS AND SAUDI ARABIA	
Religion	3
Leadership	4
Prestige	4
Power	5
Time	5
Patience	6
The Saudi Prince	7
The Veil - Public and Private Worlds	8
Commissions	8
Decision Making	8
Dress	10
Presents	11
Taste	11
Style	11
The Desert	12
The Young Technocrats	12
The Sheikha Market	14
BACKGROUND TO ANGLO-SAUDI RELATIONSHIPS	15
Feelings of the Royal Family towards Britain	17



	Page
KEY CONVERSATIONS	
Perception	19
Outline Plan	21
Form of Initial Conversation	21

SUMMARY

ATTACHMENTS



# PREFACE

## WARNING

This paper is written by some who knows enough about Arabia to know that that knowledgen is only alsmall part of a vast and complex panorama and that recommendations and advice must be given with humility.

There is still a vast cultural gulf between the Christian European and the Muslim of Arabia, a place where rumour and counter rumour move as driven sand in a desert wind.

In the past seven years Arabia and Saudi Arabia in particular has been catapulted from a medieval world, with biblical origins, into the twentieth century, at least partly. So there are still desert dwellers who have never seen an aeroplane and yet their sons may be the pilots of advanced jet fighters.

Furthermore, the financial explosion of the past seven years has been so dramatic and dynamic that it has changed much of the old order and many customs, but not all. For instance, some old rich families are now merely well off (\$10M) whilst one of their old servants may be super-rich (\$1B). Now women are educated, can watch television and travel abroad. Never in known human history has so much wealth been so liquid so that some men can write cheques for \$100M without selling any assets or calling their bank manager.

In such a situation of change advice is sometimes contradictory and often out of date, particularly when given by Arabists who knew the area well before October 1973.

I stress again that this advice is based upon personal views and experiences.



## ASSUMPTIONS

It is assumed that the reader will have access to statistics, names and reports from: the Foreign Office; Ministry of Defence; Department of Trade, local British Embassies and from the Secret Services of Britain, the United States and possibly Israel.

Saudi Arabia, the guardian of the holy places, is the key country in Arabia. What succeeds in Saudi Arabia is more likely to succeed in the other States which have a more recent pro-British heritage. The paper therefore concentrates almost exclusively upon Saudi Arabia.

#### OUTLINE SITUATION

Great Britain, which had relationships with the States of Arabia which were once second to none, has been seriously 'squeezed out' in the battle to recycle petro-dollars. This is the more surprising since Britain is a major armaments producer and arms sales in the area have boomed.

Blame can be widely apportioned to: UK Trade Unions; unco-ordinated defence sales (involving military attaches and Defence Sales under MOD; Department of Trade; and Foreign Office); and indeed manufacturing companies themselves. I believe the greatest blame rests upon top Government who have failed to seize, or even copy the Americans in seizing, a political initiative and have failed to create a 'super salesman' to achieve national gains in an area where the bulk of petro-dollars are spent for political reasons.

It is believed if the present Government wishes to reverse this series of failures and ais prepared to work to achieve results.



#### AIM

The aim of this paper is to provide a personal and secret briefing for the Prime Minister, to supplement other information given her. It suggests an outline to the key conversations she will have with top leaders in the area so that she may seize and win a strategic, political initiative that will greatly enhance the success of follow-up tactics of British Ministers and businessmen in dramatically increasing the sales of British defence equipment and project expertise to Arabia.

# MISCELLANEOUS FACTORS ABOUT THE ARABIANS AND SAUDI ARABIA

## Religion

For the most of recorded history, the Arabsa of Saudi Arabia have had to struggle for life in an inhospitable country under conditions of searing heat (130°F in the shade). They have lived as families or small groups of families. They are therefore tough and very independently minded. They tend to kneel only to God with a religion which was well suited to their desert life.

The Muslim worships the same single God as the Christians and Jews. They recognise Jesus as a prophet but feel Mohammed was both greater and more modern.

The proportion of true believers in Arabia is still large, particularly in the desert and outlying areas. Until recently (4 years ago) about a third of all Saudi depositers at Saudi banks refused to accept interest payments. Even today the private and public power of religion is outstandingly strong.

Islam also encourages charity and good work. Sheikh Suleiman Alrajhi, a local money changer, was seriously criticised last year for not giving enough money to charity.



## Leadership

As desert life is a struggle, the quality of a group's leader is key to survival. The best successor is selected from amongst the dead leader's brothers, sons or nephews. If none meet the required standard the Sheikhdom passes to another family.

