23 (A-E) SECRET MINISTER OF STATE FOR DEFENCE PROCUREMENT Prime Minister
As you suggested,
I have set up a
meeting at 9.30
for Man Clark to PRIME MINISTER like to attend. QATAR - BAHRAIN - ABU DHABI - DUBAI EMIRATES CNAS

I returned this morning to Brize Norton at 0340 hours to find my personal staff on leave and no typist at MOD so I am particularly grateful for the use of the No. 10 facilities to dictate this text.

I believe the mission was successful in attaining the objective that you set; that is to say of giving your personal regards to the Ruling Families, underlining UK support for them and pointing out the speed and effectiveness of our military response. I believe this opinion to be shared both by Duncan Slater (AUS -FCO) and General Sir Richard Vincent who accompanied me, as well as by the Ambassadors and chargé at the various posts, all of whom responded splendidly to the less than 24 hour notice of my visit. The arrangements were impeccable.

In the interests of brevity I have set out my analysis of the situation and recommendations below, and attach the fuller Meeting Notes (taken by my PS) as a numbered annex.

1. I have little doubt that the Americans intend to take direct military action as soon as their heavy armour arrives from Norfolk Virginia, about mid-September. If not before.

My grounds for this belief, in ascending order of quality, are:

- a. Chatter in the bazaars.
- b. The sheer scale of the US input. There are now 1,200 beds (three military hospitals) in place, plus such special units such as (a) 'Wild Weasle' electronic counter-measures squadron suitable primarily for deep intrusion. The total of combat aircraft is now over 300.
- on the tarmac at Riyadh Military Airport at 2300 hours last night of our Ambassador to Saudi, gleaned from his own contacts.
- d. The opinion of Air Marshal Sandy Wilson (Force Commander) whom I also spoke to at length at Riyadh who attends the daily briefings called by the Resident US Commander - from conversation with his American counterparts.
- 2. Both the Ambassador and Wilson expressed to me their concern at being excluded from attending at, or seeing reports of, the strategic as distinct from tactical planning process which is evolving rapidly. Sandy Wilson asked particularly that we should have some attendant, in the USA, at the JCS meetings.

(Of course I do not know the extent to which you yourself are privy to this evolution or even if, given the degree of implied consent therein, you would wish to be and I made no comment).

- 3. Air Marshal Wilson has made himself widely liked by his USAF counterparts and is already well dug in with the Saudi AF as a result of his earlier tour here training the Tornado pilots. But he believes that our relatively minor contribution is diminishing our claim to full disclosure. He was particularly supportive of my suggestion (incorporated in VCDS flash signal of 16 August to MOD concerning which I telephoned Dominic Morris) that a Squadron GR1 Tornado ground attack aircraft be despatched as soon as practicable. These aircraft have full night attack capability and the Americans have particularly asked for them as this is a capability where they are deficient. I believe this would greatly enhance the status of our contributions in the US (and Arabian) eyes.
- 4. There remains the broader question of whether or not it is prudent wholly to be identified with US action which, customarily is crude and extravagant; where memories and myth could proliferate to our long-term disadvantage; the extent to which the consequent imbalance would create new problems, enhancement of Israeli and Iranian dominance, anxieties on the part of the Soviet Union, etc. this is a subject on which you will want to temper expert advice with your own instinct.

I must admit that my own instinct is to go in heavily and urgently. Fear and power are Saddam's principal weapons. When these are stripped from him the streets of other capitals will soon empty of demonstrators. In Arabia, as in many regions, Machiavelli's precept that 'it is better to be feared than loved' holds true.

5. Awareness of this is deeply imbued in the Ruling Families to whom I spoke. All were delighted that you should have instructed me to call on them. All took the view (this is generally accepted lore throughout Arabia), that it was only your fortuitous presence, with the Grace of Allah etc, etc - at Bush's side in Aspen when the crisis broke that ensured such a decisive response.

All implied, with varying degrees of directness, misgivings as to American resolution over the longer haul and stated their reliance on the UK strengthening this. All agree that <u>Saddam</u> must be eliminated or there could be no 'safety' in the Region.

But I detected a considerable apprehension that the whole situation could go terribly wrong. Not in the sense of the traditional nightmare scenario where superpower conflict follows quarrels between client states; but of a collapse of the existing social order throughout Arabia. A chain reaction of assassinations and displacement. The fate of Nuri El Said murdered by the mob, or of Anwar Sadat shot by his own bodyguard, still cast a shadow.

This explains their relative indifference, when pressed, to the stationing of additional aircraft or accretions to the Fleet's strength. It was requests for 'Ground Forces' that repeatedly emerged during successive private conversations (usually in the car between rendez-vous) as being a wish for infantry, no more than company strength, and light armour, Scorpion and Scimitar to be billeted close to the Amir's Palace "... as a guard against terrorists".

21/11/16

A squadron of Blues and Royals from the LHR counter terrorist force (Op Trustee) would involve a qualitative enhancement of our presence, and arouse comment.

