



MINISTRY OF DEFENCE  
MAIN BUILDING WHITEHALL LONDON SW1

Telephone 01-~~9207022~~ 218 2111/3

MO 5/3/3

14th December 1984

Prime Minister  
Prince Bandar will be looking for ammunition to use in no internal Saudi battle over which aircraft to buy.

2. What will serve him best is quotable evidence of your interest in a peaceful Middle East settlement

Dear Charles, readiness to urge President Reagan to give priority to this.

3. The French will be playing no game as hard as they can.

C.D.P.

14/12/84

CALL BY PRINCE BANDAR BIN SULTAN, SAUDI AMBASSADOR IN WASHINGTON, ON THE PRIME MINISTER - 17TH DECEMBER 1984

The call by Prince Bandar on the Prime Minister is a follow-up to the visit by the Secretary of State for Defence to Saudi Arabia on 18th November when he discussed the proposed sale of Tornado and Hawk with Prince Sultan, the Minister of Defence (Prince Bandar's father), and with The King. (The details were recorded in the Defence Secretary's minute of 19th November). Prince Bandar attended both meetings in Riyadh.

Prince Bandar is a rising star on the Saudi scene, carrying weight beyond his years and experience. He has played a helpful role in the negotiations over Tornado so far and is certainly not, as might be thought from his position in Washington, in the Americans' pocket. He has the confidence of The King as well as of his father.

Following my Secretary of State's talks in Riyadh last month, Prince Bandar has stayed in Riyadh and been much in evidence at court. It appears that the Saudi ruling family have been debating the relative merits of the competing equipment (Tornado and Mirage 2000) and of doing business with the French or ourselves. As Mr Weinberger reported to the Prime Minister on 7th December the Americans have effectively ruled themselves out by refusing to sell the F15E to Saudi Arabia.

The argument is now mainly political, since we agreed with the Saudis on a price for the aircraft in May. The Saudis are looking to see what advantage they can derive from the deal, and Prince Bandar's visit is to be seen in this light. The Saudis are anxious, for example, to be treated as serious

C Powell Esq





partners in the search for a solution to the Palestinian problem, (on which the Prime Minister was fully briefed in preparation for her meeting with King Hussein on 10th December). It is worth noting that the Saudis publicly expressed support for the Palestine National Council which met in Amman from 22nd-29th November.

We suggest that the Prime Minister might cover the following ground:

- a. How do our prospects on Tornado now stand?
- b. What are Saudi views on prospects for a Jordanian/Palestinian peace initiative? What is Syria's attitude likely to be?
- c. What, in view of Prince Bandar's Ambassadorial role, is his assessment of US thinking on these issues?
- d. What can be done to help, especially given the Prime Minister's imminent meeting with President Reagan?

A personality note on Prince Bandar and a fact sheet on Saudi Arabia are attached.

I am copying this letter to Peter Ricketts (FCO).

*Yours ever,*

*Richard Mottram*

(R C MOTTRAM)



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HRH PRINCE BANDAR BIN SULTAN BIN ABDUL AZIZ

Ambassador to the United States.

Born 1950; son of the Minister of Defence by a negress.

Graduated from RAF College Cranwell in 1970; promoted to Major in 1977, Lieutenant Colonel in 1982. For a time nominally on the strength of the F5 Squadron at Dhahran, but not likely to fly again owing to a back injury sustained in a car accident. Attended the American Air Staff College in 1979 and obtained MA in International Relations from John Hopkins University in 1980. Appointed Defence Attaché in Washington in late 1982, but had been used as an unofficial extra Ambassador there, with access at the highest levels, during the AWACS and F15 negotiations.

In 1983 he was sent (after his appointment as Ambassador at Washington was announced) as mediator between the parties in the Lebanon: he was warmly praised in public by King Fahd following the achievement of a ceasefire agreement. He arrived in Washington to present his credentials in late September 1983; but it was reported at the time that he would continue to undertake special missions for the King on Lebanese affairs.

Lots of charm and dash; speaks excellent English. Married to Haifa, daughter of King Faisal, with four children, two sons and two daughters.

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SAUDI ARABIA

General

1. Dominant power in the Arabian peninsula; leading role in the Islamic Conference Organisation and the Gulf Cooperation Council; guardian of Mecca and Medina. Population 7½ million. Three times as many expatriates as Saudi nationals. UKPHs about 38,000. Majority of Saudis Sunni moslems but Shi'a minority about 4% concentrated in Eastern Province.

Internal

2. Senior Princes hold real power, although nominated Cabinet includes some technocrats. No provision for popular consultation.

