



FROM: THE RT. HON. JULIAN AMERY, M.P.

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4th June, 1981.

Personal + kept - Trial
Dear Margaret,

May I offer a few thoughts on how the forthcoming talks with King Khalid and his delegation might best be handled.

1. I believe we should be wise to emphasise the importance we attach to our friendship with the Al Saud, rather than with Saudi Arabia. The dynasty is very worried about its future and wants to be reassured that we are backing them. To put it crudely they don't care very much about their own country. They want support for themselves as a family.

The Al-Saud have of course a distinguished tribal background going back to the 18th century but the India Office picked up King Abdul Aziz virtually out of the gutter when he was an exile in Kuwait. The dynasty owe their position largely to us and, during world war II, we payed for the revenue they lost from the pilgrimage by giving them 5000 gold sovereigns a year as a subsidy. I took one of the subsidies there myself and well remember the warmth with which I was received by the King personally on bringing it.

It would be particularly appropriate for the Queen to emphasise our friendship for the Al-Saud dynasty.

2. The biggest preoccupation of the dynasty is probably about internal security. Anything we can tell Prince Sultan about what we are doing in Northern Ireland or about the SAS in general should be of great interest to him.
3. I believe the SAudis were much opposed to the decision of the Arab League to expel Egypt. Prince Fahad indeed only attended the Bagdad meeting, where the decision was taken, on the understanding that there would be no mention of Egypt's expulsion. The Saudis in their hearts would like to renew relations with Sadat. He, Sadat, is not particularly anxious to press on with the reconciliation just now. It would have to be negotiated and might restrict his immediate freedom of movement. All the same, I believe that to speak well of Egypt and Sadat would not be unwelcome to King Khalid and his advisers. Sadat's declaration that he would not join in a Syrian-Israeli war means that the Lebanese crisis is in some ways less dangerous than it looks, unless, of course, the Soviets are ready to raise the ante above what has so far seemed likely.

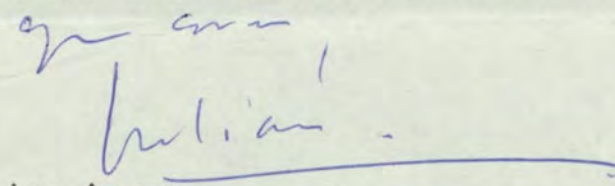


2.

4. I understand that Reshad Pharoan, King Faisal's ageing Syrian adviser, may be in the delegation. He speaks excellent French, is flexibly minded and probably exercises a good deal of influence over the older Saudi Princes. He was probably the late King Faisal's most trusted adviser.
5. The Saudis are only too well aware of the commercial interests of the West European countries in cultivating their good will. While it would be natural for appropriate ministers to stress commercial matters in any detailed talks on bilateral relations the emphasis at the top level should perhaps be more on the general international situation with a particular emphasis on the threat of Soviet Imperialism.
6. You and other colleagues will probably have to listen to routine arguments on the Palestinian problem and also to many interesting perceptions on the Lebanese crisis. I believe, however, that we shall score runs if we show keen awareness of the threat from South Yemen and the Horn of Africa.
7. The formation of the Council of Gulf countries is, of course good news. All of them are very rich. No doubt there is some room for a division of labour between them where projects such as industry and airlines are concerned. But it may be worth asking what is the use of cooperation on economics unless there is agreement on security and defence. I am told that the Saudis were quite favourable to talks on defence but did not want to disagree with the Kuwaitis who have adopted a more neutralist line.

I send these thoughts for what they may be worth and no doubt the Foreign Office can correct me where I am wrong.

I am copying this letter to Peter Carrington and John Nott.


Julian Amery

The Rt.Hon. Mrs. Margaret Thatcher, M.P.

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DG



10 DOWNING STREET

8 June, 1981

THE PRIME MINISTER

Dear Julian,

Thank you for your letter of 4 June about King Khalid's visit next week. Your thoughts on how to handle the visit are most helpful.

Yours

Rayans

The Rt. Hon. Julian Amery, M.P.

RH