Dick Vincent is examining the possibility that at Bahrain an enhanced RAF Regiment presence, nominally to protect the forward Jaguar deployment, might do the trick.

HAMED UNDER SECTION

6. My Arab hosts expressed particular concerns about access to intelligence. Dick Vincent and I have evolved a scheme whereby a senior officer would do the rounds once a week offering a (of course highly sanitised) intelligence briefing at the highest level.

Dick is satisfied that this could be done without us suffering any inconvenience or violation of our understandings with the US. Certainly it would be very much welcomed and could well give us access to some interesting nuggets of information from those on the visiting list. These visits would also provide a useful entree for the DESO representative (see below) when appropriate.

- 7. Whatever deployment policies we adopt I must emphasise that this is an unparalleled opportunity for DESO; a vast demonstration range with live ammunition and 'real' trials. We must get into our heads that
  - i. the balance of payments is a more intractable and ?
    damaging problem than the military 'Threat'
  - ii. that armaments are our most successful manufactured export
  - iii. that where demonstration, or diversion of existing stocks is resisted on grounds that disruption of existing deployments would imperil our security, the obverse of this argument is now valid. We must be prepared to consider such diversions where large orders could follow. For example the Emirates could take enough Warrior to allow us a penalty-free extraction from our own commitments to GKN. And there is still a lot of real interest in Challenger II (subject, of course, to how MI Abrams stands up in combat conditions). At the end of the Annex I have pencilled a list of current defence sales prospects at the start These are now likely to be brought of the crisis. forward and increased in volume if we do our stuff.

Print Minister cor This Annox a I is not of is not of for for July 8

SECRET



8. Finally, I cannot resist referring to certain passages of the Defence Paper which I submitted to you in December. You may think this to be a good illustration of how long-range force projection, speed of response, National prestige and trading advantage can all be closely inter-related.

9. I am copying this note to Douglas Hurd and Tom King.



19 August 1990



MINISTER OF STATE (DEFENCE PROCUREMENT) VISIT TO THE GULF: 15-18 AUGUST 1990

#### MEETINGS

Α	Qatar	Amir (Shaikh Khalifa)
В	Qatar	Chief of Staff (Shaikh Hamad bin Abdullah)
С	Bahrain	Amir (Shaikh Isa)
D	Bahrain	Crown Prince (Shaikh Hamad)
E	Bahrain	Minister of Defence (General Khalifa)
F	UAE - Abu Dhabi	Chief of Staff (General Mohammed said al Badi)
G	Abu Dhabi	President (Shaikh Zayed)
Н	UAE - Dubai	Minister of Defence (Shaikh Mohammed bin Rashid)





D/MIN(DP)/AC/14/70

MEETING BETWEEN MINISTER(DP), SHAIKH KHALIFA BIN HAMAD AL THANI, THE AMIR OF QATAR, AND SHAIKH HAMAD BIN KHALIFA AL THANI ON 16 AUGUST 1990

After an exchange of pleasantries, during which Mr Clark delivered the Prime Minister's personal greetings to the Amir and the Amir replied, saying he was an extremely close friend of the Prime Minister, the Amir went into a long description of events at the recent Cairo Summit. He gave details of states which had supported, abstained or opposed action against the Iraqi invasion of Kuwait. Specifically, he said that Libya and the PLO had opposed, Sudan, Yemen, Jordan and Algeria had abstained; and Tunisia had been absent. He criticised Tunisia quite sharply saying that its positive attitude towards Saddam Hussein had been prompted by promises from Saddam that he would support moves to retain the headquarters of the Arab League in Tunis.

- 2. The Amir continued to criticise other Arab States on the basis that they had accepted bribes from Saddam some of these bribes to be paid with the wealth of other Gulf States (which he intended to take over) saying at the same time that this wealth rightly belonged to all Arabs. He did not specifically name names, but he clearly was referring to states who had either abstained or voted against the resolution.
- The Amir went on to criticise Arafat personally and later made the point that the Palestinian populations in certain of the Gulf States were particularly dangerous to their hosts. However, in the case of Kuwait (where he said there was currently a famine developing) he pointed out that many Palestinians were now leaving for Saudi Arabia or Jordan. He said this would turn out to be a good thing for Kuwait once the legitimate government had been restored.
- 4. The Amir added that he had had many conversations with friendly Heads of State, both Arab and Western. His own evaluation of the very satisfactory and rapid response by the West was that this had been instigated almost entirely by the Prime Minister herself. It was, he said, a great good fortune that Mrs Thatcher had been with President Bush at Aspen at the time of the Iraqi invasion. If she had not moved with such speed, Saddam, who wished to become the King of Oil, would

have jumped immediately into all the Gulf States. He had embarked on a study of his ancestors in order to prove that he was descended from the Prophet which would legitimise his leadership of the Arab world.