The measure of leadership is telling. "One must ride, eat and sleep with one's men. One must dress like them and yet, in oneself be different." Although dressed poorly and like everyone else, a desert sheikh is usually instantly recognisable by his bearing. I believe that if the late King Faisal were left naked in the desert, he would still be a King.

# Prestige

Even to the poorest desert Arab, dignity, bearing and prestige are all important. It is important always to leave them a face saving way of retreat or compromise. It is usually best not to face Arabs with 'head on' embarrassment but to cloak it in a firm but subtle manner and words. Indeed, well directed and controlled flattery and charm are important, particularly at the beginning and end of important conversations.

For instance, care should be taken to ask after health and family and to congratulate the King and senior Princes on the great things they have achieved for the benefit of their people. Remember always their humble, poor origins and how they have had to cope with unique problems to carry even a part of their Kingdom into the 20th century.

Although of declining importance, the level of introduction is often a crucial factor. The Prime Minister should use her own prestige to introduce people (e.g. businessmen - a 'super salesman' etc) to enhance their success in follow-up negotiations. This can be of very great future value and should justify extraordinary travel expenses. Is then a Chance 10% Could have

by Concorde?



## Power

Desert life is hard and vivid. The Arab greatly respects power. They are very quick to see through mere titles. Power has to be made apparent, even if in a gentle way. Within 24 hours of HRH Prince Philip's arrival in Saudi Arabia in 1978 senior Arabs no longer referred to him as Prince Philip but as the "Husband of the Queen"!

Westerners, and particularly the British, have overlooked this to their cost. The French have not. The British Prime Minister would add to her negotiating weapons if she were to have a deliberately large entourage. Indeed the entourage itself has a key role to play. It must be well disciplined both in its bearing and in its open respect for its leader. The Arabs also admire height and good looks. Tall men smartly dressed and of fine bearing (but not pompous (1)) with a good sense of humour (they much enjoy the English sense of humour) should be selected, including some senior uniformed service officers.

## Time

The desert Arab has often been short of water or food but he has, up to now, always had plenty of time. Time such that he tended to count only in half days. Time that was usually

Note (1) Most Arabs have come from humble backgrounds, indeed their religion teaches humility. They were poor and many of those who attended schools etc in US and UK, particularly the latter, were often kicked around before 1973. They certainly do not admire and some detest the classic pompous English attitude often caricatured by the British Raj. They much resent the attitudes of middle-ranking British diplomats and businessmen in this respect.



filled by a very simple routine. There was much time to think. Astronomy, geometry, algebra, mathematics (the use of zero and the decimal point) and language were very highly developed. There were few books, so the Arabs tended to develop phenomenal memories. There were some skirmishes but little else to occupy the long relatively cool evenings round the camp fire other than conversation. Therefore, their language became dynamic and subtle and it was not the great warrior but the great poet and storyteller who was held in highest repute by the village.

This abundance of spare time and absence of books, I believe, had a major influence upon the thought process of the Arab. He tended to revel in knowledge then in subtlety and then in scheming. Politics and sex are staple to Arab males. They admire knowledge and they delight in complex and subtle conversation in which a main theme ebbs and flows amongst totally unrelated thoughts. This can make important business and political conversations very difficult and frustrating for Westerners.

#### Patience

If ever patience were a virtue sit is in Saudi Arabia.

The Arab uses time as a negotiating weapon to great effect.

It is a very serious mistake to be, or even appear to be, rushed or impatient. One can and should be firm but always subtle and patient. There is also great room for charm but not to be mistaken for weakness.

- Note (2) Even the house chores, cooking and child care were the responsibility of the women or harem\* (as opposed to concubine) of the family.
- Note (\*) A harem consists of the women of the household e.g. wife or wives; daughters; aunts; sisters etc.



#### The Saudi Prince

Most of the senior Princes (sons of the late King Abdulaziz Ibn Saud, the founder of the present Kingdom) are very fine men. Tall, mahogany skinned, usually very good looking and polite medieval princes with great power, which they understand and use to great effect. They are usually outstandingly smart and graceful. Most have a keen sense of humour.

Most have a most unusual aura of tranquility when in serious conversation and they are earnest listeners. (Some play for time by pretending not to speak English, using the time gained by interpretation\*whilst leaving you with the pressure of instant reply). The King and Prince Fahed may well play this game. As I said, in Saudi Arabia, there can be plenty of time so, take it.

Whilst many of the third generation and junior Princes come nowhere near these standards, indeed some are totally spoilt, there is one great exception; HRH Saud bin Faisal al Saud - the Foreign Minister. A graduate of Princeton University, he has many of the looks of his late father and the Bedouin charisma of his father and grandfather (King Abdulaziz). There is little doubt that he is being groomed as a future King.