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Economy

3. Following spectacular expansion in the 70s economic activity now much slower due to fall in real terms in price of oil and in level of production, down to below 4 mbd compared with 10 mbd in 1981. Saudis have been drawing on their immense foreign reserves, now down to about \$100 billion, in hope of upturn in the oil market.

External

4. Saudi policy to preserve the security of the Kingdom, to restrain Soviet influence and to limit influence of the Arab radicals in the region. Saudis concerned with threat of

/Iranian





Iranian breakthrough in the war; Saudi support vital to the Iraqi war effort. Relations with the US close and broadly-based, but Saudis increasingly disenchanted with US Middle East policies.

Bilateral

5. Relations good at present. Secretary of State for Foreign and Commonwealth Affairs visited Saudi Arabia in January 1984. Crown Prince Abdullah visited UK in February. Duke of Edinburgh visited Saudi Arabia semi-privately 11-12 October: Mr Channon 11-14 November: Mr Heseltine 17 November. UK exports £1,479 million in 1983, imports £898 million - first surplus for at least a decade.



10 DOWNING STREET

Prime Minister

Michael Heseltine, James

Slyth (Hd. of Defence Sales)

and Stephen Egerton

will attend.

CDD

14/kin

A handwritten signature in blue ink, appearing to be 'MB'.





EL3AAZ

bc PC.

10 DOWNING STREET

*From the Private Secretary*

14 December 1984

Visit to London by Prince Bandar bin Sultan  
bin Abdul-Aziz

Thank you for your letter of 13 December conveying the Defence Secretary's advice that the Prime Minister should receive Prince Bandar next Monday to discuss Tornado.

The Prime Minister agrees to this and can see him at 0930, together with your Secretary of State and Mr Blyth.

I should be grateful for briefing by this evening.

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

(C.D. Powell)

Richard Mottram Esq  
Ministry of Defence

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CYAC



Foreign and Commonwealth Office

London SW1A 2AH

13 December 1984

Dear Charles,

Saudi Arabia: Tornado

I understand that the Ministry of Defence will be writing to you separately to recommend that the Prime Minister agree to receive Prince Bandar bin Sultan bin Abdul Aziz, who will be visiting the United Kingdom on 17 December and will have a message for the Prime Minister from his father, the Saudi Minister of Defence. As you know, the Tornado deal is at a delicate stage. Anything which Prince Sultan has to tell us about it will be of interest and importance. Prince Bandar himself has been a helpful and informative contact. We therefore support the recommendation that the Prime Minister should, if possible, receive Prince Bandar briefly on 17 December.

I am copying this letter to Richard Mottram (MOD).

Yours ever,

Peter Ricketts

(P F Ricketts)  
Private Secretary

C D Powell Esq  
10 Downing Street

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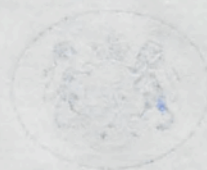


Middle East PTC

Office of the Secretary of Defense

Army Sales

Washington, D.C.







MINISTRY OF DEFENCE  
MAIN BUILDING WHITEHALL LONDON SW1

Telephone 01-~~938 2022~~ 218 2111/3

MO 5/3/3

13th December 1984

Prime Minister

This could help  
Tornado's prospects  
with Saudi Arabia.

Agree to see  
him briefly on Monday?

CJP

Yes  
mt.

Dear General,

VISIT TO LONDON BY PRINCE BANDAR BIN SULTAN BIN ABDUL-AZIZ

As I mentioned to you on the telephone, we have heard that Prince Bandar bin Sultan bin Abdul-Aziz, the son of Prince Sultan the Saudi Minister of Defence, has asked if he might see the Prime Minister on Monday 17th December. He will be bringing a personal message from his father.

Although the exact content of this message is not yet known, he will certainly be coming in connection with the proposed sale to the Royal Saudi Air Force of Tornado and Hawk aircraft, about which King Fahd wrote to the Prime Minister on 25th November. As was made clear to Mr Heseltine when he met Prince Sultan and the King in Riyadh on 18th November, the decision between Tornado and the Mirage 2000 now lies with the King. The Saudis are probably weighing up the political advantages of choosing one or the other aircraft, and Prince Bandar has we assume been commissioned to seek a degree of political commitment from us.

If we are to stay in this race, the Defence Secretary believes that the Prime Minister should, if at all possible, receive Prince Bandar next Monday. If the Prime Minister is content, the Defence Secretary and the Head of Defence Sales would also propose to attend the meeting.

If the Prime Minister is willing to meet Prince Bandar, I should be grateful for an early indication of the likely time so that we can pass it to the Saudis. I am copying this letter to Peter Ricketts (FCO).

Yours ever,

*Richard Mottram*

(R C MOTTRAM)

C Powell Esq