- 5. The Amir said that he had predicted this crisis and had warned of it; he hoped to take forward his close friendship with the Prime Minister and it was his wish to consult closely with the United Kingdom during a visit to London later this year.
- 6. The Amir remarked upon Saddam's character and intentions, saying that he had lied to King Hussein and also to President Mubarak and also to the world, particularly in 1980 when, in the Iraqi National Charter, he recommended that no Arab country should ever invade another Arab country. thought that Saddam was co-operating with Iran simply because himself found cornered. Ιf there were positive developments in their relationship, this would not be to the world's advantage. It was very essential that the restoration of the legitimate Kuwaiti Government should take place as soon as possible. The Amir wanted to make clear that it was not simply the leading families of the Gulf but also the ordinary people who demanded this. Those of a contrary view were very few in number - and mostly Palestinian.
- 7. He asked that the current blockade be total. He also wished us to approach Iran in order to persuade them (even if they reached an agreement with Saddam) to enforce the blockade, which was a UN requirement. Nobody should trust Saddam. The Amir said that, after the end of the Iran/Iraq war, many Gulf Heads of State had visited Baghdad. He himself had been there to attend the Arab Summit but he wanted to emphasise that this had not been a formal visit to the Government of Iraq. Finally, he reiterated his appreciation of the Prime Minister's message.
- 8. Mr Clark responded that he was most grateful for the Amir's comprehensive resumé of the situation in the Gulf and Qatar's own position. He had found it extremely valuable. He would make sure that his views and the other information were conveyed to the Prime Minister and other appropriate quarters. Mr Clark added that the UK shared Qatar's disappointment that some states had seen fit not to support the general Arab consensus against the Iraqi invasion. He congratulated the Amir on his great vision in predicting the current situation and discerning that the Prime Minister's fortunate presence at Aspen had been crucial in the current Western response. He was glad the Amir had plans to visit London where he would be welcome.

- 9. Mr Clark was particularly glad that the Amir clearly felt so strongly that the world should be satisfied with nothing less than the full restoration of the Kuwaiti Government. The Amir intervened at this point to say that GCC members would not believe fully in the friendship offered by the West until the legitimate Government of Kuwait had been restored. The Amir also mentioned here that the Tunisian President had given personal assurances of his support.
- Mr Clark then went on to support the Amir's remarks about need for the blockade to be total and for Iran to be kept the in line with the UN Resolution. The Amir now interrupted again to ask what action would be taken if the embargo did not achieve the object desired - would we use force? Mr Clark sought the Amir's own personal views on this to which the Amir said he could see no alternative. Mr Clark then asked the Amir two questions. Firstly, whether there was any additional equipment or presence which Qatar would welcome. responded that this was technical and should be discussed with Chief of Staff. However, he felt that Qatar was now adequately protected both by bases in the area and by ships in the Gulf. He added that all Qatari facilities would be at the disposal of HM forces in the area. Second, Mr Clark specifically whether it would be helpful to the Amir and his very close senior circle, should HMG offer a regular intelligence summary of developments in the region. The Amir accepted this with enthusiasm. He added that Qatar would respond in kind, pointing out that his remarks about the Palestinians leaving the area were being shared with the UK before anybody else.
- 11. The Amir then sought Mr Clark's views on the role of Syria, saying that the Syrian Vice President was currently in Iran. He also, apparently lightheartedly, asked for legal assistance in ensuring that the large loans that Qatar had made to Iraq were repaid. Mr Clark replied that in some situations a gun was more useful than a lawyer.
- 12. The Amir then reported on a visit by the French. He said specifically that he found the French attitude equivocal; he had, indeed, made the point that their response had been slow and unsubstantive. At one visit most of the conversation had been devoted to the whereabouts of the KIO balances.
- 13. At the end of the discussion, the Crown Prince made some remarks about Saddam playing a very dangerous game in that, as a Ba'athist his appeals to Islamic fundamentalists would seem very shallow. He was also in a difficult position reaching agreement with Iran following 8 years of war and suffering. His people would not thank him for this.





D/MIN(DP)/AC/14/70

MEETING BETWEEN MINISTER(DP) AND COLONEL SHAIKH HAMAD ABDULLAH AL THANI, THE CHIEF OF STAFF, QATAR ARMED FORCES -16 AUGUST 1990

After an exchange of greetings, the Chief of Staff asked a number of questions about the visit itself and about the intentions of the Western forces (not just the UK forces in the area), and how HMG saw the situation developing. Mr Clark reassured the Chief of Staff about our intentions and made clear that we were happy to listen to any requests for assistance that the Qataris might wish to make. General Sir Richard Vincent then gave the Chief of Staff comprehensive details about the current deployments and possible future options, and our detailed military assessment of Iraq's intentions.

The Chief of Staff was clearly concerned about the vulnerability of those forces currently deployed and about our robustness in the face of any possible setbacks or attacks. stated that we should seize the initiative and attack Saddam himself. He said that his own action had been confined so far to co-ordination with other GCC states; he had not increased training missions. He was also concerned about Iraqi chemical and missile capabilities and the policy of the Iraqis to convert civilian aircraft (which he claimed were still flying on normal routes over the region) to carry weapons.