Most if not all the Princes you will meet as Minister are men of outstanding calibre as natural leaders. The common members of the Cabinet are also men of very great quality, particularly HE Sehikh Mohammed abu al Khail, the Minister of Finance and HE Sheikh Ahmed Zaki Yamani, the Oil Minister, who despite his clipped wings, still has great influence.

Note (\*) I strongly advise that if they have an interpreter present you should do likewise. I would not force an embarrassing issue by using him for translation but merely to check that a good and 'fair' translation is being made of your words.

-8-



# The Veil - Public and Private Worlds

In Arabia, two, often totally distinct, worlds exist side by side. Strict laws apply and are ruthlessly upheld in public Whilst a 'Nelsonic eye' is shown in private.

This is very important in international relations. For instance; publically, the Saudis dislike the United States, Egypt and the Rapid Deployment Force. Privately they are strong supporters of all three!

One should therefore be <u>extremely</u> careful when speaking in public. Make the official private meetings count.

## Commissions

Since the Lockheed scandal and, more recently, the King Carlos oil scandal, the Saudi Royal Family will not countenance any commissions – even on defence purchases. In private however, these are still required and are paid through more junior officials – now often outside the Kingdom.\*\*

It is a complex and risky business. We should study the French.

## Decision Making

In the private sector decisions are usually made on economic grounds but not always, because government instructions, backed by some overt or covert subsidy, can influence decisions in this sector.

In the public sector however, both in defence purchases and in major projects, decisions are usually made on political grounds. Sometimes for overall political reasons (e.g. the reward of the French for their help at Mecca with a navy project) or as a result of internal political influence (e.g. the influence of Prince Mohammed bin Fahed over the \$3-6B telephone contract).

Note (\*\*) The US are moving towards an amendment of their anti-commission legislation. Such an amendment would have the effect of opening the present legislation to the more subtle payment of commissions.



People will argue the details but certainly, in the main, (in \$ terms) decisions are political. Even these political decisions often involve commissions. Nonetheless, the triggering of the decision is political. This factor, wise national leaders see as their key role. The tactics and commissions, if applicable, should correctly be left to lesser mortals. The aim of the national leader should be to set the ambiance in which the follow-up negotiators can work with the odds stacked, politically, on their side.

Whilst it is vital that the national leader should succeed in establishing a healthy ambiance, it is important that follow-up salesmen and negotiators should meet and understand the mentality of their Saudi opposite numbers, men who are often very young by Western standards. In this respect British Embassies have the reputation of being "OUT OF TOUCH"! Most British Ambassadors are of high quality although many of them lack the 'cuddly father' relationship that their predecessors developed with the leaders of the However, the middle and junior officers are a very mixed bag, too often of a quality unsuited to the important and subtle requirements of work in this area. They are by no means new rich in terms of personal wealth. However, they are, relative to their life-styles at home, new status rich, with cars and servants etc. Too many of them are full of selfimportance and tend to look down upon the Arabs as mere desert natives. They are also offhand to many of their own, nondiplomatic contingent. They tend to stick together and enjoy Embassy parties rather than undertake the harder part of their duty which is, as always, to know the people of the country to which they are posted. Finally, the scruffiness of their dress, in my view, reflects their attitudes more than their lack of wealth and is spurned by Arabs. Some of our Embassy staff are politically left-wing inclined. Furthermore, they tend to try to cultivate big names. They end up cultivating middle names that are often passe and ignore the new young technocrats. This is a generalisation but one that is particularly relevant to us.



#### Dress

The dress of Saudi women, outside their own homes, reflects the strong wish of Saudis for family privacy. Women therefore wear clothes which both cover their skin and obliterate the contours of their bodies. Thus all women are women outside the home and no outsider knows how physically attractive or unattractive is any particular non family female.

It is interesting to note that this custom was pressed on the desert Saudis of Western Arabia by the Turks under the Ottoman Empire. Today, many young relatively liberated Saudi women who have travelled abroad resent this Turkish custom and flout it openly in public. In this they are aided by the presence of many foreign, especially Western, women in the main cities. However, this female rebellion is much less tolerated\*by the menfolk of the Royal Family (absolute Princes). It is therefore looked down upon by Saudi 'society' outside the Royal Family.

The Saudis were particularly flattered when HM Queen Elizabeth wore long dresses with long sleeves, particularly as she had worn more 'open' dresses in Kuwait. Local orthodoxy was well satisfied; and they were greatly flattered!

