

C D Power Esq

No. 10



R7/2

*With the compliments of*

**THE PRIVATE SECRETARY**

*Charles*

*We spoke. This is the Foreign  
Secretary's speaking note for  
Cabinet tomorrow.*

**FOREIGN AND COMMONWEALTH OFFICE  
SW1A 2AH**

*Bob*

*7/2*

## CABINET: HIGH LEVEL VISITS TO THE GULF

### SPEAKING NOTE

- Struck by Britain's political reputation and commercial success in Gulf region. £3.2 billion surplus on visible trade with GCC countries and Iraq in 1989.
- Number of reasons for this:
  - Historical links and traditional friendship.
  - UK's political/military role in bringing Iran/Iraq conflict to an end and efforts over Arab/Israel.
  - Growing respect throughout 1980s for UK's international weight and economic performance: seen as reliable partner.
- Cannot take pro-Britishness of current generation of Rulers for granted. Intense competition from eg US, Japan, France. Need to position ourselves for possible mini-oil boom in mid-1990s.
- In Gulf region, politics is about people and personal contact. Confidence in UK and desire to do business with us best nurtured by prestige visits. Have assiduously cultivated Gulf countries through Royal, Ministerial and other high level visits in recent years.
- Some signs of programme faltering. Messrs Walker, King, Wakeham and I are planning to visit Saudi Arabia this year. Smaller Gulf countries losing out: some useful inward visits - but few outward visits planned.
- Believe we should concentrate over next 12-18 months on Defence, Education, Energy (consolidating work already in hand on health, internal security, drug trafficking). FCO have put proposals to a number of other Departments. Understand domestic pressures, including heavy legislative programme. But urge colleagues to consider 7-10 days in region either before or after the (long) summer break.