



MO 5/3/3

Agree - and hope
we succeed

FOREIGN AND COMMONWEALTH SECRETARY

cc AF 7
Prime Minister
Subject to Sir Geoffrey's views,
Content that we should
promote the sale of ground
attack Tornados to Saudi
Arabia? Tony Parsons
comments are
at A.
LM

SALE OF TORNADO AIRCRAFT TO SAUDI ARABIA WJg

We agreed in principle at OD(81) 2nd meeting on 12th February 1981 to the sale of Tornado to overseas customers, particularly in the Middle East. Since then, despite much interest and considerable marketing efforts, no sale has resulted. We have been informed, however, that a recommendation has recently been made to Prince Sultan that when the Royal Saudi Air Force (RSAF) Lightnings are phased out, probably in 1987, they should be replaced by the IDS (ground attack) version of the Tornado. I believe there is substance in this report which my people recently discussed with Richard Luce. We know that the Saudis were very impressed with the aircraft when they flew it in 1981 and we believe that they are anxious to maintain a capability against the possibility of a first strike attack. The numbers of aircraft involved are not large, probably between 20 and 60, but this prospect is of particular importance since a sale in the key Saudi market would revitalise our air defence relationship with the RSAF, and also assist our efforts to market the aircraft elsewhere in the Gulf. It would make it particularly difficult for the Saudis to refuse to support the choice of Tornado in, for example, Oman, where they are putting up the funding. Any success in this market would provide welcome support for British Aerospace, who face the prospect of serious underloading if they do not secure overseas sales. On present plans I hope to visit Saudi Arabia towards the end of November when I intend to broach this matter with Prince Sultan. We need to establish our attitude to the possible sale of Tornado before then.



Military Implications

2. Although the supply of Tornado IDS would provide a significant capability for the RSAF, its impact on the overall balance of power in the Middle East would be marginal given the large fleets of air to ground capable aircraft already fielded by other Arab states, some more hostile to Israel than Saudi Arabia. Tornado would however add to the Arab States' ability to operate at night, although other aircraft currently in service or about to be acquired by other Arab states possess a limited capability in this regard. Nevertheless, Israel's air defences should be capable of countering this threat adequately.

3. A detailed assessment of the effect of the sale of Tornado to Saudi Arabia on the local military balance is at Annex.

Political Implications

4. Without doubt there would be a strong reaction from the Israeli Government to any sale. They would argue that the obvious role of the IDS version was attack rather than defence. They would lobby us and probably the Germans hard, and the Israeli lobby here would doubtless support them. Even greater pressure might be brought to bear by the Israeli lobby in the US, and this could affect us directly if the US Government were persuaded to withhold permission for the supply of US-sourced components for Tornado. On the other hand there would be public and parliamentary pressure here to agree a sale on commercial and employment grounds: a decision that we could not sell Tornado would leave a clear field to the French, who have Mirage 2000 with equipment similar to the IDS version ready to sell now. More substantially, the Saudis have traditionally played a cautious role in Middle East politics. They are painfully aware of the inferiority of their armed forces however sophisticated their equipment and it is difficult to imagine circumstances in which they might try to launch a pre-emptive attack. The Saudi regime looks as stable as any in the Middle East, but even if they were to be replaced



by hardliners, the odds would probably deter them too from launching an attack on Israel with or without Tornado.

5. We believe we could contain criticism of such a sale on the basis that Saudi Arabia is a moderate, with no record of precipitating or participating in hostilities. She is also a traditional customer for British military aircraft. In supplying the Tornado IDS we would be providing them with a new generation of British aircraft to replace existing ones in numbers which would be insignificant to the overall military balance in the Middle East. Turning the sale down could upset the Saudis, and reduce our prospects of firming up our relationship with them in a range of fields.

Collaborative Aspects

6. We do not expect any difficulty in securing Italian agreement to promote Tornado in the Middle East. The Germans, however, are likely to be difficult about proposals to sell Tornado, particularly the IDS version. The recent Anglo-German MOU on Sales of Collaborative Projects signed by Herr Woerner and myself on 25th May would allow the UK to take political responsibility for this sale subject only to an obligation to consult Germany. Nevertheless, the MOU does not give us carte-blanche on sales and the Germans have always made it clear that the sale of Tornado to most Arab countries would be strongly opposed by them. The Germans have been informed, at official level, that the Saudis are interested in Tornado (without specifying the variant) and that this interest is being followed up. If we agree to pursue this Saudi interest but there is no sign of a German reaction by the beginning of next month, I consider that we should be justified in putting a proposal to the Saudis on the strength of the provision in the recent Anglo/German MOU which allows us to initiate marketing on joint projects of this kind provided that we consult them.

Conclusion

7. I should be grateful for your agreement and that of other OD



colleagues to whom this minute is copied that we should actively promote Tornado IDS to Saudi Arabia recognising that we may need to approach the German Government bilaterally if there are any difficulties in securing German agreement to supply. It would be very useful to have replies by the middle of next week.

WMA

Ministry of Defence
19th September 1983