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The conversation then turned to morale on either side. 4. The Chief of Staff said that Iraqi forces in Kuwait were of two types: hardened soldiers, mainly the Republican Guard of whom there were 'up to' four Divisions, who were prepared to die, and very young, frightened and unhappy militiamen who would not be effective in the event of a conflict. He added that a number of Iraqi soldiers, coming from the North of Iraq, were suffering in the heat as much as Western forces Saddam had underestimated the loyalty of the would be. Kuwaiti internal opposition to the legitimate Kuwaiti Government; he had also underestimated the immediate response of the West to his invasion. The Chief of Staff thought, however, that Saddam Hussein would aim for stalemate and hope the Western Forces would become demoralised and go away.





D/MIN(DP)/AC/1/8

August 1990

# NOTE OF A MEETING BETWEEN THE HONOURABLE ALAN CLARK, MINISTER(DP) AND HIS HIGHNESS SHAIKH ISA, THE AMIR OF BAHRAIN

- 1. After an initial exchange of greetings during which Mr Clark delivered the Prime Minister's message and personal regards (warmly received and reciprocated), the Amir immediately launched into a review of the situation, which he thought very serious. He emphasised his disappointment that there had been no earlier response from HMG to his exchange of messages with the Prime Minister at the beginning of the crisis. He added that he was still thinking that HMG would help; to include the deployment of land forces, if possible. He was particularly keen that the British should be present in Bahrain because of the long friendship between the two countries. He reminded the Minister that the Royal Navy had already been made welcome.
- 2. Mr Clark responded that we had already deployed two squadrons of aircraft including those within 3 minutes of Bahrain in Saudi Arabia. The Jaguar squadron was presently in Oman, where it had been sent because of the pre-existing facilities there for Jaguar aircraft; the Amir would be aware that the Omanis operated Jaguars of their own. The Minister added that, in two weeks' time, when the assembly of naval forces was complete, we would have 11 ships in total in the Gulf area. These included fleet support ships which would not only enable us to send more combat ships should the need arise, but would also be carrying helicopters. There were also Royal Marines with close range missiles aboard these ships.
- 3. Mr Clark then made a specific request of the Amir that we should be allowed to rotate (ie to station for periods) some aircraft in Bahrain. It would be very useful for us to be able to bring aircraft forward in this way. This would of course entail the stationing of some ground forces for maintenance and ground protection. He also asked whether

the Amir would be content for some Nimrod aircraft to stage through Bahrain. At this point the Amir asked whether these proposals were agreed by HMG and whether Mr Clark was empowered to make them. Mr Clark gave the necessary assurance and then introduced VCDS to acquaint the Amir with details of other aspects of our proposals, and operational matters.

- 4. The Amir listened with great interest and questioned how long it would take for all these proposals to be implemented. On being told "tomorrow", at least for the aircraft, with ground crew following as soon as possible thereafter, the Amir stated categorically that we were invited to place whatever we considered appropriate in Bahrain. At that point the Foreign Minister, Shaikh Mohammed bin Mubarak, exhibited some hesitation and said that details of such deployments would have to be discussed with the Bahraini armed forces later in the day. These discussions would also have to include equipment needs.
- 5. The Amir then engaged the Minister in conversation about the situation in Iraq and Kuwait and the attitudes of other countries including the Eastern bloc. He said it was most important that there was a total blockade and the USSR should be as closely associated with it as possible. He also questioned the resolve of HMG in the face of the recent Iraqi assembly of western European citizens and, in referring to the Falkland Islands, he wondered whether this situation was sufficiently difficult for the West to be deterred from any strike which may in due course become necessary. Mr Clark said that we kept all our options open but the UK was foremost in rejecting the notion that hostages could force concessions in policy.
- 6. On closing the meeting the Amir reiterated his regards to the Prime Minister and thanks for this demonstration of close co-operation with Bahrain by HMG.



D/MIN(DP)/AC/14/9

MEETING BETWEEN MINISTER(DP) AND SHAIKH HAMAD BIN ISA AL KHALIFA, THE CROWN PRINCE OF BAHRAIN - 17 AUGUST 1990

Following an exchange of greetings in which Mr Clark referred to the Amir's request in the previous session to UK air and further naval deployments to Bahrain, the Crown Prince reiterated that, while Bahrain fully understood the concept of existing deployments adequately covering the whole Gulf, they thought that this time it was important for a number of reasons that there were UK forces in Bahrain itself. He said Bahrain would do everything it could to help the UK in its efforts. (He mentioned in an aside that it was good to think of UK troops returning, it reminded Bahrainis of the Qassem crisis in 1961.)

