

Middle
East
Arms Sales

SUBJECT.



ATTN
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cc. Master net.

10 DOWNING STREET

From the Private Secretary

22 December 1980

Dear Paul,

Defence Sales to UAE

As you know the Prime Minister was unhappy about some aspects of the message to Shaikh Zaid enclosed with your letter to me of 19 December. She agreed that the message could be despatched, and this has been done, but she also asked that a meeting should be held this morning to discuss the matter further. The meeting was attended by the Lord Privy Seal, the Chief Secretary, the Minister of State at the Ministry of Defence, Sir Robert Armstrong, Sir Frank Cooper and other officials.

The Prime Minister said that she was extremely unhappy about the way the British effort to secure the order from the Government of Abu Dhabi for the Hawk had been handled. Although she had informed the Foreign and Commonwealth Office some weeks previously that the matter was not being handled sufficiently energetically, there did not seem to have been any improvement. Now she had been informed that the French had probably stolen a march on us. She thought that the attitude of officials and of our Mission in Abu Dhabi had been too casual. As regards the terms of our tender, she thought that the training element was completely inadequate. We should be prepared to offer as much training as the Abu Dhabi Government required on condition that their candidates for the training met the required standards. If necessary, the required money should be found out of the Contingency Reserve.

In the course of the ensuing discussion it was argued that the Embassy in Abu Dhabi had been extremely active. The Ambassador had seen all those involved in taking the decision and relatively recently it had seemed that we were in the lead. Unfortunately Shaikh Sultan had been influenced by the French and had succeeded in having an imminent decision to award the contract to British Aerospace reversed. In the last few weeks it had been impossible to establish contact with either Shaikh Zaid,

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Shaikh Khalifa or Shaikh Sultan. The British Aerospace representative in Abu Dhabi was ineffective. The offer of training contained in the tender was more generous than the terms enclosed with your letter suggested. British Aerospace were also offering conversation courses for six pilot and the training of thirty ground crew.

The Prime Minister indicated that she was unimpressed by the arguments. She wished to see that whatever was necessary to win the order was done. Specifically she wanted a mission to go to Abu Dhabi as soon as possible. It was agreed that a three-man team should fly to Abu Dhabi tomorrow. This would probably include a Minister, a representative of British Aerospace and a representative of the defence sales staff. She asked for a report by lunch-time today about the progress being made.

I am sending copies of this letter to Brian Norbury (Ministry of Defence), John Wiggins (HM Treasury) and David Wright (Cabinet Office).

Yours ever

Richard Alexander

Paul Lever Esq
Foreign and Commonwealth Office.

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