I believe great care should be taken to wear very discreet dresses with long sleeves on all occasions and even to consider a headdress with the hint of a veil on the more formal occasions. I believe the Queen's dresses should be referred to and borne in mind. Such a manner of dress is important in Saudi eyes, particularly those of the Royal Family. It will be taken as a measure of awareness and a great compliment. We need their friendly disposition to prepare the ground well for your style in the key conversations with the King and with Princes Fahed, Abdullah, Sultan, Naif, Turki and Saud bin Faisal.

Note (\*) Indeed, the Islamic revival started in Iran has tended to reverse this trend of permissiveness and more women are returning to the veil or a <a href="https://example.com/html/>hint</a> of it, even in Cairo.



#### Presents

Presents are important in the Arab world. Genuine thought, style and appropriateness are much more important than value - which does not mean much to the multi-billionaires you must win over.

I am not conversant with exactly what should be given or to whom. (2) I would consult the Foreign Office but with the above point in mind, not tolerating any second grade or vulgar ideas - which will be counter productive. The presents will reflect you and it is upon you that the central aim depends.

#### Taste

Until recently, most Saudis were desert dwellers; some rich but mostly poor. The colours of their lives were blue (sky) and khaki (ground) with most of their animals also having khaki coats. Their tents, hair and cloaks were mostly brown or black - all this under the glare of a searing yellow sun.

Therefore upon acquiring wealth and the new city life, most Saudis initial instict is to go for vivid colours; considered garish in the West.

However, rich Saudis, especially those educated in good schools in the West, soon pass through this stage. Their slightly less new wealth is spent in the best shops and upon the best designers and architects. Their taste is then 'chic' by even best Western - even French standards.

#### Style

Because until recently individual and physical leadership mattered so keenly and also the fact that most Saudis had plenty of time to spare, style forms a basic part of their lives. This style is more important in gaining the respect of Arabs. It is manifest mainly in manners, conversation and bodily action.

Amongst the richer city dwellers it is also an important part of dressing. As all Arabs dress very similarly, style is the main differentiation.



Note (2) The type of presents I would consider, if the King is a shooting man, would be a pair of Purdy shotguns or a high grade rifle with an inscription showing that it is a gift from you as Prime Minister.



#### The Desert

To a Westerner, the desert is a remarkable place. To the Saudi it is his romantic home for, apart from the older citizens of the large cities, the Saudis are people of the desert and are proud of it. Indeed their religion is desert-based in application.

The largest portion of Arabia is desert and the most loyal supporters of the Royal Family are the desert Bedouin. The Royal Family therefore spend time in the desert both for hunting and for political reasons, just as MPs do in their constituencies.

The desert is very important to the Royal Family. I believe any invitation to visit it with the King or Prince Fahed should be keenly accepted.

## The Young Technocrats

The Saudis' natural admiration of knowledge, their retentive minds and their peasant shrewdness have, until recently, been limited to life in an Islamic desert or city sooq (market place).

The recent explosion in State and old rich financed education, both at home and abroad, particularly in the US and UK, has resulted in a new, young generation of relatively highly educated technocrats - technocrats who, in the course of their foreign education, have been exposed to the left-wing politics and permissiveness of Western societies. Many of them, especially those of humble origins, return to the social disciplines of a strongly Islamic society to serve in relatively junior positions in the Government, including the defence forces. Their senior superiors are either super rich princes or non royal Ministers, either usually of a very high standard. Their immediate superiors however, are men of poor education and relatively low social status, who may not speak English, but are in senior jobs because they are trusted, long time

-13-



Government employees under a very unsophisticated regime or are just older. There is therefore often a void in senior and middle management which lies between top management and the young technocrats. This leads to much concealed frustration. Some of the young technocrats also feel that they are underpaid relative to their seniors and to their compatriots in the private sector. However, the Government is aware of this and has made gradual, cautious moves in an effort to rectify the situation.

As has already been said, most decisions relating to the purchase of armaments or major projects are made with a heavy political bias. There is therefore a key role for politicians, particularly national leaders, to play.

However, the technical 'guidance', whether heeded in whole or in part or even discarded, is given and presented by the young technocrats, some of whom are now in important positions. They are therefore able to influence some major decisions, especially in a negative sense. It is indeed a bold Prince who orders several squadrons of modern fighter aircraft after his technocrats have said that they are no good! It is therefore important to be 'in contact and in a position to influence (3) both the new technocrats and, if they are still junior, their senior management. There is therefore a key role to be played by experts (4) working under the co-ordination of a

- Note (2) There is a tendency for these young technocrats to wish to play a role in the political events of their nation. They represent one of the seeds of internal insurrection.
- Note (3) Influence should be taken to be by means of personal friendship, expertise or by the 'correct' application of commissions.
  - (4) Experts should concentrate upon identifying and indeed helping the Saudis to identify their NEEDS and not just 'push' whatever equipment the British happen to have for sale. In my opinion, the Government would be well advised to finance such expert aid or advice on a large scale as is already done by the US Corps of Engineers.