- 2. The Crown Prince then mentioned that he had telephoned Prince Sultan and, during the conversation, had told him of Mr Clark's visit and that its purpose was to enquire what additional help was required in the region. Prince Sultan had said the news of Mr Clark's visit was 'wonderful' and he had sent his regards.
- The Crown Prince then said that Bahrain did not feel far from NATO (though it was not clear whether this was in the geographic or fraternal sense). He said he was looking for strategic co-operation or a MOU on a defence relationship which would go further than the current agreement. The GCC was not yet a deterrent and there were many threats; today Iraq, tomorrow Iran again. If HMG helped Bahrain to help itself, we could have what we liked in return. He wanted not too much and not too little, but definitely not the latter.
- 4. Mr Clark asked whether any agreements should be public; the Crown Prince confirmed that the fact of them should be but not the details. It would be a deterrent to aggression, and lack of clarity would enhance the effect. He felt a new agreement would ensure that our response was quicker next time. He wanted all the GCC to co-operate on this. He would announce to the world that it was Bahrain who requested a UK

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military presence. For the time being, however, any reinforcement should be seen as part of the enforcement of the UN resolution. He felt even King Hussein would come around once he had solved his internal difficulties. Iraq must be removed from Kuwait, but the outcome depended on God. Mr Clark questioned whether God would be sympathetic; the Crown Prince said God was on the side of the just.



D/MIN(DP)/AC/14/9

NOTE OF A MEETING BETWEEN MINISTER(DP) AND GENERAL KHALIFA BIN AHMAD AL KHALIFA, BAHRAIN MINISTER OF DEFENCE -17 AUGUST 1990

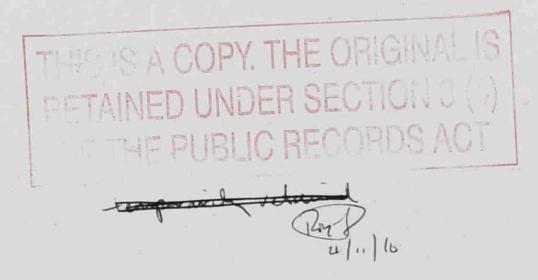
- 1. Mr Clark was given a current intelligence briefing on the situation in Kuwait. General Khalifa welcomed the offer of an exchange of intelligence and asked about the stationing of aircraft. VCDS said a reconnaissance team could be in Bahrain the following day and aircraft a day later. General Khalifa was happy with the arrival of the team but said he would rather wait and see whether aircraft were required. The Americans had just arrived and Bahrain's skies would be full.
- 2. In offering to ensure that DESO met the Bahrain requirement for NBC suits, VCDS warned against inferior equipment being offered by others. He introduced Major Gardiner who could advise on SF matters and who could be left behind if necessary. He reminded the Minister that the UK stance was essentially defensive and no ground force presence was currently considered, though he invited him to let HMG know of any special reasons for this request for ground forces.
- 3. General Khalifa emphasised that Bahrain had made a point of requesting "ground forces" because they were aware of their shortcomings and priorities, and this area was their most important shortcoming.
- 4. Finally, it was agreed that the points of contact for intelligence exchange should be the Chief of Staff and the Defence Minister.



D/MIN(DP)/AC/14/1

NOTE OF A MEETING BETWEEN MINISTER (DP) AND MAJOR GENERAL MOHAMMED SAID AL BADI, CHIEF OF STAFF, UAE ARMED FORCES - 18 AUGUST 1990

- 1. The Chief of Staff came to Mr Clark's hotel to accompany him to the President's Palace. He reaffirmed UAE's pleasure at Mr Clark's visit which was extremely timely and important. He was also appreciative of the Prime Minister's initiative in persuading the US and UN to take action.
- 2. Mr Clark responded by thanking the Chief of Staff for his warm welcome and confirming his impression of the Prime Minister's role. He expressed his contempt for Saddam and his behaviour and emphasised that his threats to Western citizens would not save him from retribution. He added that he was looking forward to seeking the President's views and recounting them to the Prime Minister on his return. He also said that, were any requests made for support or assistance, he would report them immediately.



4. VCDS then asked the Chief of Staff to investigate a difficulty whereby Dubhai was not participating to the necessary degree in Royal Naval training. The Chief of Staff said he had not heard about this but would look into it. He thought the principle should cause no difficulty. VCDS finally mentioned the subject of the staging of Maritime Patrol Aircraft and the Chief of Staff further agreed that this too would be possible.





D/MIN(DP)/AC/1/8

NOTE OF A MEETING BETWEEN SHAIKH ZAYED BIN SULTAN AL NAHYAN, PRESIDENT OF THER UNITED ARAB EMIRATES AND MINISTER (DEFENCE PROCUREMENT) - 18 AUGUST 1990

- Having exchanged greetings, Mr Clark delivered the Prime Minister's message and sought the President's views and advice on the situation.
- Shaikh Zayed said the UK must always come before all other countries in the UAE's reckoning but he was no longer sure that UAE had been a priority to HMG. Mr Clark hoped that His Highness would accept that the fact of his presence as the Prime Minister's personal emissary was testimony to the great importance and high esteem which HMG attached to the Shaikh and his country. We particularly valued what was earlier exchange of letters between the in the President and the Prime Minister and had taken this into account in formulations of our operational profile. President was well satisfied with this reply and volunteered the maxim that "he who has strong relationships with others will always find acceptable excuses for his failings". He felt free to mention his disappointment direct to a good friend but would not be making it public. He went on to affirm that all members of the GCC were agreed on their condemnation of the invasion. Some other countries had been seduced into supporting Saddam but they had been covetous. The Gulf needed nothing from him and knew him to be untrustworthy. His pronouncements changed constantly and he placed no value on support or loyalty. It was impossible to forecast how he could be ousted or how he might react to force; he was irrational. He had spent nine years fighting Iran, destroying in the process the economy of his country and pauperising his people, and yet now he was prepared to make peace.



