

Subject



file to
OK

10 DOWNING STREET

THE PRIME MINISTER

PRIME MINISTER'S

9 November 1984

PERSONAL MESSAGE

ccMaster

SERIAL No. T187184

OPS

Your Majesty,

I have a very clear recollection of my own visit to your country in 1981 and of the valuable discussions I had with Your Majesty about the situation in the area and the Kingdom's future defence requirements. I can assure you that our interest in the affairs of the Arabian Peninsula is undiminished. In particular, we share Your Majesty's concern over recent events in the Gulf and support your wise and constructive efforts to bring peace and stability in the region. I anticipate with pleasure meeting Your Majesty in Britain when you are able to pay us a visit.

In view of the close relations between our countries and our governments, I thought that I should write to you personally on a matter of great importance to our continued co-operation in the field of defence equipment. I believe that both our countries have benefited from this co-operation in the past and we in Britain have been looking forward to building on it in the future as part of our wider relationship.

I was naturally delighted to hear last May that our two Ministries of Defence had agreed on prices for the provision to your Air Force of Tornado and Hawk aircraft and for the buy-back of your existing Lightning and Strikemaster aircraft. As you may know, my Defence Secretary, Michael Heseltine, wrote to your brother, the Minister of Defence and

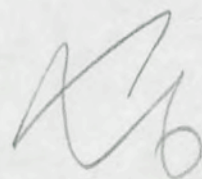
Aviation, on 18 October about this and explaining that I have been taking a close personal interest in the discussion and exchanges that have taken place between our Defence Ministers.

I am now writing to underline the merits of these aircraft and the mutual benefits which will derive from their acquisition by your Air Force. The Tornado is the most powerful and sophisticated aircraft of its kind in the world, a fact which has just been underlined by its performance in the United States in October when it defeated the Americans in two out of three arduous bombing competitions against the best of the US Air Force. These impressive results reflect the fact that the Tornado has been developed by the three leading European Members of NATO using their very latest technology. The Hawk has shown its worth in sales all over the world, including to the Americans and to some of your Gulf neighbours.

I trust that the final negotiations for the sale of these aircraft may now proceed to a satisfactory conclusion. Her Majesty's Government attach the very greatest importance to this project, cementing as it does the extensive co-operation between our two Air Forces. It will, in addition, ensure the continuing presence of the large body of British experts and technicians who are already working in the Kingdom of Saudi Arabia. As a mark of my desire to bring this message directly to Your Majesty's attention, I have asked Michael Heseltine to bring it in person to Riyadh and I look forward to hearing his report of his discussions.

Yours sincerely
Margaret Thatcher

His Majesty King Fahd bin Abdul-Aziz Al-Saud



CONFIDENTIAL



file

BoP

be PCV

10 DOWNING STREET

From the Private Secretary

11 November 1984

TORNADO FOR SAUDI ARABIA

I enclose the signed original of the Prime Minister's letter to King Fahd, for the Defence Secretary to hand over during his forthcoming visit to Saudi Arabia.

I am copying this letter and enclosure to Peter Ricketts (Foreign and Commonwealth Office).

(C.D. Powell)

TMB.

Richard Mottram, Esq.,
Ministry of Defence

CONFIDENTIAL



MINISTRY OF DEFENCE
 MAIN BUILDING WHITEHALL LONDON SW1
 Telephone 01-~~530 7672~~ 218 2111/3

MO 5/3/3

8th November 1984

*Dear Mr. ...*TORNADO AND HAWK FOR SAUDI ARABIA

I was grateful for your prompt confirmation this morning that the Prime Minister was content for the telegram attached to my letter of yesterday's date to be despatched to our Ambassador in Jeddah.

You mentioned that the opening to the draft letter from the Prime Minister to King Fahd was perhaps too abrupt and that you had asked the FCO to suggest a revised version. I understand that FCO and MOD officials subsequently agreed that we here would suggest a revised text. Could I offer something on the following lines to replace the first paragraph of the draft behind my earlier letter:

A/ "In view of the close relations between our countries and our governments, I thought that I should write to you personally on a matter of great importance to our continued co-operation in the field of defence equipment. I believe that both our countries have benefited from this co-operation in the past and we in Britain have been looking forward to building on it in the future as part of our wider relationship.