SUPERSALESMAN<sup>(5)</sup> who has been introduced, by the national leader, at the highest levels knows personally, all the relevant Ministers and key people below the Ministers, who both present and influence decisions. He should have diplomatic credentials and understand the 'commission payment' system.

## The Sheikha Market

Perhaps the most underestimated, at least by Westerners, section of Saudi society are the wives of Sheikhs and Princes. Few Western men have any access to them, especially inside the Kingdom. You will have access and I most urgently urge you to make the very most of it.

Until recently most Saudis had up to four wives, at any one time! King Faisal's last wife persuaded him that one wife was best and Saudi society now tends to follow this custom. However, please remember that most Saudi men were raised in families where their father had many wives. Fathers were thus rather more remote than in the West. A child's mother was everything. Indeed there is an old Arabic saying that "The World is Motherhood" as indeed it was to most Arab children.

Despite the public discrimination (6) against women in Arabia they have property rights and exercise great influence over their

- Note (5) The role of a supersalesman is of key importance to our national success in Saudi Arabia. I believe we must appoint a 'supersalesman' for the Gulf, based in Riyadh.

  The negotiation of his appointment and his introduction should be undertaken by the Prime Minister in conversations with the King, Prince Fahed and the Minister of Defence, Planning and Industry. Obviously the person should be a man. He should be young and willing enough to establish close contacts not only with Ministers but also with the young technocrats, who will become of increasing importance. Finally, such a man should understand finance. It would be an advantage to understand defence in addition.
  - (6) Until recently they were not allowed to go to school. Even now they are not allowed to drive and must wear special clothes. They must not marry out of Islam etc, etc.



husbands and especially their sons, in private. Saudi princesses have significant power. You will be the first Western leader with direct access to that power. You should use it to impress them as a fine, kind, English mother who is a heroine standing for many of the things in which they believe and treasure (NB. exsecretary of State for Education and your own qualifications). If you win the wives over, they can exercise valuable pressure upon their key husbands e.g. the King and Prince Fahed etc.

#### BRIEF BACKGROUND TO ANGLO-SAUDI RELATIONSHIPS

During the Great War the British, under Lawrence, stimulated the Arab Revolt in Western Arabia (the Hejaz). They also helped King Abdulaziz ibn Saud al Saud (ibn Saud), using Philby, against the hated Turk, (in the Najd).

Before the 1914 war, the British had, by lending arms and gold coins to ibn Saud, via the ruling Kuwaiti, al Sabah family, helped ibn Saud, who was then in exile in Kuwait, to recapture his family Kingdom in Eastern Arabia based upon Riyadh (the Najd) (7). Before that the British had acted as 'protectors', against local pirates and raiders for many of the sea port States of Arabia including Kuwait, Bahrain, Qatar, Abu Dhabi, Dubai, Sharjah, Ras al Khaimar, Oman, Aden and the Hadramut (now South Yemen).

Note (7) There is still much rivalry and jealousy within Saudi Arabia between the peoples of the Hejaz and those of the Najd. It is one reason that the Embassies are being moved from Jeddah to Riyadh.



King ibn Saud never forgot (8) the kindness and help of the Kuwaitis or of the British. Saudi/Kuwaiti relations have been excellent. Furthermore, it is interesting to note that the only parts of Arabia that ibn Saud did not take over were the old British protectorates and North Yemen!

King Abdulaziz ibn Saud was very pro-British; despite the fact that he felt ignored during the Great War. Ibn Saud turned to the British for help in the search for water wells and for the development of oil. Sadly the gross arrogance of the British Representative in Kuwait, who conducted negotiations, resulted in a breakdown and ibn Saud calling in the American oil companies, who eventually formed ARAMCO. Contrary to the fervent strategy of the British and French, the British thus allowed the Americans a major foothold in the Gulf - a foothold for which we are still paying dearly. Whilst the rest of the Gulf remained, until Ted Heath's catastrophic military withdrawal in the early 1970s, under British influence, Saudi Arabia fell to the Americans.