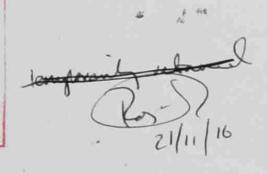
D/MIN(DP)/AC/1/8

NOTE OF A MEETING BETWEEN MINISTER(DP) AND SHAIKH MOHAMMED BIN RASHID, UAE MINISTER OF DEFENCE - 17 AUGUST 1990

- 1. Following the customary greeting, Shaikh Mohammed asked where the UAE's oldest friend had been in their hour of need. They had felt forgotten and snubbed but now were glad of Mr Clark's presence. He asked his opinion.
- 2. Mr Clark emphasised the good fortune of the Prime Minister's presence at Aspen at this critical juncture and his conviction that she would ensure that the present action was carried through to the appropriate conclusion. He was concerned at Saddam's irrational behaviour and felt that no solution could be expected while he survived. Shaikh Mohammed agreed. At the moment, Saddam felt that he could not lose. He would try to raise Arabs everywhere in revolution. Even if he failed gloriously against the West he would be a hero. He was not sure what he had achieved but, to some, he was already one. He no doubt hoped that the US and UK would eventually leave and the Gulf would be his. He had only to wait.
- 3. Mr Clark said the UK, at least, would not leave while his friends needed her. He reiterated that HMG never made deals over hostages and those detained now would not deflect our resolve. He asked what Shaikh Mohammed's view of Iran was. HMG would like to resolve our differences and improve relations. Any messages to this effect would be helpful. His Highness said that Rafsanjani was a clever and moderate man who should not be judged by what he was obliged to say at present.
- 4. Mr Clark then asked what the UK could do for UAE. Shaikh Mohammed wondered about intelligence. UAE was not equivocating; Mr Clark had to remember that he was going home that night, the UAE could not leave.

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Mr Clark added that he understood that there was a difficulty about releasing AIM 9L to Dubai. He would take this up with the US. His Highness was again grateful and said there might be numerous other small requests; Mr Clark promised that these would be looked at carefully and sympathetically by the Ambassador.

# MINISTER OF STATE (DEFENCE PROCUREMENT) VISIT TO THE GULF: 15-18 AUGUST 1990

Defence Sales Prospects

#### A United Arab Emirates

i Abu Dhabi

ii Dubai

iii Oman

iv Bahrain

B Saudi Arabia

C Egypt

D Jordan

RESTRICTED Covering CONFIDENTIAL

D/DESS/178/3

7 August 1990

#### PS/S of S

Copy to: PS/Min(AF) PS/Min(DP) PSO/VCDS PS/2nd PUS PS/CDP HDES DCDS(C) DG/MKTG ACDS(L) ACDS(0) AUS(C) DGSAP Head Sec(O)(C) DPP RMD1 PL(Log) FCO

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## IRAQ/KUWAIT: SALES AND LOGISTIC SUPPORT

Ref your MO 6/17/155 dated 6 August 1990.

Further to my brief earlier today, here is the separate brief promised on major defence sales business currently under discussion or negotiation.

A W H BARRETT

DESS2

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#### CURRENT DEFENCE SALES PROSPECTS

The following major defence sales business is currently under discussion or negotiation:

#### 1. UNITED ARAB EMIRATES

#### a) ABU DHABI

- 36 Black Hawk helicopters from Westland. Approx Value £325M.
- Possible supply of 400+ Warrior Desert Fighting vehicles from GKN. [Approx Value £450M]. Warrior hot-weather trial about to commence in Abu Dhabi.
- EW Equipment for UAE Air Force from MEL. Approx Value £15/20M.
- Possible long-term interest in Challenger II tank if adopted by British Army.

#### b) DUBAI

- Air Defence Package. Missile [Laser Fire] from BAe. Approx Value £50M.
- Radar Command & Control system from Marconi. Approx Value £42M

#### c) OMAN

- Contract just signed for 16 Hawk aircraft from BAe.
   Value £224M.
- Ocean Capable Patrol Craft from Vosper Thornycroft.
   Approx Value £60/80M per vessel. [Bid in at £80M but Oman is looking for a cheaper package].
- Interest in Warrior Desert fighting vehicle. [Trials in 1991]. Approx value £55M
- Interest in 40+ Challenger II tanks if adopted by British Army.