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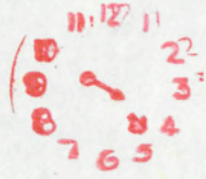
I am now writing to underline

I am copying this letter to Len Appleyard (FCO) and Richard Hatfield (Cabinet Office)

*Yours etc,
 Richard*

(R C MOTTRAM)

8 NOV 1984



01-230-033

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MINISTRY OF DEFENCE



DRAFT LETTER FROM THE PRIME MINISTER TO
HM KING FAHD BIN ABDUL-AZIZ AL-SAUD

*Letter has this
one been visited by
our Ambassador
The beginning is
very simple
ms*

[Your Majesty]

My Defence Secretary wrote to your brother, the Minister of Defence and Aviation, on 18 October about the Tornado and Hawk aircraft. I was naturally delighted to hear last May that our two Ministries of Defence had agreed on prices for these aircraft and for the buy-back of your existing Lightning and Strikemaster aircraft.

[Insert from attached letter: A-B]

I am ^{now} writing to underline the merits of these aircraft and the mutual benefits which will derive from their acquisition by your Air Force. The Tornado is the most powerful and sophisticated aircraft of its kind in the world, a fact which has just been underlined by its performance in the US in October when it defeated the Americans in two out of three arduous bombing competitions against the best of the US Air Force. These impressive results reflect the fact that the Tornado has been developed by the 3 leading European Members of NATO using their very latest technology. The Hawk has shown its worth in sales all over the world including to the Americans and to some of your Gulf neighbours.

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I have a very clear recollection of my own visit to your country in 1981 and of the valuable discussions I had with your Majesty about the situation in the area and the Kingdom's future defence requirements. I can assure you that our interest in the affairs of the Arabian Peninsula is undiminished. In particular we share Your Majesty's concern over recent events in the Gulf and support your wise and constructive efforts to bring peace and stability in the region. I anticipate with pleasure meeting Your Majesty in Britain when you are able to pay us a visit.



MINISTRY OF DEFENCE
MAIN BUILDING WHITEHALL LONDON SW1
Telephone 01-9207622 218 2111/3

MO 5/3/3

7th November 1984

Handwritten initials: J.P. Ki

*Prime Minister.
Agree to write to King
Fahd as in the attached
draft?*

Dear Chester,

TORNADO AND HAWK FOR SAUDI ARABIA

*Agree that Mr. Heseltine
should go to Saudi
Arabia to deliver it
in person?
CDP
7/Ki*

You will recall that the Head of Defence Sales, Mr James Blyth, agreed in May on a price for a Tornado and Hawk sales package with the Saudi Minister of Defence and Aviation, Prince Sultan. Prince Sultan has invited the Head of Defence Sales to see him in Riyadh on 17th November to settle matters. Mr Blyth learned yesterday through close advisers of the Prince that the Saudis appear to have decided to buy Hawk but not Tornado. It appears that the French Mirage 2000 aircraft may be replacing Tornado as the front-runner for the next Saudi purchase of fighter aircraft, at the insistence of King Fahd who has been subjected to lobbying by President Mitterand and other members of the French Government and who is more inclined towards France than to Britain.

In view of the importance of seeking to preserve the Tornado element of this deal against strong French competition, the Defence Secretary believes that an approach now needs to be made to the Saudis at the highest level. He proposes that the Prime Minister should write to the King on the basis of the attached draft letter. Mr Heseltine would further propose to travel himself to Riyadh together with Mr Blyth on 16th November and to seek an audience with the King in order to deliver the Prime Minister's letter personally. At that audience, Mr Heseltine could then deploy in full all of the reasons why the Saudis should proceed on the basis provisionally agreed with Prince Sultan. I attach a draft telegram to our Ambassador in Jedda enclosing a message from Mr Heseltine to Prince Sultan to this effect.

The Defence Secretary would be grateful to know that the Prime Minister is content to proceed on this basis and accordingly to write to King Fahd. If she is, you will no doubt let me have in due course a signed version of her draft letter for delivery by Mr Heseltine.

C Powell Esq

CONFIDENTIAL
AND PERSONAL



I am copying this letter and the enclosures to Len Appleyard (FCO) and Richard Hatfield (Cabinet Office)

Yours etc.

Richard Mottram

(R C MOTTRAM)

Security Classification --- 15 spaces ---

CONFIDENTIAL

MOD Form 140 (Revised 1/83)