Despite the above, most of the Royal Family and important merchants remained pro-British. The British had never been conquerors in Arabia, merely protectors. Furthermore, they had been represented by political agents; soldiers; and bankers who whilst they may not have been the stars of their profession, had and were prepared to spend endless time talking to the Arabs.

Note (8) A friend in need is a friend indeed. The Arabs generally never forget kindness shown in the hour of need. Many of the present senior Saudi Princes were relatively poor under the late King Saud, the elder brother of the late King Faisal and a man whom they all try to forget (please do not mention him). Some of the more wealthy merchants helped the Princes out. Now those Princes have made billionaires of the merchants.





This is a copy. The original has been extracred and closed, to years.

Furthermore, they had style, and were honest and were backed by the great prestige of Britain. They became trusted and respected friends of the Arabs. The older Arabs have not forgotten or lost this feeling for Great Britain. They are merely flabergasted by our apparent weakness, loss of style and failure. Many feel sorry for us and would honestly wish us recovery. They certainly trust us more than any other nation, although the visits of Englishmen of less integrity, especially since 1973, have tarnished our image, but not beyond recovery.

# Feelings of the Royal Family towards Britain

King Abdulaziz ibn Saud was pro-British but came to use and admire the Americans, particularly for business expertise. He always trusted the British more and admired their political judgement most. He also much admired the British Royal Family and was thrilled to entertain Princess Elizabeth and the Duke of Edinburgh in Jeddah on their way to their honeymoon visit to Kenya. Sadly British Governments have, until the Spring of 1979, seen fit not to play their overwhelming Royal Cards.' Even at the death of the great King Feisal, we could muster nothing better than a dishevelled Defence Minister and a Socialist at that. The Saudis were badly hurt: (though they won't now admit it) that either the Prince of Wales or even the Duke of Kent did not attend the funeral of their great and much loved king - the first effective unifier of the Arab world (oil cartel) since Mohammed.

Ibn Saud's eldest son Turki died young, so King Saud

\* He was succeeded
by the great King Faisal - like his father a classic Bedouin leader.

\* \* Passage deleted and closed, 40 years, under a FoI Exemption. Mayland



King Faisal knew both England and America. He was pro-British. He much admired Queen Elizabeth and told me so on more than one occasion. I always felt that he really wished England well.

King Faisal's death came as a great shock (9). People felt that the then Crown Prince Khalid, who is an expert on birds and spent much of his time hunting, in the desert and appeared disinterested in Kingship, would be passed over for his half brother Fahed, eldest of the powerful group of seven full brothers ^ including: Sultan (Defence); Salman (Governor of Riyadh); Naif (Interior) and Turki (Secret Service), all sons of Queen Suderine. Prince Fahed represented the pro-American and progressive industrialisation faction. The pro-British and conservative faction was led by Prince Abdullah (Head of the National Guard, the main force in the nation being composed largely of loyal bedouin tribesmen). Evidently, the family council (like the Saxon Witam) de Coumons) set about resolving the problem. One rumoured solution was that Abdullah would be made Crown Prince if he gave up the National Guard. refused.

Finally, having passed over his elder half brother, Mohammed (grandfather of the princess who was recently publically executed), Prince Khalid was persuaded to become a caretaker King as a temporary compromise. The selection was similar to that of the late Pope John. Like Pope John, King Khalid has turned out very well. He is loved by his people and much respected. Although his healthis not good he stays on, I believe out of a sense of duty until the family rift is more settled.

Note (9) Even Sheikh Ahmed Yamani was held as a suspect for several hours as it was he who brought in the little known nephew (the assassin) thinking him to be part of a Kuwaiti delegation.



King Khalid is very proud of the job his Government have done for the people of Saudi Arabia. Whilst he is the figure-head, the main tasks of Government are carried out by Prince Fahed who exercises real power. He is tough but has an excellent sense of humour. It is these two men that you must win over and to whom your supersalesman must be introduced and whose right of 'access' (10) you should include include in any Accord that you sign.

You must also concentrate upon impressing: Prince Saud bin Faisal (Foreign Minister) and Sheikhs: Yamani (Oil) Abu al Khail (Finance), Nasser (Planning), Al Qasaibi (Industry).

Whilst the Saudis may appear cool towards the Americans in public (.e.g over Camp David etc), remember that in private the Saudis were strong supporters (apparently even financially through Becktel) of President Reagan's election. They like him very much in private (sale of F15 to Saudi Arabia whilst offer only of more financial credit to Israel).

I believe that in public they disapprove of some major facets of the Rapid Deployment Force, in private they are guarded supporters.