#### d) BAHRAIN

- Preliminary consideration of Hawk from BAe. [Numbers and value not yet decided].
- Plessey Radar signed a contract in November 1989 for a Watchman Radar. Value £3.75M
- Contract signed in Dec 1989 for 8 patrol boats from Halmatic for Coast Guard. Value £8M
- Engineering related equipment (bridiging, airfield damage repair, EOD etc. Estimated Value £5M

#### e) QATAR

- Fast strike craft - Vosper Thornycroft pursing prospect for 3 vessels. Estimated value £75M

#### 2. SAUDI ARABIA [non-Al Yamamah]

- New phase of Communications Project for National Guard.
   Value £3/400M
- Range of equipment via Minister of Interior for National Security Force and Frontier Force. [Total and value not yet decided]
- British Hovercraft (Westland) have submitted proposals to supply 8 Hovercraft and refurbish 8 others for the Frontier Force. Value £200M
- GKN Sankey are hopeful of securing a contract for 200 Warrior vehicles, with the Saudi Land Forces. Value £200M
- Racal and Plessey are both bidding for a command, control and communication system for the land forces.
   Value £100M.
- International Hospitals Group have bid for the operation and maintenance of National Guard hospitals in Jeddah and Riyadh. Value £125M.
- International Hospitals Group have also bid for the operation and maintenance of 4 more hospitals. Value £750M
- Vickers Defence Systems are promoting Challenger II to meet the requirement for 300 Main Battle Tanks. Value £250m
- IMS are bidding for a contract to supply NBC equipment.
   Value £160m.
- Siemans Plessey Defence Systems are pursuing a contract for Electronic Warfare systems. Value £100m

 Vickers Shipbuilding & Engineering are leading a UK bid to set up a hydrographic service in Saudi. This will comprise vessels, training and infrastructure. Value floom.

#### 3. Egypt

- Sale and refit ex-RN submarines [O-boats]. Maximum of 6 contemplated. Value £30m per boat
- local manufacture of ground to air jammers by plessey
  Value £100m

#### 4. Jordan

- Completion of Jordanian Defence Package if, under re-scheduling banks make money available. Approximatley £70m outstanding from original package. main items are:

EW equipment HF/VHF radios Fast Patrol Boats Air Combat Simulators Mirage F5 Avionics upgrade Naval Base facilities

- Completion of KHALID tank gearbox refurbishment programme. Funded and administered by UK MOD.

Value £8m.

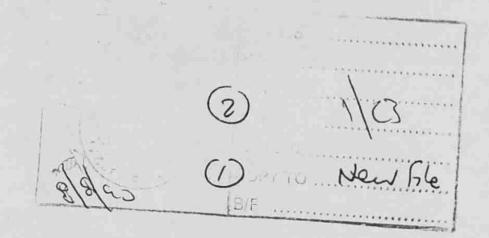
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#### IRAQ/KUWAIT: SALES AND LOGISTIC SUPPORT

Ref your MO 6/17/155 dated 6 August 1990.

Brief as requested in your reference.

A W H BARRETT

DESS2

MB0206 82969MB

#### OD - 8 AUGUST 1990

#### IRAQ/KUWAIT - SALES AND LOGISTIC SUPPORT

#### BRIEF FOR SECRETARY OF STATE

- 1. This brief provides information on current sales prospects to Middle East countries and requests from those countries for urgent supplies or logistic support in the light of the Iraqi invasion of Kuwait.
- 2. As soon as they became aware of the invasion, the DTI took action not to issue any export licences to Iraq or Kuwait. On 3 Aug they revoked all licences for military equipment. A review of dual civil/military was to have taken place, but the UN Embargo has rendered this unnecessary all licences for both countries are now effectively revoked.

#### Iran

3. Sales of lethal equipment and any non-lethal equipment which would significantly enhance their capability in a conflict are banned by the existing Ministerial guidelines announced on 29 Oct 1985. In their current negotiations with IMS on pre-Revolution contracts, the Iranians have suggested the supply of new equipment, eg MBTs, as part of a settlement. The difficulty over this has been explained to them, but further requests could arise.

#### Saudi Arabia

- 4. At Annex is a background note on Project Al Yamamah, covering also the current Tornado delivery position, the Saudi Government attitude, and at Attachment a copy of the relevant paragraphs of the MOU on HMG obligations in time of tension. Secretary of State will note that the Saudis have not asked the UK to accelerate deliveries, or for additional equipment under the MOU.
- 5. The Saudi National Guard has, however, asked (through the DA) for supply from British Army stocks of 10,000 respirators and 20,000 NBC suits, plus "gloves etc" (which we understand to mean chemical agent monitors and associated equipment). This presents difficulty for the Army, who may need the stocks themselves see separate brief of operational matters. Against this background, the DESO is discussing with Industry how they could meet the requirement.
- 6. BAe have received an enquiry from the Saudi Air Force for NBC kit for 1000 people. This is to include NBC prophylactic medicines, air filtration equipment etc. BAe are continuing to lead on this requirement.
- 7. The Saudi National Guard have indicated a possible requirement for Field Dressings and Shell Dressings (Minimum 1000 CONFIDENTIAL

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of each). Commercial suppliers and MoD's Director Medicine have been advised of this possible order and asked to stand ready. The National Guard also called on the UK MOD SANGMED Project Team in Riyadh for advice on setting up 2 field medical units, which are now believed to be operational somewhere in the desert.