Message Instructions --- 15 spaces ---

Precedences

ACTION IMMEDIATE / INFO ROUTINE

AMRAD SIGNAL MESSAGE FORM

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FROM

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BRITEMB JEDDA

*USE A SEPARATE LINE FOR EACH ADDRESSEE

*INFO

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FCO FOR MR EGERTON AND MED

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Line Feed

TEXT

Security Classification

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SIC(s) Only

SIC † ACA/ ZMC/Z8G

FOLLOWING FOR HMA FROM PS/S OF S FOR DEFENCE

TORNADO AND HAWK FOR THE RSAF

ONE. AS YOU WILL HAVE HEARD, THERE APPEARS TO BE SOME WAVERING ON

THE PART OF THE KING AND MINISTER OF DEFENCE AND AVIATION OVER THE

TORNADO AND HAWK PACKAGE. IT APPEARS THAT THE MIRAGE 2000 MAY BE

REPLACING THE TORNADO AS THE FRONT-RUNNER FOR THE NEXT PURCHASE OF

FIGHTER AIRCRAFT. MR HESELTINE IS MOST ANXIOUS THAT WE DO NOT MISS

ANY OPPORTUNITY, EVEN AT THIS LATE STAGE, OF IMPRESSING ON THE SAUDIS

THE IMPORTANCE WHICH HMG ATTACHES TO THIS POTENTIAL SALE.

TWO. I SHOULD BE GRATEFUL THEREFORE IS YOU WOULD PASS THE FOLLOWING

Special Distribution See note 9

File Reference

DRAFTER'S NAME (Block letters)

Extension Branch

RELEASING OFFICER'S Signature

Page 1 of 2 Pages

Have you referred to a classified message? (Answer YES or No in box)

YES

Grade/ Rank

Name (Block letters)

Security Classification CONFIDENTIAL

PRECEDENCE— tion / Info	SECURITY CLASSIFICATION	DATE—TIME—GROUP	MOD FORM 140A (continuation sheet)
IMMEDIATE	CONFIDENTIAL		

MESSAGE FROM THE SOFS TO PRINCE SULTAN. MESSAGE BEGINS:

"ONE. IN MY LETTER OF 18TH OCTOBER TO YOUR ROYAL HIGHNESS I STRESSED OUR ENTHUSIASM FOR THE TORNADO AND HAWK AIRCRAFT AND OUR DELIGHT THAT WE WERE ABLE TO AGREE EARLIER IN THE YEAR ON PRICES, INCLUDING THE COST OF BUYING BACK YOUR EXISTING LIGHTNING AND STRIKEMASTER AIRCRAFT. IN YOUR REPLY, FOR WHICH I AM MOST GRATEFUL, YOU INVITED MR JAMES BLYTH TO RIYADH ON 17TH NOVEMBER TO DISCUSS MATTERS FURTHER.

TWO. SO GREAT IS THE IMPORTANCE WHICH WE IN THE BRITISH GOVERNMENT ATTACH TO THIS PROJECT THAT I SHOULD LIKE, IF IT WERE CONVENIENT TO YOU, TO ACCOMPANY JAMES BLYTH AND COME TO RIYADH MYSELF TO SEE YOU ON 17TH NOVEMBER. I AM PARTICULARLY ANXIOUS TO COME SINCE I SHALL BE BRINGING A LETTER FROM THE PRIME MINISTER ADDRESSED TO HIS MAJESTY THE KING WHICH I SHOULD LIKE TO DELIVER IN PERSON.

THREE. I LOOK FORWARD VERY MUCH TO SEEING YOU." MESSAGE ENDS

THREE. I AM AWARE THAT YOU HAVE NOT YET MADE YOUR INTRODUCTORY CALL ON PRINCE SULTAN. IDEALLY IT WOULD BE MOST USEFUL IF YOU COULD DELIVER THIS MESSAGE IN PERSON, BUT EQUALLY WE KNOW THAT PRINCE SULTAN HAS NOT YET RETURNED TO RIYADH AND THAT IT MIGHT BE DIFFICULT TO CONTACT HIM. HOWEVER WE NEED THE EARLIEST POSSIBLE NOTICE IN ORDER TO MAKE FINAL ARRANGEMENTS FOR SOFS'S VISIT. IF THE SAUDIS AGREE TO RECEIVE SOFS, HE WOULD PROPOSE TO ARRIVE LATE ON 16TH NOVEMBER AND LEAVE EARLY ON 18TH NOVEMBER. OBVIOUSLY IF OTHER DATES AROUND THIS TIME WERE MORE CONVENIENT TO THE SAUDIS, WE SHOULD SEEK TO FALL IN WITH THEIR WISHES; BUT WE WOULD NOT WANT ANY SIGNIFICANT POSTPONEMENT OF THE DATE OF THE MEETING.

Special Distribution See note 9	File Reference	MO 5/3/3
	DRAFTER'S NAME (Block letters)	R C MOTTRAM
	Extension	2111
	Branch	S OF S
RELEASING OFFICER'S Signature		
Page.....2..... of2.....Pages	Have you referred to a classified message? (Answer YES or NO in box)	YES
Grade/ Rank	Asst Sec	Name (Block letters) R C MOTTRAM

Security Classification CONFIDENTIAL