#### YOUR KEY CONVERSATIONS WITH THE KING AND PRINCE FAHED

#### Perception

I believe that the King and the top Saudi Princes will see you as a woman of quite remarkable qualities - a beautiful heroine standing for most of their own political ideals (respect

Note (10) Prince Fahed can be very difficult to see in private. He is the 'power behing the throne'. He is also, in Saudi eyes, of the same rank as a British Prime Minister -



This is a copy. The original has been extracted and dored, to years.

-19a-

Note (10) HM The Queen ranking with King Khalid himself.
Cont. Your conversations with him will, I believe, be the most crucial of the entire Middle East visit. (He has a squint which can be slightly off-putting but also has great charm).

In Arabia, similar to Japan, great store is placed in age. As I said, Prince Mohammed was passed over when his younger half brother Khalid was made King. In family circles, therefore, Prince Mohammed is, in a subtle way, more senior to the King. It is for this reason that the film, Death of a Princess, was of such extreme personal and family embarrassment to the King.

Passage deleted and dosed, 40 years, under a FoI Exemption. OMWayland 13 ochster 2011

The family order therefore is as follows:
Prince Mohammed (equivalent in American corporate structure to a Chairman); the King (equivalent to an American corporate President); Prince Fahed (Crown Prince and equivalent to a Managing Director);
Prince Abdullah (Head of the National Guard and main power force); and Prince Saud bin Feisal (a charismatic 'whizz kid', being groomed for the highest office).



for God, defence, law and order, economy, etc). To them you have a determination, firmness and honesty which leads to credibility. What they may still be looking for is the ruthlessness that you will need for full credibility in turning Britain around.

As I said, they have an eye for beauty, for style and for integrity. You have all that. What they must be reminded of vividly is your power and your knowledge (including chemistry and the law). In this your disciplined and large entourage can play a key role. The Saudis will be watching your entourage closely to see their bearing, what they say, how they say it and how they react to you. The eyes of your entourage should never be idle in public, they must be upon you so that you never have to frown or call to receive instant attention from them - not always an easy task in some typical Middle Eastern chaotic organisations!

Basically, Saudis will see you as a most unusual superstar. They will be more than usually curious. In public, I think the style you adopted on the White House lawn will go down superbly. In private, do not hesitate to use your charm in a quiet, serious motherly way, whilst facing them with a tough but helpful proposition, carefully avoiding being either too direct or abrupt and always being patient with any of the complex rambling logic.

Finally, I believe you sould be very calm and charming but frank and outspoken on the vital issues, in private.

- (N.B. On reflection, I do believe you may not have sufficient time to spend upon learning about falcons. The subject may therefore look false or insincere and be counter productive.)
- Note (11) They may need reminding of this but not too openly by you unless in your questions or natural responses in conversation.



## OUTLINE PLAN

We in Britain need major public sector orders for defence and projects in order both to recycle and to create profitable demand for our industries at home. Unless we succeed the position of the Conservative Government will be put at serious risk.

The rulers of every State in Arabia (excluding the Yemen) are hanging on to power by a mere thread and they know it.

Threats from the PLO, international coups, neighbouring countries and from Russia. They need the friendship, co-operation and credible support of nations with power and influence. Luckily, Great Britain has something concrete to offer in this sphere.

The Saudis need the backing of the US but they do not fully trust them. They therefore need and will welcome the firm and credible support and co-operation of Great Britain, a country that, until recently, they have admired beyond all others and whom they still like and trust. Great Britain has power and, in their eyes at least, has influence with the US. Indeed this may have been enhanced, in Saudi eyes, by your most successful meetings with President Reagan. There is therefore an opportunity for you to use some 'big talk' in offering them credible support.

In short, I believe you should approach the Saudis with their own thinking.

## A SUGGESTED OUTLINE FORM OF INITIAL KEY CONVERSATION

The opening should be full of charm, style and femininity but as a national leader. References to health and to achievements for his country. Glad at last to have an opportunity to visit. Much looking forward to his State visit to England in Summer 1981.



I think that it is important to flatter the leaders of Saudi Arabia. To explain that in our view they are the most important country in the Middle East and the greatest force for stabilisation in the area and therefore of great benefit to the free world in general in its struggle against Russia.

'We'feel that they have shown great responsibility in their role as political mediator and also in the technical but vital subjects of international oil and money. (N.B. The Saudis have pressed for price moderation and have used their great flexibility of production to hold in check the worst excesses of the Arab oil price hawks. They have also scrupulously obeyed the working practice of the IMF and World Bank.) Indeed, 'we'support their rightfully enhanced position at the International Monetary Fund.