8. A UK company Passive Barriers Ltd have been approached by a Saudi company wishing to obtain equipment for physical protection equipment for airfields, border checkpoints and pipelines; also associated equipment and maps of border areas with Iraq and

UAE

Yemen.

9. BAe have suggested that they could lease some Tornado aircraft and Rapier missile batteries to UAE. This could involve the need for direct RAF support. D Commitments staff have, however, made clear the difficulty of supplying such support. BAe also wish to include NBC kit in the package. This too will present difficulty because they would be calling on the same NBC suppliers as the DESO is to meet the Saudi request.

#### Other Middle East Countries

10. We are not aware of any other requests for urgent requirements from other ME countries.

### Current Sales Prospects to Middle East Countries

11. Separate brief to follow.

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ANNEX

# PROJECT AL YAMAMAH (SAUDI ARMED FORCES PROJECT)

#### BACKGROUND

Project Al Yamamah is the name given by the Saudis to the initial supply contract signed in 1985 with the UK for provision of Tornado (IDS and ADV), Hawk and PC-9 trainer aircraft plus associated weapons equipment and support. The scope of the Project has since been greatly enhanced by the signature in 1988 of a further Formal Understanding confirming Saudi interest in additional Tornados, Hawk 200s, Sandown Class MCMVs, Black Hawk Helicopters, construction of new Air Bases, and associated support and equipment including weapons and defence systems. If implemented, these new requirements would extend the Project well into the 21st Century and would increase the value of the Project from the initial figure of £5 billion to at least £15-20 billion.

#### ORGANISATION

The UKMOD Saudi Armed Forces Project Office (SAP) manages the Project on behalf of the Saudi Government. The main office, Castlewood House in London, comprises some 120 Service and Civilian staff; there is also a UKMOD Team permanently based in Saudi Arabia comprising some 70 Service and Civilian staff based at Riyadh, Dhahran and Khamis Mushayt.

The obligations of these individuals and of HMG in periods of tension are set out in the Government-to-Government MOU controlling the Project. The relevant paragraphs of the MOU are at Attachment A.

#### SAUDI GOVERNMENT ATTITUDES

Thus far, the Saudi Government has not asked for any special or additional support or help from HMG. Apart therefore from notifying ACAS of the current alert status of the RSAF and asking for all due support from the three Commands if requested by the Saudi Government, we have taken no specific action within UKMOD. The Saudis have certainly not asked us to accelerate deliveries nor have they asked for additional equipment beyond that already being supplied; we are not surprised since this seems entirely in-line with their (Saudi) approach of avoiding any provocative action that could be misinterpreted by their neighbours.

#### DELIVERY POSITION

Of the original 48 Tornado IDS ordered, 26 have been delivered so far and total delivery should be complete by August 1991. Of the original 24 Tornado ADV, 20 have been delivered with the remaining 4 due to be delivered as quickly as possible. All

#### RESTRICTED

30 Hawk, all 30 PC-9, the 2 Jetsteams and the 4 BAe 125 originally ordered have been delivered.

On weapons, deliveries are substantially complete on everything ordered except a selection of ammunition.

Deliveries due in the immediate future are 1 Tornado IDS and 3 Tornado ADV likely to be delivered towards the end of this month; there is also 1 Sandown Class Ship nearing completion (with Saudi RSNF crew under training in the UK) and Ship 02 under construction but delivery and acceptance of these is still some way away.

#### ATTACHMENT A

#### EXTRACT FROM AL YAMAMAH MOU

- "36. It is understood between the Governments that, subject to consultation, United Kingdom civilian or military personnel will remain available in Saudi Arabia for preparation, including arming and support, of aircraft during an armed conflict, but that under no circumstances will they be permitted or requested or required otherwise to participate in such a conflict undertaken by the armed forces of the Kingdom of Saudi Arabia.
- 37. In the case of the outbreak of war, or any other event that might endanger the safety of foreign employees, the Saudi Arabian Government will be responsible for any costs incurred by the United Kingdom Government in retaining or replacing the appropriate employees in the Kingdom of Saudi Arabia, subject to the agreement of the Saudi Arabian Government to those arrangements. The United Kingdom Government can, after consultation with the Saudi Arabian Government, withdraw or replace personnel whose safety is endangered or suspend the arrangements provided for in the MOU.
- 36. The Saudi Arabian Government will be responsible for and will reimburse the United Kingdom Government for loss of, or damage to property owned by ZAe, its subsidiary companies, sub-contractors, their personnel and dependants or the Team, its dependants, its servants and representatives located in Saudi Arabia, where such loss or damage is sustained due to or arising out of acts of war, conflict or any other act of violence or interference affect that property whatsoever."