As Conservatives'we'much admire and support their own conservative policies and ideas.

"However, if British support for Saudi Arabia is to be truly credible, 'my'Conservative Government must regain strength. The Government and I intend to stay in power and we are determined not to be toppled by the Trade Unions. 'We'much value mutual co-operation with conservatives of other nations."

Discuss your visit to Washington and your keen support of President Reagan. As you know, 'we'are strong supporters of the Rapid Deployment Force and always ready to help Saudi Arabia "if called upon by you". 'We'keep our promises and we'stand by our friends. "There is no need to remind you of how much we have stood by the US and how much the US depend upon British co-operation in their Middle East policy." (N.B. However, there is a slight difference of opinion over The European Initiative).

Talk of the past - excellent relationships between our two countries, especially under the King's Stather (Abdulaziz ibn Saud). How right the British Government, at the time, was to support him in his bid to regain his Kingdom. (N.B. You may be interested to see the Fort where the key assault took place, in Riyadh).



"We would like this old and trusted friendship to continue and indeed to be enhanced in the mutual interests of both our countries and of the free, non-communist world." (Islam is an anti-communist religion and the Saudi Royal Family hate the communists more than most others.)

'Not only would we like to enhance our past friendships but we would also like to assure you of our continued strong political support."

'In short, Britain is prepared to give Saudi Arabia maximum real political support with the US and within the EEC. Please rest assured that we in Britain still have much closer relationships and much more influence upon the US than does Holland, Italy, France, Germany, South Korea or Japan. And yet, Britain does not feel it is getting its fair share of defence sales and industrial business in Saudi Arabia. I know you have been a loyal friend in the past but British companies have the capacity to do much more work for Saudi Arabia which will give a vital boost to our economy at home."

"As you know, our trade position is out of balance and we have very serious economic problems, much brought on by the fall in world demand for our products, which threatens increased unemployment and social unrest."

'I believe that it is not only in our individual interests but in our mutual interests that we should develop much stronger political and economic ties. We can offer political support and military support when called upon by you to do so. We can also offer you an alternative source of supplies and contracts, particularly in the defence field." (N.B. At this stage I believe you should outline in some detail exactly what we wish to push in terms of arms sales and construction projects.) "We also have



very considerable resources to offer in the field of education: schools; universities; textbooks; computers; video techniques and other advanced educational technology. (I believe it is vital to pull more Saudis into British schools and universities and to pull them away from the US. Saudi students graduate to become businessmen who tend to have a favoured purchasing bias towards the country in which they were educated. This already shows strongly in the US and to a certain extent in Britain. We must increase our market share in this area, a long term proposition. One of the greatest barriers is the slightly old fashioned entrance standards for some schools and universities. Could we not offer them a more practical and culturally orientated entrance standard?)

# Delicate Subjects

Below are listed a number of delicate subjects which are best avoided. However, I have suggested some ideas in case the Saudis force the issue. Obviously your best briefing on these subjects will come from the Foreign Office.

#### - Death of a Princess

Obviously we very much regret that the film was made and indeed shown. I disapproved of it from the beginning but I hope you will understand that I was not in a position to go against the laws in our country which are specifically designed to protect freedoms of this sort and to prevent political interference. We try to treat the undoubted trade losses we have suffered from Saudi Arabia as a tax upon our freedom but we hope that that has now been settled and that the subject can be forgotten.

#### - Israel

Have sympathy with the Palestinian cause. Also have sympathy, but not too strong a sympathy, for their efforts to regain their homeland. Mention the European initiative in this respect.



# - Iraq/Iran War

I believe you should remember that most of the Rulers of the Gulf are forced into a position where they are privately happy that the war exists. The war has greatly weakened the thrust of Islamic fanaticism emanating from Iran and which was generally from the extreme left and a severe threat to their own regimes. On the other hand, of course, it has probably enabled Khomeini to survive for longer. Also the Arabs, particularly the Kuwaitis and the Saudis, always feared the power of Iraq and they are happy to see Iraq weakened by the war.

# - Rapid Deployment Force

There is no doubt that your statement of linking this to possible action in the Gulf caused political embarrassment within Arabia. I believe that you can, if pressed, show that you meant the Gulf in general terms and that you would never have considered moving forces into the area without first consulting the Rulers of the countries concerned. The initial statement was made apparently to appeal to pressure within the US and also to have a positive effect on our free world struggle with the Russians. The basic message is that the free world considers the Gulf to be an area of vital interest which the Russians are threatening. We seek the co-operation of the local Arab States and would not entertain any unilateral action in the area without their approval.